

**CERTIFIED RECORD  
OF  
PROCEEDINGS OF  
THE BOARD OF DIRECTORS  
OF  
REAGAN RANCH METROPOLITAN DISTRICT NO. 1**

**(IN THE CITY OF COLORADO SPRINGS)**

**EL PASO COUNTY, COLORADO**

Relating to a resolution authorizing the issuance of:

**LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021<sup>(3)</sup>**

Adopted on \_\_\_\_\_, 2021

*This cover page is not part of the following resolution and is included solely for the convenience of the reader.*

STATE OF COLORADO )  
 )  
 EL PASO COUNTY )  
 )  
 CITY OF COLORADO SPRINGS )  
 ) ss.  
 REAGAN RANCH METROPOLITAN )  
 DISTRICT NO. 1 )

The Board of Directors (the “**Board**”) of Reagan Ranch Metropolitan District No. 1 (In the City of Colorado Springs), El Paso County, Colorado (the “**District**”), held a special meeting via video/teleconference at \_:00 a.m. on \_\_\_\_\_, the \_\_\_ day of \_\_\_\_\_, 2021.

*In accordance with Section 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.*

At such meeting, the following members of the Board were present either by video conference or by telephone, constituting a quorum:

<u>Name</u>	<u>Title</u>
	President
	Secretary
	Treasurer

At such meeting, the following member(s) of the Board were absent, and such absence was excused:

<u>Name</u>	<u>Title</u>
None	

Also present:

<u>Name</u>	<u>Title</u>
Michael R. McGinnis, Esq.	Bond Counsel
Russell W. Dykstra, Esq.	District Counsel
Kyle Thomas	Underwriter

At such meeting there was introduced the following resolution:

RESOLUTION

A RESOLUTION OF REAGAN RANCH METROPOLITAN DISTRICT NO. 1 AUTHORIZING THE ISSUANCE AND SALE OF THE DISTRICT'S LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021<sup>(3)</sup> IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$\_\_\_\_\_; APPROVING AN INDENTURE OF TRUST FOR THE BONDS, AND OTHER DOCUMENTS IN CONNECTION THEREWITH; PROVIDING DETAILS CONCERNING THE BONDS AND FUNDS APPERTAINING THERETO; RATIFYING ACTS PREVIOUSLY TAKEN CONCERNING SAID BONDS; REPEALING ALL RESOLUTIONS IN CONFLICT HEREWITH; AND PROVIDING FOR OTHER MATTERS RELATING THERETO.

WHEREAS, capitalized terms used and not otherwise defined in the recitals below shall have the respective meanings ascribed to such terms in Section 1 hereof; and

WHEREAS, the District is a quasi-municipal corporation and political subdivision of the State of Colorado (the "**State**"), duly and regularly created as a metropolitan district under the constitution and laws of the State, in particular Title 32, Article 1, C.R.S., as amended (the "**Act**"); and

WHEREAS, the District is authorized by the Act and its Service Plan to borrow moneys and to issue bonds to evidence such borrowing; and

WHEREAS, at the 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 indebtedness and the imposition of taxes for the payment thereof, for the purpose of providing certain improvements and facilities, such ballot questions being set forth in exhibits to the Indenture; and

WHEREAS, pursuant to § 32-1-1101.5(1), C.R.S. the results of the Election were certified by the District by certified mail to the board of county commissioners of each county in which the District is located or to the governing body of a municipality that has adopted a resolution of approval of the special district pursuant to § 32-1-204.5, C.R.S within 45 days after the Election, and with the division of securities created by § 11-51-701, C.R.S.; and

WHEREAS, the District has not previously issued any indebtedness pursuant to the authority of the Election; and

WHEREAS, the members of the Board of Directors of the District (the "**Board**") have been duly elected or appointed and qualified; and

WHEREAS, the Board has heretofore determined that it is necessary to pay the costs of constructing and installing certain public facilities and improvements, the debt of which was approved at the Election, including, without limitation, necessary or appropriate equipment (the "**Project**"); and

WHEREAS, the Board has determined that it is in the best interests of the District, and the taxpayers thereof, that the Project be financed by the issuance of bonds and that for such purpose there shall be issued Limited Tax General Obligation Bonds, Series 2021(3), in an aggregate principal amount not to exceed \$\_\_\_\_\_ (the “**Bonds**”); and

WHEREAS, the Board desires to enter into the Pledge Agreement with District No. 2 and the Trustee in order to facilitate the issuance of the Bonds and to provide for the pledge of certain revenues to pay for debt service on the Bonds; and

WHEREAS, based on the anticipated uses of the proceeds of the Bonds, the Board hereby determines to allocate the principal amount thereof to the authorized but unissued indebtedness from the Election as set forth in the Indenture; provided that such allocation is based upon the Board’s estimates of the use of proceeds at the time of issuance of the Bonds, that actual uses of proceeds may vary from this estimate within the limitations of the Election, and that such variance shall not require an amendment to the Indenture or notice to or consent of any person; and

WHEREAS, the Bonds shall be issued pursuant to the provisions of Title 32, Article 1, Part 11, C.R.S., and all other laws thereunto enabling; and

WHEREAS, the Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds; and

WHEREAS, pursuant to Section 32-1-903(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 issuance of the Bonds in writing to the Secretary of State and the Board; finally, the Board members having such interests 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 quorum or otherwise enable the Board to act; and

WHEREAS, the Board has been presented with a proposal in the form of a Bond Purchase Agreement (the “**Bond Purchase Agreement**”) from D.A. Davidson & Co. (the “**Underwriter**”), to purchase the Bonds; and

