

MINUTES OF THE REGULAR MEETING OF THE BOARDS OF DIRECTORS

OF

ROCKINGHORSE METROPOLITAN DISTRICT NOS. 1 & 2

Held: Friday, the 21st day of July, 2006, at 2:00 p.m. at
9990 Park Meadows Drive, Lone Tree, Colorado.

Attendance

The meeting referenced above was called to order and held 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:

Matt Samuels
Gary Cooke
Willard Robison

Director Marc Thomas and Todd Thomas were absent. All director absences are deemed excused unless a contrary notation is recorded in these minutes.

Also present were: Diane Wheeler, J.W. Simmons & Associates, Scott Hamman and Guy Ford, Independent District Engineering Services, Inc., Cynthia M. Beyer-Ulrich, Esq. and George M. Rowley, Esq., White, Bear & Ankele Professional Corporation, general counsel to the Districts, Ron Meyer and Debbie Vaughn from Eagle Bend Metropolitan District.

Director Qualification

The directors in attendance confirmed their qualification to serve.

Call to Order

Director Samuels noted that a quorum of the Boards was present and that the directors had confirmed their qualification to serve, and therefore called the meeting to order.

Combined Meetings

The districts are meeting in a combined Board meeting. Unless otherwise noted below, the matters set forth below shall be deemed to be the action of Rockinghorse Metropolitan District No. 1 with concurrence by Rockinghorse Metropolitan District No. 2.

Disclosure Matters

Ms. Beyer-Ulrich informed the Boards that, pursuant to Colorado law, certain disclosures by the Boards' members might be required prior to taking official action at the meeting. The Boards reviewed the agenda for the meeting, following which each Board member confirmed the contents of any written disclosure previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

Approval of Agenda

Ms. Beyer-Ulrich presented the Boards with the proposed agenda for their consideration. Two items were added under the Legal Matters: Consideration of the Aurora Regional Improvement Authority Establishment Agreement; and Memorandum regarding 2006 Legislation for Illegal Aliens. Also added was item number 8. Finance, a. Payables and b. Audit Extension. After review, a motion was made by Director Cooke, and was seconded by Director Samuels, to approve the agenda as amended. The motion was unanimously approved by the Boards.

Legal Matters

The Boards engaged in a general discussion regarding the approval of the Reimbursement Agreement between Rockinghorse Metropolitan District No. 1 and Eagle Bend Metropolitan District No. 1 for Sewer Improvements. Mr. Ford is currently reviewing actual cost documents. No further action was necessary at this time.

Mr. Rowley informed the Boards as to the necessity of entering into a regional improvement authority agreement on behalf of the districts. After further discussion, the Board directed legal counsel to determine whether or not the Districts needed to be part of the ARI.

Ms. Beyer-Ulrich presented a memorandum prepared by White, Bear & Ankele regarding the illegal alien laws passed by the 2006 Colorado Legislature. The memorandum included contract language for public entity contracts that will need to be inserted in contracts effective August 7, 2006. The Boards directed legal counsel to send a letter to all contractors informing them of the new illegal alien legislation indicating the effective date of this law and subsequent changes to all contracts.

Construction Update

The Boards engaged in a general discussion regarding the construction status per the attached.

Mr. Ford updated the Boards as to the status of negotiations with Contractors and Consultants for Filing 1 and Filing 2 work. The Boards directed legal counsel to insert the illegal alien contract language into the Nolte contract. Director Samuels made a motion to approve and ratify the change orders as presented. The motion was seconded by Director Cooke. The motion was unanimously approved.

Mr. Ford updated the Boards as to the status of the Request for Proposals for the Geotechnical and Survey Services.

Mr. Ford presented for ratification Rockinghorse Metropolitan District Change Order No. 26 with Scott Contracting, Inc. in the amount of \$7,120.00. Upon review, a motion was made by Director Samuels, and seconded by Director Cooke, to ratify the Rockinghorse Metropolitan District Change Order No. 26 with Scott Contracting, Inc. in the amount of \$7,102.00. The motion was approved unanimously by the Boards.

Mr. Ford presented for ratification Rockinghorse Metropolitan District Task Order No. 5 with Nolte Associates, Inc. in the amount of \$10,043.49. Upon review, a motion was made by Director Samuels, and seconded by Director Cooke, to ratify the Rockinghorse Metropolitan District Task Order No. 5 with Nolte Associates, Inc. in the amount of \$10,043.49. The motion was approved unanimously by the Boards.

Mr. Ford informed the Boards that the contract with American Infrastructure, Inc. was finalized in the amount of \$8,601,476.10. Upon review, a motion was made by Director Cooke and seconded by Director Robison, to approve the American Infrastructure, Inc. contract in the amount of \$8,601,476.10 and the contract is to include the new illegal alien contract language. The motion was unanimously approved by the Boards.

