



**EHLERS**

LEADERS IN PUBLIC FINANCE

October 20, 2017

Jodi Romero  
Financial Operations Director  
Jay Valentine  
Deputy Finance Director  
City of Grand Junction  
250 N. 5th Street  
Grand Junction, CO 81501  
(970) 244-1517

Re: Municipal Advisor Agreement

Dear Ms. Romero and Mr. Valentine:

Ehlers & Associates, Inc. ("Ehlers") appreciates the opportunity to provide municipal advisory services to the City of Grand Junction and the City of Grand Junction Downtown Development Authority (together, the "City") relating to the financing of capital improvements to the Two Rivers Convention Center, infrastructure improvements to the Las Colonias Business Park, and refinancing the Downtown Development Authority's outstanding Tax-Exempt Tax Increment Revenue Bonds, Series 2012A (the "Project"). This engagement is for two bond issues in the approximate amount of \$19 million. Matthew Dempsey will serve as the principal contact and representative of Ehlers for this engagement. Jim Harrington will also assist the team 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.

***Debt Issuance Services:***

*Initial Issuance Planning*

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

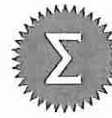
- Engage in discussions with the City, as needed, to develop an understanding of the Project, the City and the City's objectives relating thereto;
- Identify feasible financing option(s) suitable for the City;
- Structure possible financing option(s) and estimate the financial impact;
- Solicit input 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 the City'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 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 City questions relating to the Issuance;
- Monitor refunding opportunities on City's behalf for all City 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 Debt Issuance Services in the Scope of Services, Ehlers fee for Municipal Advisory services is \$27,500. Such compensation is contingent on completion of the financings and is due and payable upon closing of the proposed bond transactions. Ehlers fee will be split evenly between the City's two bond transactions, or \$13,750 per 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:

Matthew Dempsey  
Municipal Advisor  
Ehlers & Associates, Inc.

**Agreed and Accepted:**

By:

Name:

Jay Valentine

Title:

Deputy Finance Director

Date:

11/2/17