

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
GRANBY RANCH METROPOLITAN DISTRICT
HELD
June 9, 2017

A special meeting of the Board of Directors of the Granby Ranch Metropolitan District was held on June 9, 2017 at 2:00 p.m. Ranch Hall, 998 Village Road, Granby, CO 80446

Attendance: In attendance were Directors:

Natasha Wall; President (via telephone)
Dale Floren; Vice President (via telephone)
Terry Walker; Secretary/Treasurer (via telephone)
Lance Badger; Assistant Secretary (at Ranch Hall)

Also in Attendance:

Bob Blodgett; CliftonLarsonAllen LLP (via telephone)
Jeffrey Erb; Seter & Vander Wall, P.C (via telephone)
Kim Crawford; Butler & Snow (via telephone)
Jonathan Heroux; PiperJaffray (via telephone)
Nick Raible; 485 Cumulus (at Ranch Hall)
Natasha O'Flaherty; Headwater MD (at Ranch Hall)
Fran & Vince Mejer; 625 Cumulus (at Ranch Hall)
Mae Huffman; Resident (at Ranch Hall)
Tim Hartman; Resident (at Ranch Hall)
Julie Krueger; Prior Board Member (via telephone)

I. Call to Order

Director Wall called the meeting to order at 2:00 p.m.

II. Declaration of Quorum/Director Qualifications/Disclosure Matters

Mr. Erb explained to the Board and those in attendance that the meeting is being held pursuant §11-57-211, C.R.S., which allows for a telephone Board meeting by conference call when the topic for discussion is the issuance of securities, such as bonds. Accordingly, the remaining items on the June 9, 2017 agenda will not be addressed since the Board is attending by telephone. The Board meeting will be restricted to item V.A. on the agenda.

III. Discuss Board Vacancy

A. Acknowledge Contributions of Julie Krueger

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Deferred.

IV. Review and Approve January 13, 2017 Special Meeting Minutes

Deferred.

V. Financial Items

A. Discuss Status of 2017 Bond Refunding Issue – Jonathon Heroux

Mr. Heroux explained that the Board had delayed action on proceeding with the Bond financing pending receipt of the preliminary assessed valuations for the 2018 budget year being received on May 1, 2017. The preliminary assessed valuations increased approximately 8%, consistent with the District's expectations. However, the two banks that Mr. Heroux met with declined to proceed with a bank loan on the refunding.

Mr. Heroux is prepared to proceed with a non-rated bond issue. He indicated interest rates have dropped and there is an appetite in the market for non-rated bonds at this time.

Mr. Erb asked about the possibility of a rating. Mr. Heroux reported that an investment grade rating from either Standard & Poors or Moody's could result in a reduction of approximately 75-100 basis points in the annual interest rate. Director Badger noted this is the equivalent of hundreds of thousands of dollars in interest savings over the life of the bonds.

Mr. Heroux reported the cost to obtain a preliminary rating indicator is approximately \$15,000. If the indicator is positive, the total cost of the rating is approximately \$22,000 that can be paid from the Bond issuance costs. If the District does not qualify for a rating from Moody's or Standard & Poor's, the cost of the preliminary rating indicator cannot be paid as a Bond issuance cost.

Mr. Blodgett reported the general fund claims as of the date of the meeting are approximately \$22,000. He will consult with Mr. Carroll as to whether there is an additional \$15,000 in the general fund to pay for the rating or whether the \$22,000 in funds to be released will need to be reallocated to include the cost of the preliminary rating indicator.

Board members noted that there appeared to be a significant savings in costs if the District receives an investment grade rating that justifies the cost, even if the District is ultimately not rated.

Motion by Director Wall, seconded by Director Walker, the Board voted unanimously to proceed with seeking a rating from Moody's or Standard and

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Poor's. Mr. Heroux reported he hoped to hear back within a few weeks on the preliminary rating decision.

1. Review Revised Financial Forecast

Ms. O'Flaherty reported that filing 17 constructions will be delayed. Mr. Blodgett reported that Mr. Carroll will review the new developer assumptions in conjunction with the revised financial forecast and take this into consideration.

2. Discuss Revised Schedule

Mr. Heroux reviewed his revised schedule with the Board. It calls for a potential closing on the Bonds in August. This may be delayed a few weeks if the District receives an investment grade rating.

3. Consideration of Resolution Authorizing the Issuance of the District's 2017 Limited Tax General Obligation Bonds in the Maximum Principal Amount of \$13.52 Million and at a Maximum Interest Rate of 5.5% to Refund the District's 2006 Bonds, with Such Refunding Contingent on the Discharge of the District's 2010 Limited Tax General Obligation Bonds

Ms. Crawford reported the bond resolution is ready for execution by the District. It is called a Parameters Resolution which provides a maximum principal amount and a maximum interest rate for the Board to proceed with the bond refunding without additional Board meetings. An authorized officer of the District will approve the final interest rate before it is completed.

Upon a motion by Director Wall, seconded by Director Walker, the board unanimously approved the Bond Parameters Resolution.

B. Ratify December 31, 2016 and March 31, 2017 Quarterly Disclosure Reports

Not Discussed.

C. Ratify February-May 2017 Claims Totaling \$2,300 Represented by Check No. 1000

Not Discussed.

D. Review and Consider Approval of Current Claims Totaling \$85,888.32

Not Discussed.

E. Review and Accept March 31, 2017 Financial Statements and June 5, 2017 Cash Position Report

Not Discussed.

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F. Status of 2016 Audit

Not Discussed.

G. Information Items

1. 2017 Amended Budget
2. 2017 Adopted Budget

Not Discussed.

H. Other

None.

VI. Attorney Items

A. Status of Agreements

Not Discussed.

B. Status of Service Plan Revision with Town of Granby

Not Discussed.

C. Other

None.

VII. Manager Items

A. Website Update

Not Discussed.

B. Other

None.

VIII. Director Items

A. Public Comments

None.

B. Re-Approve 2017 Annual Administrative matters Resolution

Not Discussed.

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C. Confirm Quorum and Location for the Next Regular Meeting – Friday, August 11, 2017 at 2:00 p.m. at Ranch Hall, 998 Village Road, Granby Ranch, CO 80446

The Board confirmed the regular meeting date of Friday, August 11, 2017. Mr. Erb reported there does not appear to be a need for a special meeting prior to that date.

D. Other
None.

IX. Other Business

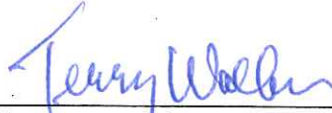
Ms. O’Flaherty asked that the Board address Snow Removal contractor damage claims on District streets prior to the two year statute of limitations concluding. She reported she has addressed this issue with the Headwaters Metropolitan District who referred her to the Granby Ranch Metropolitan District.

Mr. Erb indicated that he would review the facts regarding this situation and report back to the Board in the near future.

X. Adjournment

Director Wall adjourned the meeting at 2:50 p.m.

Respectfully submitted by,



Secretary of the Board