

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
GRANBY RANCH METROPOLITAN DISTRICT
HELD
AUGUST 4, 2017**

A special meeting of the Board of Directors of the Granby Ranch Metropolitan District was held on August 4, 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)
Lance Badger; Asst. Secretary

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 & Stacey Berlinger; PiperJaffray (via telephone)
Colleen Hannon; Resident

I. Call to Order

The meeting was called to order at 2:00 p.m. by President Wall.

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 to §11-57-211, C.R.S., which allows for a telephonic Board meeting when the topic for discussion is bond transactions only.

The Board excused the absence of Director Walker.

III. Board to Make Final Determination to Issue General Obligation Bonds/General Obligation Refunding Bonds of the District

Mr. Heroux and Ms. Berlinger summarized the two options before the Board. One is for a five year bank loan at a fixed coupon of 4.32% with US Bank. This involves a swap. At the end of the five years there is a balloon payment and the District must refinance through another five year loan or some type of fixed rate bond transaction.

The other option is a non-rated bond transaction with an estimated coupon rate over the next five years of 4.75%. Mr. Heroux indicated that the Debt Service coverage ratio at the maximum Gallagherized Debt Service mill levy is only 1.10. Because of this, he can provide no assurance the District will be able to find a non-rated bond purchaser.

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Director Wall expressed concern about the risk associated with a five year swap loan with a bank, and asked about the options related to staying with the current financing until the District's Assessed Value grows in the future.

Ms. Crawford explained that the District will hire a swap advisor who will advise the District related to the swap agreements before a final decision is made with US Bank on the five year loan.

Mr. Heroux stated that the five year loan transaction is the District's best option at the present time. It provides for additional Operating and Maintenance mill levy capacity due to a lower Debt Service mill levy over the next five years.

Director Badger reported that regardless of the Board's decision today, a special assessment will be required of Granby Ranch homeowners to pay for the District Operating and Maintenance cost in 2017 since the District had no funds to do so. A special assessment in 2018 may also be needed depending on the Board's decision related to the bond refinancing and what the available Operating and Maintenance mills will be for 2018.

After additional discussion, upon a motion duly made by Director Wall, seconded by Director Floren, and upon a vote, unanimously carried, the Board voted to further pursue the five year bank loan option and associated swap agreement, and to engage a swap advisor to meet with the Board at a future special meeting before a final decision is made to proceed with the US Bank Term Sheet.

Mr. Blodgett reported that the District is targeting an August 25th Board meeting at this time at 2:00 p.m. at Ranch Hall. Mr. Heroux will let the Board and consultants know next week if this adequate time for the swap advisor and document discussion and approval.

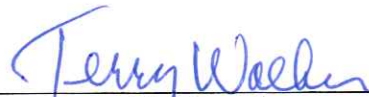
IV. Other Business

None.

V. Adjournment

Director Wall adjourned the meeting at 3:25 p.m.

Respectfully submitted by,



Secretary of the Board