Mr. Ford informed the Boards that the contract with Arapahoe Utilities Infrastructure was finalized in the amount of \$3,024,608.90. Upon review, a motion was made by Director Cooke and seconded by Director Robison, to approve the Arapahoe Utilities Infrastructure contract in the amount of \$3,024,608.90 and the contract is to include the new illegal alien contract language. The motion was unanimously approved by the Boards.

Mr. Ford recommended approval of a contract with LaFarge. The

Boards directed Mr. Ford to delete the asphalt prices for 2007 and authorized Mr. Ford to negotiate lowering the price of the contract an additional \$25,000.00. Upon review, a motion was made by Director Robison, and seconded by Director Cooke, to: approve the LaFarge contract in amount of \$1,411,932. 16; authorize Mr. Ford to negotiate a lower price in the contract in amount of \$25,000.00 and if successful to reduce the contract accordingly; and to include the illegal alien contract language. The motion was unanimously approved by the Boards.

Mr. Ford discussed the status of the RFP's for Geotechnical and Survey Services. A motion was made by Director Samuels, and seconded by Director Robison to form a selection committee to review the RFP's for Geotechnical and Survey Services. The selection committee would review the illegal alien contract language, consulting agreement and invoicing and work with Mr. Ford selection of consultants. Upon review, the motion was unanimously approved by the Boards.

Mr. Ford presented Task Order No. 1 between the District and Ground Engineering Consultants, Inc. in the amount of \$121,182.00, Task Order No. 2, in the amount of \$10,000.00 for utility work only. Upon review, a motion was made by Director Robison, and seconded by Director Cooke to approve Task Order No. 1 between the District and Ground Engineering Consultants, Inc. in the amount of \$121,182.00 and Task Order No. 2 in the amount of \$10,000.00. Upon review, the motion was unanimously approved by the Boards.

Mr. Ford presented Task Order No. 1 between the District and Nolte in the amount of \$343,582.50 and Task Order No. 2 between the District and Nolte in the amount of \$7,808.70 for Filing No. 1 and 2. Upon review, a motion was made by Director Cooke, and seconded by Director Robison, to approve Task Order No. 1 between the District and Nolte and to approve the and to approve Task Order No. 2 between the District and Nolte in the amount of \$7,808.70 for Filing No. 1 and 2. Upon review, the motion was unanimously approved by the Boards.

Mr. Ford presented Task Order No. 4 between the District and Nolte in the amount of \$15,310.00. Upon review, a motion was made by Director Robison, and seconded by Cooke, to approve Task Order No. 4 between the District and Nolte in the amount of \$15,310.00. Upon review, the motion was unanimously by the Boards.

Mr. Ford presented Task Order No. 18 in the amount of \$7,181.40 for quantity estimates and Task Order No. 19 in the amount of \$12,647.58 for changes to Pond 4B with Design Engineer. Upon review, a motion was made by Director Robison, and seconded by Director Cooke to approve Task Orders 18 and 19 as presented by Mr. Ford. Upon review, the motion was unanimously approved by the Boards.

Mr. Ford presented Task Order between the District and IDES in the amount of \$10,281.99. Upon review, a motion was made by Director Robison, and seconded by Director to approve the Task Order between the District and IDES in the amount of \$10,281.99, including the illegal alien language. Upon review, the motion was unanimously approved by the Boards.

Financials

Ms. Wheeler presented claims payable in the amount of \$1,978,919.16. A motion was made by Director Cooke, and seconded by Director Robison to approve the claims payable in the amount of \$1,978,919.16. Upon review, the motion was unanimously approved.

Ms. Wheeler presented to the Boards a request for an extension of sixty (60) days to file the 2005 audit for the Boards. Upon discussion, a motion was made by Director Robison, and seconded by Director Cooke. The motion was approved unanimously.

Public Comment

Mr. Meyer wanted to have the Boards discuss the Gartrell Investments Agreement. Mr. Meyer wanted to have the Boards stipulate the amount based on the work completed and have the plans set. The Boards took the matter under advisement. Mr. Meyer also asked Director Robison to appear at Eagle Bend Metropolitan District's Board meeting on July 26, 2006 at 2:00 p.m.

Ms. Vaughn also addressed the Boards and inquired about the construction use of the temporary road. Mr. Ford agreed to make the signs for the temporary road more visible.

Meeting Location
Resolution

A motion was made by Director Cooke, and seconded by Director Robison to hold the regular meetings of the Rockinghorse Metropolitan District Nos. 1 and 2 at the offices of legal counsel, White, Bear & Ankele, Professional Corporation, 1805 Shea Center Drive, Suite 100, Highlands Ranch, Colorado at 12:00 p.m. Upon further review, the motion was unanimously approved

by the Boards.

Adjournment

There being no other matters to come before the Boards and upon motion duly made, seconded and unanimously carried, the Boards determined to adjourn the meeting. The next scheduled regular meeting will be Friday, August July 18, 2006 at 12:00 p.m.

The foregoing minutes were approved by the Boards of directors on the 18th day of August, 2006.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.


Secretary for the Meeting

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