

**CERTIFIED RECORD
OF
PROCEEDINGS
OF
REAGAN RANCH METROPOLITAN DISTRICT NO. 2
(IN THE CITY OF COLORADO SPRINGS)
EL PASO COUNTY, COLORADO
CONCERNING
THE APPROVAL OF A CAPITAL PLEDGE AGREEMENT
AND OTHER MATTERS RELATED THERETO**

(Attach copy of notice of meeting, as posted)

STATE OF COLORADO)
)
EL PASO COUNTY)

CITY OF COLORADO SPRINGS)
)
REAGAN RANCH)
METROPOLITAN DISTRICT NO. 2)

The Board of Directors of Reagan Ranch Metropolitan District No. 2 (in the City of Colorado Springs), El Paso County, Colorado, held a special meeting via video/teleconference at _:00 a.m. on _____, the __ day of _____, 2021 and at which a quorum was present.

In accordance with §11-57-211, C.R.S., one or more of the members of the Board participated in this meeting and voted through the use of a video conference or conference telephone, and there was at least one person physically present at the designated meeting area to ensure that the public meeting was in fact accessible to the public.

The following members of the Board of Directors were present, constituting a quorum:

President
Secretary
Treasurer

Thereupon there was introduced the following resolution:

RESOLUTION

WHEREAS, Reagan Ranch Metropolitan District No. 2 (In the City of Colorado Springs), El Paso County, Colorado (the “**District**”), is a quasi-municipal corporation and political subdivision of the state of Colorado, duly organized and existing as a special district under the constitution and laws of the State of Colorado; and

WHEREAS, Reagan Ranch Metropolitan District No. 1 (“**Issuer**”) desires to issue bonds payable, in part, from revenues generated by property taxes imposed by the District, as well as other revenues of the District, which bonds initially include its Limited Tax General Obligation Bonds, Series 2021⁽³⁾ (“**Series 2021 Bonds**”) pursuant to the Indenture of Trust to be dated as of _____ 1, 2021 (the “**Indenture**”) by and between the Issuer and UMB Bank, n.a. (the “**Trustee**”); and

WHEREAS, at an election of the qualified electors of the District, duly called and held on November 3, 2020 (the “**Election**”), in accordance with law and pursuant to due notice, a majority of those qualified to vote and voting at the Election voted in favor of, *inter alia*, the issuance of general obligation indebtedness and the imposition of taxes for the payment thereof for the purpose of providing certain public improvements and facilities; and

WHEREAS, the District intends to enter into a Capital Pledge Agreement (“**Pledge Agreement**”) by and among the District, the Issuer, and the Trustee pursuant to which it agrees to impose mill levies and pledge the revenues thereof as well as certain other revenues to the Trustee (as defined in the Pledge Agreement) in order to pay Financing Costs; and

WHEREAS, the Board has previously determined and hereby determines that the Public Improvements expected to be financed with proceeds of the Bonds are generally contemplated by the Service Plan and such Public Improvements are in the nature of community improvements intended for the general direct and indirect benefit of the planned residential and commercial community within the District and will serve the future taxpayers and inhabitants of the District; and

WHEREAS, the Board has determined and hereby determines that it is in the best interests of the District, and the taxpayers thereof that the Issuer issues the Bonds, and that it pledge the Pledged Revenues (as defined in the Pledge Agreement), in accordance with the Pledge Agreement, to the Issuer and the Trustee to pay debt service on the Bonds and other Financing Costs in accordance with the Indenture and the other Bond Documents (as defined in the Pledge Agreement); and

WHEREAS, the District has determined to allocate the indebtedness represented by the Pledge Agreement to the electoral authorization and its service plan authorization as set forth in the Pledge Agreement; and

WHEREAS, pursuant to Section 32-1-902(3), C.R.S., and Section 18-8-308, C.R.S., all known potential conflicting interests of the directors were disclosed to the Colorado Secretary of State and to the Board in writing at least 72 hours in advance of this meeting, additionally, in accordance with Section 24-18-110, C.R.S., the appropriate Board members have made disclosure of their personal and private interests relating to the execution and delivery of

the Financing Documents (defined below) in writing to the Secretary of State and the Board, finally, the Board members have stated for the record immediately prior to the adoption of this Resolution the fact that they have such interests and the summary nature of such interests and the participation of those Board members is necessary to obtain a quorum or otherwise enable the Board to act; and

WHEREAS, the obligations of the District under the Pledge Agreement with respect to the Bonds shall be incurred pursuant to the provisions of Title 32, Article 1, Part 11, C.R.S., (the “**Act**”), and all other laws thereunto enabling; and

WHEREAS, there has been presented to this meeting of the Board substantially final drafts of the Pledge Agreement and the Continuing Disclosure Agreement (defined below); and

WHEREAS, the Board desires to authorize the execution and delivery of the Financing Documents (defined below), and authorize the execution and delivery of such certificates and other documents as may be necessary to effect the intent of this Resolution, as such delegation Issuer is more specifically delineated by, and subject to the limitations set forth in, this Resolution; and

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF REAGAN RANCH METROPOLITAN DISTRICT NO. 1:

Section 1. Definitions. As used herein, the following capitalized terms shall have the respective meanings set forth below, unless the context indicates otherwise.

