Colorado Agricultural Development Authority

Board Conference Call Meeting
MEETING MINUTES
October 24, 2024

Meeting called to order at 8:33 AM. Board members in attendance included John Paul Brown, Cody Ridennoure, Daniel Waldvogle, Hannah Wilks, Meghan Davis, and Ben Rainbolt. Also in attendance were Ryan Jardine (Bond Counsel), Jim Rubingh, Secretary, and Melissa Middlemiss, CDA.

Consideration of Reimbursement Resolution No. 2024-3

Jim Rubingh introduced the following resolution for consideration and adoption, the full text of which is attached hereto as Exhibit A, relating to a future first-time farmer bond for Aaron and Amy Waitman to close in 2025:

> **A RESOLUTION OF THE COLORADO AGRICULTURAL DEVELOPMENT AUTHORITY DECLARING ITS OFFICIAL INTENT TO ISSUE A FUTURE TAX-EXEMPT BORROWING AND TO LOAN THE PROCEEDS THEREOF TO AARON WAITMAN AND AMY WAITMAN TO FINANCE OR REIMBURSE THEM FOR CERTAIN CAPITAL EXPENDITURES TO BE UNDERTAKEN BY THEM; IDENTIFYING SAID CAPITAL EXPENDITURES AND THE FUNDS TO BE USED FOR SUCH PAYMENT; AND PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.**

Motion #1: Hannah Wilks moved to approve the resolution; Dan Waldvogle offered a second and the motion carried. The vote was unanimous to adopt the resolution.

Consideration of Application for Aaron and Amy Waitman

Bond amount of $649,400 initially requested, with a total purchase price of $1,850,000 for approximately 1,356 acres in three tracts of land consisting of approximately 1,150 acres in rangeland; approximately 187 acres of irrigated cropland; and approximately 14.62 acres of roads/waste.

Each of the three tracts of land contain various site and/or building improvements, as shown on Exhibit A to the application. Tract 1 ("Hill Pasture") is located in Township 2 North, Ranges 42 and 43 West, Sections 1, 6, 7 and 12; Tract 2 ("Irrigation and Improvements") is located in Township 2 North, Range 42 West, Sections 17 and 18; and Tract 3 ("Creek Pasture") is located in Township 2 North, Range 42 West, Sections 19, 20 and 30; all as more particularly described on Exhibit A to the application. All

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three tracts are located in Yuma, County, Colorado. Intended use of the irrigated grassland and livestock pasture is for a cow/calf operation running approximately 220 head of cattle. Lender is First Pioneer National Bank. Interest rate will be 6.00% based on a 30-year amortization with a balloon payment in 20 years. Rate will be fixed for 5 years and then will adjust to the FPNB Tier 1 rate every 5 years after that.

Motion #2: Following adoption of Reimbursement Resolution No. 2024-3, the Board discussed the Aaron and Amy Waitman application and the lender's request to increase the bond amount to $667,500, which is the agricultural private activity bond maximum amount allowed in fiscal year 2025, according to a recent publication by the IRS. Meghan Davis moved to approve the bond in an amount not to exceed $667,500; Dan Waldvogle offered a second and the motion carried. The vote was unanimous to approve the bond.

Adjourn - The meeting adjourned at 8:44 AM.

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EXHIBIT A

REIMBURSEMENT RESOLUTION NO. 2024-3

A RESOLUTION OF THE COLORADO AGRICULTURAL DEVELOPMENT AUTHORITY DECLARING ITS OFFICIAL INTENT TO ISSUE A FUTURE TAX-EXEMPT BORROWING AND TO LOAN THE PROCEEDS THEREOF TO AARON WAITMAN AND AMY WAITMAN TO FINANCE OR REIMBURSE THEM FOR CERTAIN CAPITAL EXPENDITURES TO BE UNDERTAKEN BY THEM; IDENTIFYING SAID CAPITAL EXPENDITURES AND THE FUNDS TO BE USED FOR SUCH PAYMENT; AND PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Colorado Agricultural Development Authority is a public body politic and corporate and a political subdivision duly organized and existing under the laws and constitution of the State of Colorado (the "Authority"); and

