

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
NORTH RANGE METROPOLITAN DISTRICT NO. 2
HELD
JUNE 22, 2017**

A special meeting of the Board of Directors of the North Range Metropolitan District No. 2 was held Thursday, June 22, 2017, at 2:00 p.m., at the Reunion Recreation Center, 17910 E. Parkside Drive North, Commerce City, Colorado 80022. The meeting was open to the public.

In attendance were Directors:

Teresa Kershisnik
Scott Custer
Jeff Kappes
Tim Roberts

The absence of Director Zemcik was excused.

Also in attendance were:

Matt Urkoski and Sarah Hunsche; CliftonLarsonAllen LLP
Kristen Bear; Esq., White, Bear and Ankele P.C.
KC Vieo and Paul Wisor; Kline Alvarado Vieo, P.C.
Michael Scanlon; North Range Metropolitan District No. 1
Brooke Hutchins; D.A. Davidson

Call to Order

Director Kappes called the meeting to order at 2:56 p.m.

Declaration of
Quorum

A quorum was confirmed.

Disclosures and
Potential Conflicts
of Interest

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Ms. Bear noted that all Directors' Disclosure Statements have been filed. The Board noted that there are no additional conflicts to those filed with the Secretary of State pursuant to statute.

Approve Agenda
And Location of
Meeting

Upon a motion duly made by Director Custer, seconded by Director Roberts, and upon vote unanimously carried, the Board approved the meeting location and approved the agenda as presented.

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Public Comments There were no public comments.

Consent Agenda Upon a motion duly made by Director Kershnik, seconded by Director Roberts, and upon vote unanimously carried, the Board approved the Consent Agenda as presented.

- A. Consider Approval of Minutes of the April 12, 2017 Special Meeting
- B. Consider Approval of Minutes of the May 2, 2017 Regular Meeting

Legal Matters A. Consider and make a final determination to issue general obligation debt and to enter into a multi-fiscal year obligation (for which no additional voter approval is needed) in the form of a First Amendment to Mill Levy Equalization and Pledge Agreement between and among Reunion Metropolitan District and North Range Metropolitan District Nos. 1-4 for a pledge of mill revenues of the District and North Range Metropolitan District Nos. 1, 3 and 4 in an amount not to exceed \$280,000,000, in connection with the issuance of the Reunion Metropolitan District Revenue Bonds, Series 2017, in a principal amount of up to \$21,600,000

Ms. Bear reviewed this with the Board. After review and discussion, upon a motion duly made by Director Kershnik, seconded by Director Custer, and upon vote unanimously carried, the Board approved final determination to issue general obligation debt and to enter into a multi-fiscal year obligation (for which no additional voter approval is needed) in the form of a First Amendment to Mill Levy Equalization and Pledge Agreement between and among Reunion Metropolitan District and North Range Metropolitan District Nos. 1-4 for a pledge of mill revenues of the District and North Range Metropolitan District Nos. 1, 3 and 4 in an amount not to exceed \$280,000,000, in connection with the issuance of the Reunion Metropolitan District Revenue Bonds, Series 2017, in a principal amount of up to \$21,600,000.

- B. Consider Approval of Agreement Regarding Repayment of Reimbursement Obligation Under the Amended and Restated Advance and Reimbursement Agreement by and among Shea Homes Limited Partnership, the District, and Reunion Metropolitan District

Ms. Bear reviewed the Agreement with the Board. After review and discussion, upon a motion duly made by Director Kershnik, seconded by Director Roberts, and upon vote unanimously carried, the Board approved the Agreement Regarding Repayment of Reimbursement Obligation Under the Amended and Restated Advance and

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Reimbursement Agreement by and among Shea Homes Limited Partnership, the District, and Reunion Metropolitan District.

- C. Consider Approval of Termination and Waiver of the Amended and Restated Advance and Reimbursement Agreement by and between the District, Reunion Metropolitan District, Shea Homes Limited Partnership, and U.S. Bank National Association

Ms. Bear reviewed the detail of the termination and waiver with the Board. After review and discussion, upon a motion duly made by Director Roberts, seconded by Director Kershisnik, and upon vote unanimously carried, the Board approved the Termination and Waiver of the Amended and Restated Advance and Reimbursement Agreement by and between the District, Reunion Metropolitan District, Shea Homes Limited Partnership, and U.S. Bank National Association.

- D. Consider Approval of Termination and Waiver of all Operational Funding Agreements by and among Shea Homes Limited Partnership, Reunion Metropolitan District, and North Range Metropolitan District No. 2, and Amounts Recognized Under the Same

Ms. Bear reviewed the Termination and Waiver with the Board. After review and discussion, upon a motion duly made by Director Custer, seconded by Director Roberts, and upon vote unanimously carried, the Board approved the Termination and Waiver of all Operational Funding Agreements by and among Shea Homes Limited Partnership, Reunion Metropolitan District, and North Range Metropolitan District No. 2, and Amounts Recognized Under the Same.

Financial Items

- A. Conduct 2016 Budget Amendment Hearing and Consider Adoption of Resolution to Further Amend 2016 Budget

Upon a motion duly made by Director Custer, seconded by Director Roberts, and upon vote unanimously carried, the Board opened the Public Hearing at 2:59 p.m. to consider the amendment of the 2016 budget. As there was no public present, Director Kappes closed the public hearing at 3:00 p.m.

Ms. Hunsche reviewed the purpose of the amendment with the Board. After review and discussion, upon a motion duly made by Director Roberts, seconded by Director Custer, and upon vote unanimously carried, the Board approve the budget amendment and adopted the Resolution to Further Amend 2016 Budget.

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B. Consider Acceptance of 2016 Audit

Ms. Hunsche reviewed the 2016 Audit, noting that the version presented incorporated previous comments provided and that the report is ready for approval.

After discussion, upon a motion duly made by Director Roberts, seconded by Director Custer, and upon vote unanimously carried, the Board accepted the 2016 Audit and directed staff to file with the State by July 31, 2017.

C. Other

There were no other financial items.

Other
Business

There was no other business to discuss.

Next Meeting
August 1, 2017

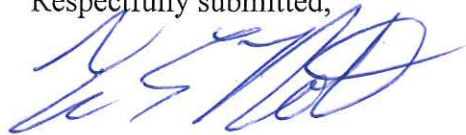
The Board confirmed the next meeting on August 1, 2017.

Adjournment

There being no further business to come before the Board, upon a motion duly made by Director Custer, seconded by Director Roberts, and upon vote unanimously carried, the Board adjourned the meeting at 3:01 p.m.

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

Respectfully submitted,



Secretary for the Meeting