

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE DANCING WILLOWS METROPOLITAN DISTRICT HELD AUGUST 2, 2011

A special meeting of the Board of Directors of the Dancing Willows Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, the 2nd day of August, 2011, at 8:00 P.M., at the Community Clubhouse, 11893 W. Long Circle, Littleton, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

James D. "Don" Walker
Bobby Thomas
Charles "Regan" Hauptman
William A. Anderson

Also In Attendance Were:

Lisa A. Johnson; Special District Management Services, Inc.

MaryAnn McGeady, Esq.; McGeady Sisneros, P.C.

See attached sign-in sheet for a list of District residents in attendance.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Ms. Johnson noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Ms. Johnson noted that Director Hauptman's Disclosure Statement had been filed.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

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Following discussion, upon motion duly made by Director Thomas, seconded by Director Walker and, upon vote, unanimously carried, the Agenda was approved, as amended.

Minutes: The Board reviewed the Minutes of the June 23, 2011 regular meeting.

Following discussion, upon motion duly made by Director Anderson, seconded by Director Thomas and, upon vote, unanimously carried, the Board approved the Minutes of the June 23, 2011 regular meeting.

Resignation of Director: The resignation of Director Grice was acknowledged. The Board determined to solicit letters of interest and consider the appointment of a director to fill the vacancy created by the resignation of Director Grice at the November regular meeting. Patricia Keller came forward to be considered for appointment at the November regular meeting. The Board also discussed the upcoming May 2012 Director's election.

Blinds for the Clubhouse: Director Anderson updated the Board on the status of the purchase of blinds for the Clubhouse. He presented a summary of six bids for the purchase and installation of blinds for the west-facing top windows in the Clubhouse. It was noted that the bid from Saddleback Design was \$718 for five blinds. The Board approved the expenditure of \$750 for the purchase and installation of the blinds at the June meeting. Director Anderson will contact Saddleback Design and schedule the installation.

LEGAL MATTERS

Settlement Agreement with Remington Homes: EXECUTIVE SESSION: Pursuant to Section 24-6-402(4) of the Colorado Revised Statutes, upon motion duly made by Director Anderson, seconded by Director Thomas and, upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 8:50 P.M. for the purpose of receiving from the Board's attorney legal advice as authorized by Section 24-6-402(4)(b), C.R.S. regarding the Settlement Agreement with Remington Homes.

The Board reconvened in regular session at 10:05 P.M.

PUBLIC COMMENTS

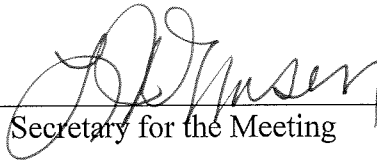
Public Comments: The community residents requested information regarding the Settlement Agreement with Remington Homes. The Board and Attorney McGeady gave a brief explanation of the issues addressed in the Settlement Agreement and explained the reasons for discussing the details of the Settlement Agreement in executive session.

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ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was continued to Tuesday, September 6, 2011 at 6:30 p.m. at the regular meeting place.

Respectfully submitted,


By  _____
Secretary for the Meeting

THESE MINUTES APPROVED AS THE OFFICIAL AUGUST 2, 2011 MINUTES OF THE DANCING WILLOWS METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:


Charles "Regan" Hauptman



Bobby Thomas



James D. "Don" Walker



William A. Anderson