WHEREAS, the Board of Directors of the Authority (the "Board of Directors") is the governing body of the Authority; and

WHEREAS, Aaron Waitman and Amy Waitman (the "Borrowers") have requested that the Authority issue a revenue bond in an amount not to exceed $667,500 and to loan the proceeds thereof to the Borrowers to finance or refinance the cost of a portion of approximately 1,150 acres of rangeland and approximately 187 acres of pivot irrigated cropland, and improvements thereon, to be used in connection with an agricultural enterprise for the Borrowers located in Yuma County (the "Project"); and

WHEREAS, the Authority currently intends and reasonably expects to participate in a tax-exempt borrowing to finance such capital expenditures for the Borrowers, including an amount not to exceed $667,500 for reimbursing the Borrowers for the portion of such capital expenditures incurred or to be incurred subsequent to the date which is 60 days prior to the date hereof but before such borrowing, within 18 months of the date of such capital expenditures, or the placing in service of the Project, whichever is later (but in no event more than 3 years after the date of the original expenditure of such moneys); and

WHEREAS, the Board of Directors hereby desires to declare its official intent, pursuant to 26 C.F.R. § 1.150-2, to reimburse the Borrowers for such capital expenditures with the proceeds of the Authority's future tax-exempt borrowing.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE COLORADO AGRICULTURAL DEVELOPMENT AUTHORITY THAT:

Section 1. Declaration of Official Intent. The Authority shall, presently intends and reasonably expects to finance the acquisition, construction and equipping of the Project with the proceeds of the Authority's future tax-exempt borrowing, the proceeds of which will be loaned to the Borrowers.

Section 2. Dates of Capital Expenditures. All of the capital expenditures covered by this Resolution were made not earlier than 60 days prior to the date of this Resolution or are preliminary or de minimus expenditures within the meaning of 26 C.F.R. § 1.150-2.

Section 3. Issuance of Bonds or Notes. The Authority presently intends and reasonably expects to participate in a tax-exempt borrowing within 18 months of the date of the expenditure of moneys on the Project or the date upon which the Project is placed in service or abandoned, whichever is later (but in no event more than 3 years after the date of the original expenditure of such moneys), and to allocate an amount not to exceed $667,500 of the proceeds thereof to finance or reimburse the Borrowers for their expenditures in connection with the Project. THE TAX-EXEMPT BORROWING OF THE AUTHORITY ON BEHALF OF THE BORROWERS WILL BE A SPECIAL, LIMITED OBLIGATION OF THE AUTHORITY PAYABLE SOLELY OUT OF LOAN REPAYMENTS TO BE MADE BY THE BORROWERS AND SUCH TAX-EXEMPT BORROWING AND THE INTEREST PAYABLE THEREON SHALL NEVER CONSTITUTE THE DEBT OR INDEBTEDNESS OF THE STATE OF COLORADO WITHIN THE MEANING OF ANY PROVISION OF THE CONSTITUTION OR STATUTES OF THE STATE OF COLORADO AND SHALL NOT CONSTITUTE A CHARGE AGAINST THE GENERAL CREDIT OF THE AUTHORITY.

Section 4. Resolution Number. This is the first resolution of the Authority concerning all or a portion of the Project described in paragraph 1 hereof adopted on or after October 24, 2024.

Section 5. Confirmation of Prior Acts. All prior acts and doings of the officials, agents and employees of the Authority which are in conformity with the purpose and intent of this Resolution, and in furtherance of the Project, shall be and the same hereby are in all respects ratified, approved and confirmed.

Section 6. Repeal of Inconsistent Resolutions. All other resolutions of the Board of Directors, or parts of resolutions, inconsistent with this Resolution are hereby repealed to the extent of such inconsistency.

Section 7. Effective Date of Resolution. This Resolution shall take effect immediately upon its passage.

PASSED AND ADOPTED at a special meeting held this 24th day of October, 2024.

[SEAL]

COLORADO AGRICULTURAL DEVELOPMENT AUTHORITY

By _____
Hannah D. Wilks
Vice Chair

Attest:

By _____
Jim Rubingh
Secretary