Act: has the meaning set forth in the recitals hereto.

Board: the Board of Directors of the District.

Bonds: means the Series 2021 Bonds, and any other bonds issued by the Issuer for the payment of the costs of Public Improvements, including any bonds or other debt obligations issued to refund and refinance the Series 2021 Bonds.

Continuing Disclosure Agreement: the Continuing Disclosure Agreement by and among the Issuer, the District, the Developer, and the Trustee, as it may be amended or supplemented from time to time.

C.R.S.: the Colorado Revised Statutes, as amended and supplemented as of the date hereof.

Developer: Reagan Ranch Development LLC, a Colorado limited liability company.

District: Reagan Metropolitan District No. 2, in the City OF Colorado Springs, Colorado.

Districts: means, collectively, the District and the Issuer.

Election: has the meaning set forth in the recitals hereto.

Financing Costs: has the meaning set forth in the Pledge Agreement.

Financing Documents: the Pledge Agreement and the Continuing Disclosure Agreement.

Indenture: has the meaning set forth in the recitals hereto.

Issuer: has the meaning set forth in the recitals hereto.

Pledge Agreement: has the meaning set forth in the recitals hereto.

Public Improvements: has the meaning set forth in the Pledge Agreement.

Required Mill Levy: has the meaning set forth in the Pledge Agreement.

Pledged Revenues: has the meaning set forth in the Pledge Agreement.

Resolution: this resolution which authorizes execution and delivery of the Pledge Agreement and the other Financing Documents.

Service Plan: the Service Plan for Reagan Ranch Metropolitan District Nos. 1 - 3 approved by the City Council of the City of Colorado Springs, Colorado on August 25, 2020.

State: State of Colorado.

Supplemental Act: the “Supplemental Public Securities Act”, being Title 11, Article 57, Part 2, C.R.S.

Section 2. Authorization. In accordance with the Constitution of the State of Colorado; the Supplemental Act; the Election; the Act; and all other laws of the State of Colorado thereunto enabling, the District hereby (a) approves the Financing Documents in the form presented hereto (with such changes as the President or any other officer of the District shall approve provided that such changes are not inconsistent with this Resolution), and authorizes the Financing Documents to be executed by the President and the Secretary or any other officer of the District, and delivered to the Issuer and to the Trustee, (b) authorizes the President and Secretary or any other officer of the District to execute and authenticate such other documents, instruments, or certificates as are deemed necessary or desirable in order to accomplish the purposes of the Pledge Agreement, as stated therein, and (c) authorizes the Issuer to issue the Bonds. The Pledge Agreement shall constitute a limited tax general obligation of the District, and the Pledged Revenues are hereby pledged to the Trustee for the payment of the Bonds in accordance with the Indenture and to any other Trustee for payment of any other Financing Costs in accordance with the other Bond Documents, subject to the limitations in the Pledge Agreement.

The execution of any instrument by the President or Secretary or other appropriate officer of the District in connection with the issuance, sale, or delivery of the Bonds and

execution and delivery of the Financing Documents not inconsistent herewith shall be conclusive evidence of the approval by the District of such instrument in accordance with the terms thereof and hereof.

Section 3. Pledge of the Pledged Revenues. For the purposes of paying the principal of and interest on the Bonds and all other Financing Costs in accordance with the Pledge Agreement, there shall be levied on all taxable property in the District and on any other property subject to the property tax of the District, in addition to all other taxes, direct annual taxes in each of the years that the Bonds are outstanding, in the amount of the Required Mill Levy, all in accordance with the terms and provisions of the Pledge Agreement. Nothing herein or in the Pledge Agreement shall be construed to require the District to levy an ad valorem property tax for payment of the Bonds in excess of any of the Required Mill Levy, or to impose any fees or charges for repayment of the Bonds or to require the District to levy an ad valorem property tax for payment of the Bonds.

When collected, the Pledged Revenues shall be remitted to the Trustee and applied in accordance with the Pledge Agreement.

The foregoing provisions of this Resolution are hereby declared to be the certificate of the Board to the Board of County Commissioners of EL PASO County, showing the aggregate amount of taxes to be levied for the purposes aforesaid by the Board of County Commissioners of El Paso County from time to time, as required by law.

