

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF**

COLORADO NEW ENERGY IMPROVEMENT DISTRICT

HELD: Thursday the 22nd day of September, 2016, at 2:00 p.m. at 1580 Logan Street, Suite 100, Main Conference Room, Denver, Colorado 80203

ATTENDANCE:

A special meeting of the Board of Directors of the Colorado New Energy Improvement District was called and held as shown above and in accordance with Section 6.c. of the District's Bylaws, with the following directors present and acting:

Paul Scharfenberger, Chair
Christopher Schulken, Vice-Chair (via conference call)
Eric Blank, Secretary (absent, absence excused)
Ken Myers (via conference call)
Drew Torbin (absent, absence excused)
Jenifer Waller (via conference call, joined at 2:16pm)
Emily Startz (absent, absence excused)

Others present included the following:

Jeffrey King, Colorado Energy Office
Pat McGuckin, JPMC Consulting

CALL TO ORDER:

Chair Scharfenberger noted that a quorum was present for the purpose of conducting a meeting of the Board of Directors of the Colorado New Energy Improvement District and called the meeting of the Board of Directors of the District to order at approximately 2:16 p.m.

APPROVAL OF MINUTES:

The Board considered the minutes from the special meeting of the Board held August 29, 2016. Chair Scharfenberger provided a summary of the meeting minutes.

Upon motion duly made, seconded, and unanimously approved, the Board approved the minutes.

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HOUSEKEEPING ITEMS:

- (a) DRAFT BUDGET APPROVAL. Chair Scharfenberger presented an overview of the 2017 draft budget and described the approval process. Chair Scharfenberger walked the Board through the 2016 and 2017 budgets and highlighted the DOE grant approval to support a loss reserve for C-PACE. Chair Scharfenberger confirmed that carry-overs are allowed and that, should the NEID decide to launch R-PACE, the majority of startup costs would be covered by the program administrators, not the NEID. Upon motion duly made, seconded, and unanimously approved, the Board adopted the 2017 draft budget. Attorney McAskin will prepare the budget notification.

- (b) R-PACE DISCUSSION TO VOTE ON WHETHER TO ACTIVATE R-PACE PROGRAM IN COLORADO AND TO INVITE WHICH PROGRAM ADMINISTRATORS. Consultant Pat McGuckin provided an overview of his analysis and recommendations regarding launching R-PACE in Colorado, noting that his recommendation to the Board was for Colorado to move forward with R-PACE and to do so with two program administrators: Renovate America and Renew Financial. The Board expressed concern over the lack of mortgage holder consent and the ability for homeowners to repay. A concern was also raised regarding the ability to refinance with a PACE assessment on the property. The Board discussed its preference to explore consumer protection policies through the implementation of rules and regulations, as opposed to pursuing legislative changes. Ultimately, the Board felt comfortable moving forward with Renovate America and Renew Financial but voted against launching R-PACE at this time. Instead, the Board agreed to further explore and define consumer protection standards and ability to repay requirements prior to moving forward with a launch of R-PACE. If concerns can be addressed, the Board was willing to reconvene for another vote on R-PACE.

DIRECTOR ITEMS:

None.

NEW BUSINESS:

None.

ADJOURNMENT:

There being no further business at said special meeting, and following a motion duly made, seconded, and unanimously approved, the Board adjourned the special meeting of

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the Board of Directors of the Colorado New Energy Improvement District at approximately 4:01 p.m.

Approved this 7th day of September, 2018.



Recording Secretary