

RECORD OF PROCEEDINGS

MINUTES OF THE SPECIAL MEETING OF WATERFALL METROPOLITAN DISTRICT NO. 1

HELD
March 13, 2018

A Special Meeting of the Board of Directors of Waterfall Metropolitan District No. 1 was held at 2725 Rocky Mountain Avenue, Loveland, Colorado 80538, at 1:00 p.m., Tuesday, March 13, 2018.

ATTENDANCE

Directors in Attendance:

Kim Perry, President & Chairman
Jim Niemczyk, Secretary/Assistant Treasurer
David Crowder, Asst. Vice President/Assistant Secretary (via telephone)
Courtney Parmelee, Vice Chairman & Assistant Secretary (via telephone)

Absent but Excused:

Tammi Lau, Treasurer/Assistant Secretary

Also in Attendance Were:

Kimberly Reed; Ballard Spahr LLP (via telephone)
Alan Pogue; Icenogle Seaver Pogue, P.C.
Brendan Campbell; Pinnacle Consulting Group, Inc. (via telephone)
Tom Flock and Darcy Chilton; Pinnacle Consulting Group, Inc.

CALL TO ORDER

The meeting was called to order at 1:02 p.m. by Director Perry as President, noting that a quorum was present. The Directors confirmed their qualifications to serve on the Board.

MEETING NOTICE

Mr. Pogue reported that notice of the meeting had been properly posted within the District's boundaries, and that notice was sent to the Larimer County Clerk and Recorder for posting. The notice also included agenda items.

CONFLICT OF INTEREST DISCLOSURE

Mr. Pogue, legal counsel, noted that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State's Office, disclosing potential conflicts. Mr. Pogue advised the Board that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting.

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The Board reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures 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 Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

APPROVAL OF AGENDA

The Board reviewed the agenda. Upon motion duly made by Director Niemczyk, seconded by Director Parmelee, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as presented.

APPROVAL OF MINUTES

The Minutes of the October 30, 2017 Meeting were presented and reviewed. Upon motion duly made by Director Crowder, seconded by Director Niemczyk, and upon vote, unanimously carried, it was

RESOLVED to approve the Minutes of the October 30, 2017 meeting, as presented.

PUBLIC COMMENT

The Board opened the meeting to public comments. Upon receiving no comments, this portion of the meeting was closed.

FINANCIAL ITEMS

Bond Issuance: Ms. Reed provided an overview of the status of the bond issuance. Mr. Pogue reviewed the Authorizing Resolution for the 2018 Limited Tax and General Obligation Bonds, discussed the details and purpose of the required bond documents with the Board, and answered questions.

The Board discussed the interest rate that would be acceptable for the debt. After review and discussion, the Board authorized issuing the Bond provided the parameters of the bond do not exceed an interest rate of 6.25% at a maximum amount of \$2.5 million dollars. The Board directed Director Parmelee to act as the authorized representative of the Board for document execution purposes, and to set the final interest rate. Upon motion duly made by Director Crowder, and seconded by Director Perry, it was unanimously

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RESOLVED to approve the Authorizing Resolution of the District, Authorizing the Issuance of its Series 2018 Limited tax General Obligation Bond, approving all documents related thereto, and authorizing the Vice President to execute all required documents, subject to the parameters set forth in the Resolution.

2018 Budget Amendment: Director Perry opened The Waterfall Metropolitan District No. 1 2018 Amended Budget Hearing to the public. Mr. Campbell reviewed the amended budget numbers and answered questions. The 2018 budget is to be amended as follows:

District No. 1:
Debt Fund Expenditures: \$400,446

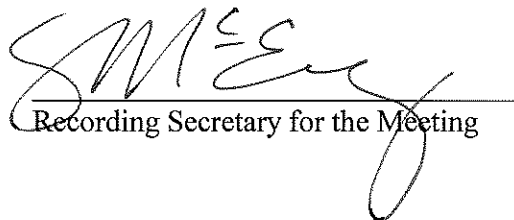
There being no public input, the public portion of the budget hearing was closed. After further review and discussion, and upon motion duly made by Director Niemczyk, seconded by Director Parmelee, and upon unanimous vote, it was

RESOLVED to approve the Resolution to Adopt the Amended 2018 Debt Fund Budget for District No. 1 and appropriate budgeted funds.

ADJOURNMENT

There being no further business to come before the Board at this time, the meeting was adjourned at 1:24 p.m.

Respectfully submitted,


Recording Secretary for the Meeting