Section 4. Approval of the Bonds. The issuance of the Bonds (which shall not exceed \$_____ in aggregate principal amount), by the Issuer, on behalf of itself and the District, is hereby approved. The execution by the President of the District of any document authorized herein shall be conclusive proof of the approval by the District of the terms thereof.

Section 5. Authorization to Execute Documents. The President and Secretary or other appropriate officer of the District shall, and they are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this Resolution, including, but not limited to, the execution of such certificates and affidavits as may be reasonably required by bond counsel to the Issuer. The execution by the President, Secretary, or other appropriate officer of the District of any document not inconsistent herewith shall be conclusive proof of the approval by the District of the terms therefor.

Section 6. Pledge of Revenues. The creation, perfection, enforcement, and priority of the pledge of revenues by the District under the Pledge Agreement to secure or pay for debt service on the Bonds and other Financing Costs, shall be governed by §11-57-208 of the Supplemental Act as more fully set forth in the Pledge Agreement. The lien of such pledge shall have priority over any or all other obligations and liabilities of the District. The lien of such pledge shall be valid, binding, and enforceable against all persons having claims of any kind in tort, contract, or otherwise against the District irrespective of whether such persons have notice of such lien.

Section 7. No Recourse Against Officers and Agents. Pursuant to §11-57-209 of the Supplemental Act, if a member of the Board, or any officer or agent of the District

acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal of, or interest on the Bonds. Such recourse shall not be available either directly or indirectly through the Board or the District, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise.

Section 8. Limitation of Actions. Pursuant to §11-57-212, C.R.S., no legal or equitable action brought with respect to any legislative acts or proceedings in connection with the issuance of the Bonds and on behalf of the District shall be commenced more than thirty days after the issuance of the Bonds.

Section 9. Ratification and Approval of Prior Actions. All actions heretofore taken by the officers of the District and the members of the Board, not inconsistent with the provisions of this Resolution, relating to the issuance of the Bonds and the pledge of the Pledged Revenues, are hereby ratified, approved, and confirmed.

Section 10. Resolution Irrepealable. After the Pledge Agreement has been executed and delivered, this Resolution shall constitute a contract between the District, the Issuer and the Trustee and shall be and remain irrepealable until the Bonds and all Financing Costs have been paid in full.

Section 11. Repealer. All orders, bylaws, and resolutions of the District, or parts thereof, inconsistent or in conflict with this Resolution, are hereby repealed to the extent only of such inconsistency or conflict.

Section 12. Severability. If any section, paragraph, clause, or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Resolution, the intent being that the same are severable.

Section 13. Permitted Amendments to Resolution. Except as otherwise provided herein, the District may amend this Resolution in the same manner, and subject to the same terms and conditions, as apply to an amendment or supplement to the Pledge Agreement.

Section 14. Effective Date. This Resolution shall take effect immediately upon its adoption and approval.

ADOPTED AND APPROVED This ___ day of _____ 2021.

(S E A L)

President

ATTESTED:

Secretary or Assistant Secretary

Thereupon, Director _____ moved the adoption of the foregoing resolution. The motion to adopt the resolution was duly seconded by Director _____, put to a vote, and carried on the following recorded vote:

Those voting AYE:

Those voting NAY:

None

Thereupon the President, as Chairman of the meeting, declared the Resolution duly adopted and the Secretary was directed to enter the foregoing proceedings and resolution upon the minutes of the Board.

Thereupon, after consideration of other business before the Board, the meeting was adjourned.

STATE OF COLORADO)
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EL PASO COUNTY)

CITY OF COLORADO SPRINGS)
)
REAGAN RANCH)
METROPOLITAN DISTRICT NO. 2)

The undersigned, as the Secretary of Reagan Ranch Metropolitan District No. 2, in the City of Colorado Springs, Colorado, hereby certifies that the foregoing pages, constitute a true and correct copy of that portion of the record of proceedings of the Board of Directors of said District relating to the adoption of a resolution authorizing the Pledge Agreement, and related documents, adopted at a special meeting of the Board held via video conference and teleconference at _:00 _ m. on _____, the __ day of _____, 2021, as recorded in the official record of proceedings of said District kept in my office; that the proceedings were duly had and taken; that the meeting was duly held; that the persons therein named were present at said meeting and voted as shown therein; that each director of the Board was informed of the date, time, place, and purpose of the special meeting; and that a notice of meeting, in the form herein set forth at page 1, was posted at three public places within the District, and at the office of the county clerk and recorder in the county or counties in which the District is located, at least 24 hours prior to the meeting, in accordance with law.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of the District, this ___ day of _____, 2021.

(S E A L)

Secretary