

**MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS
OF
HEATHER RIDGE METROPOLITAN DISTRICT NO. 1**

Held: June 11, 2009, at 4:00 p.m. at 2811 S. Xanadu Way, Aurora, Colorado.

Director Attendance A meeting of the Heather Ridge Metropolitan District No. 1 (the "District") was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the boards, were in attendance:

Errol Rowland	Van Lewis
James Bruce	Mary Lou Braun
Jane S. Klein	Joan Beldock
Vincent Roith	

Also present for the District: Sean Allen, Esq., White, Bear & Ankele Professional Corporation, general counsel.

Call to Order Director Rowland called the meeting to order.

Quorum / Qualifications Director Rowland noted a quorum was present and all directors present were qualified to serve.

Approval of Agenda Motion made and seconded approving the agenda. The motion passed unanimously.

Approval of Minutes of May 14, 2009 Meeting Motion made and seconded approving the minutes of the May 14, 2009 meeting. The motion passed unanimously.

Special Land Use
Counsel Update Directors Rowland and Bruce reported that a term sheet was presented to the golf course owner through Mr. Sheldon, and that they met with Mr. Ragonetti and Ms. Smith concerning the District's efforts to obtain an agreement with the golf course owner that will preserve the area as open space/golf course use in perpetuity. Mr. Allen reported that Mr. Sheldon has yet to respond to the term sheet, and in the interim that he provided Ms. Smith with a working and beginnings of a draft of proposed settlement agreement. Director Rowland noted that the likelihood of reaching a settlement agreement on zoning and redevelopment issues with the owner is being impacted due to the owner's use of speculative zoning and redevelopment plans. Until more detailed plans are presented by the owner, settlement negotiations concerning the District's support of zoning changes and redevelopment are on hold.

Golf Course Purchase Discussion concerning the District's pursuit of purchasing the golf course as an alternative to a zoning and redevelopment settlement agreement was held. Director Rowland will contact Mr. Levine to inquiry if the owner is open to selling the golf course to the District and to find out the current sales price.

Mr. Allen gave a brief and general tutorial about the various tasks the District will need to perform should it determine to issue bonds and use the proceeds to pay the golf course purchase price. The 2006 director candidate pledges were discussed. The pledge made contemplates that two community education seminars will be held concerning possible District

property tax increases and bonded debt issuances followed by a straw poll thereon. Arrangements will be made to fulfill the pledge commitments.

Discussion concerning the approximate and assumed operational cost structure of the golf course and golf course revenues was held. A business plan will be created to better understand the cost structure and potential golf course revenues.

Mr. Allen was instructed to prepare a letter of intent that the District could use to communicate a formal offer to purchase the golf course provided the owner is receptive to Director Rowland's inquiry about the District's purchase opportunity. The letter of intent will set forth the terms and conditions upon which the District will be able to enter into a contract to buy the golf course.

Adjourn

Upon a motion made and seconded, the meeting was adjourned.

The foregoing minutes were approved by the Board of Directors on the 10th day of September, 2009.

Secretary for the Meeting