



December 14, 2016

Jay Valentine
Internal Services Manager
City of Grand Junction
250 N. 5th Street
Grand Junction, CO 81501
(970) 640-2746

Re: Municipal Advisor Agreement

Dear Mr. Valentine:

Ehlers & Associates, Inc. ("Ehlers") appreciates the opportunity to provide municipal advisory services to the City of Grand Junction (the "City") relating to the financing of improvements to the City's Convention Center and the construction of a new events center/arena (the "Project"). This engagement is for a Sales Tax Revenue bond issue in the approximate amount of \$60 million to be submitted for voter approval in April 2017. Matthew Dempsey will serve as the principal contact and representative of Ehlers for this engagement. He will be assisted by Ms. Deb Hinsvark. Jim Harrington will also assist the team as necessary and will be responsible for review and oversight of Ehlers' work. When providing advice, we are required to act in a fiduciary capacity, which includes a duty of loyalty and a duty of care. This means we are required to act solely in your best interest. The following outlines the scope of this engagement (collectively, the "Requested Services"):

Scope of Services.

Initial Issuance Planning

Prior to the authorization and issuance of debt, Ehlers will:

- Engage in discussions with the City, as needed, to develop an understanding of the Project, the City and the City's objectives relating thereto;
- Identify feasible financing option(s) suitable for the City;
- Structure possible financing option(s) and estimate the financial impact;
- Solicit input from the City on financing option(s);
- Revise option(s) as directed by the City;
- Develop a customized financing plan for the City's preferred option(s).

Authorization

Working with the City and the City's Financing Team, Ehlers will provide information or input to assist the City with meeting the legal Issuance requirements:

- Develop timeline of steps and actions required to meet legal and financing requirements related to the Issuance;
- Participate as requested in preparing materials and/or attending meetings for proceedings required to lawfully authorize the Issuance;
- Assist the City in preparing information to explain the financing plan and the financial impact of the Issuance, as requested;





- Attend meetings to assist in explaining the financing plan and the impact of the proposed Issuance to elected officials and constituents, as requested.

Debt Issuance

Ehlers will use its best efforts to execute the financing plan in accordance with Client's directives and will:

- Present a financing plan to the City in the form of a Presale Report;
- Request current and necessary information from the City, if the Issuance proceeds forward;
- Discuss with the City its' post-issuance compliance obligations including continuing disclosure, record-keeping, arbitrage monitoring.

If Method of Sale is Competitive Sale:

- Finalize Issuance details with the City;
- Assist, as directed by the City, with preparation of Client's official statement/offering document for review by the City's Financing Team;
- Distribute the City's official statement/offering document in accordance with Notice of Sale and/or the City's direction;
- Assist the City with credit rating(s) and/or credit enhancement(s), as necessary;
- Assist the City when responding to questions regarding the Issuance;
- Coordinate competitive bids and all day of sale activities with Financing Team;
- Prepare and present a Sale Day report to the City;

If Method of Sale is a Private Placement or a Negotiated Sale:

- Develop with Financing Team Issuance details and sale timeline;
- Assist, as directed by the City, with preparation of the City's official statement/offering document as determined after discussion with the City and the City's Financing Team, if required;
- Assist the City with credit rating(s) and/or credit enhancement(s), as necessary;
- Prepare independent pricing analysis using comparable sales and/or other benchmark(s) (MMD, EMMA);
- After reviewing purchaser's proposal, independently verify calculations, and compare benchmark(s) against proposal;
- Review with the City the purchaser's proposal;
- As directed by the City, negotiate proposal on behalf of the City with purchaser;
- Assist with sale and day of sale activities as determined after discussion with the Financing Team;
- Prepare and present a Sale Day report to the City.

Post Issuance

Ehlers shall:

- Prior to the closing of the Issuance closing, coordinate the closing including document development and distribution as well as coordinate transfer of funds, as required;



- Respond to Client questions relating to the Issuance;
- Monitor refunding opportunities on Client's behalf for all Client debt.

Duration and Compensation:

This engagement shall begin upon your written acceptance below and shall remain in effect until (i) consummation of all the Requested Services set forth above or (ii) terminated by either party upon giving of at least thirty (30) days' prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination.

In consideration of providing the Requested Services, Ehlers fee for Municipal Advisory services is \$40,000. Such compensation is contingent on completion of the financing and is due and payable upon closing of the proposed bond transaction.

This letter agreement shall be governed by and construed in accordance with the laws of the State of Colorado applicable to agreements made and to be fully performed therein.

We look forward to working with you during this engagement. Please acknowledge acceptance of these terms by signing in the space provided below and returning a copy to me.

Sincerely,

By:

James S. Harrington
Senior Municipal Advisor
Ehlers & Associates, Inc.

Agreed and Accepted:

By:  _____

Name: Jay Valentine

Title: Internal Services Mgr

Date: 12/16/16