WHEREAS, after consideration, the Board has determined that the sale of the Bonds to the Underwriter is in the best interests of the District and the occupants, users, and taxpayers thereof; and

WHEREAS, at or prior to this meeting, the Board has been presented with substantially final forms of the other Financing Documents; and

WHEREAS, the Board has the authority, as provided in the Supplemental Act, to delegate to one or more officers of the District the authority to determine certain provisions of the Bonds in accordance with the provisions of this Resolution; and

WHEREAS, the Board desires to adopt the Post Issuance Compliance Policy as the policy and procedures that the District will follow with respect to the Bonds and all other tax-exempt obligations; to delegate to the Authorized Delegate pursuant to Section 11-57-205(1), C.R.S., the authority to make certain determinations regarding the Bonds as more specifically set forth herein, subject to the limitations set forth herein; to authorized the execution and delivery of and performance under the Financing Documents and the execution, completion, and delivery of such certificates and other documents as may be necessary to effect the intent of this Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF REAGAN RANCH METROPOLITAN DISTRICT NO. 1, EL PASO COUNTY, COLORADO:

Section 1. Definitions. The terms defined in this section shall have the designated meanings for all purposes of this resolution and of any amendatory or supplemental resolution, except where the context by clear implication requires otherwise.

- (a) “**Act**” means Title 32, Article 1, C.R.S., as amended from time to time.
- (b) “**Authorized Delegate(s)**” means each of the members of the Board, to whom the Board delegates the authority specified in this Resolution.
- (c) “**Board**” means the Board of Directors of the District.
- (d) “**Bond Counsel**” means Greenberg Traurig, LLP.
- (e) “**Bonds**” means the District’s Limited Tax General Obligation Bonds, Series 2021<sup>(3)</sup> issued in the aggregate principal amount not to exceed \$\_\_\_\_\_.
- (f) “**Bond Purchase Agreement**” means the Bond Purchase Agreement by and between the District and the Underwriter with respect to the purchase of the Bonds.
- (g) “**Code**” means the Internal Revenue Code of 1986, as amended, as in effect on the date of delivery of the Bonds.
- (h) “**Continuing Disclosure Agreement**” means the Continuing Disclosure Agreement by and among the District, District No. 1, the Developer, and the Trustee for the benefit of the owners of the Bonds.
- (i) “**County**” means El Paso County, Colorado.
- (j) “**C.R.S.**” means Colorado Revised Statutes, as amended.
- (k) “**Developer**” means Reagan Ranch Development LLC, a Colorado limited liability company.

- (l) **“District”** means Reagan Ranch Metropolitan District No. 1, a quasi-municipal corporation and political subdivision of the State, and its successors.
- (m) **“District Counsel”** means Spencer Fane LLP, Denver, Colorado.
- (n) **“District No. 2”** means Reagan Ranch Metropolitan District No. 2.
- (o) **“DTC”** means the Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.
- (p) **“Financing Documents”** means this Resolution, the Indenture, the Pledge Agreement, the Bond Purchase Agreement, the Continuing Disclosure Agreement, the Tax Certificate, and the Limited Offering Memorandum.
- (q) **“Indenture”** means the Trust Indenture by and between the District and the Trustee pursuant to which the Bonds are issued.
- (r) **“Letter of Representations”** means the letter of representations from the District to DTC to induce DTC to accept the Bonds as eligible for deposit at DTC.
- (s) **“Limited Offering Memorandum”** means the final Limited Offering Memorandum of the District with respect to the offering of the Bonds.
- (t) **“Pledge Agreement”** means that certain Capital Pledge Agreement by and among the District, District No. 2 and the Trustee.
- (u) **“Post Issuance Compliance Policy”** means the Post Issuance Compliance Policy setting forth the District’s written procedures for post-issuance compliance and remedial action applicable to tax-advantaged bonds, notes, leases, certificates of participation, or similar obligations, including, without limitation, the Bonds.
- (v) **“Preliminary Limited Offering Memorandum”** means the Preliminary Limited Offering Memorandum of the District with respect to the offering of the Bonds.
- (w) **“Project”** has the meaning ascribed to such term in the Recitals hereto.
- (x) **“Service Plan”** means 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.
- (y) **“State”** means the State of Colorado.
- (z) **“Supplemental Act”** means Title 11, Article 57, Sections 201, et seq. of the Colorado Revised Statutes, as amended from time to time.

(aa) “**Tax Certificate**” means the Arbitrage and Tax Certificate of the District in a form approved by Bond Counsel governing issues related to the Bonds under the Internal Revenue Code of 1986, as amended.

(bb) “**Trust Estate**” means the “Trust Estate” identified in the Indenture.

(cc) “**Trustee**” means UMB Bank, n.a., acting as registrar, transfer agent and paying agent for the Bonds under the Indenture.

(dd) “**Underwriter**” means D.A. Davidson & Co.

Section 2. Findings and Declaration of the Board. The Board, having been fully informed of and having considered all the pertinent facts and circumstances hereby finds, determines, and declares as follows:

(a) The Board has determined, and does hereby determine, that the limitations of the Act and the Supplemental Act imposed upon the issuance of the Bonds have been met and that the Project serves a valid and governmental purpose and is necessary, expedient and in the best interests of the District and its taxpayers;

(b) For the purpose of financing or reimbursing a portion of the costs of the acquisition, construction, and installation of public infrastructure, the debt for which was approved at the Election, the Board hereby determines to issue the Bonds;

(c) The Board hereby determines to use the proceeds of the Bonds authorized by this resolution to (i) finance the Project, (ii) pay for the costs of issuance of the Bonds, (iii) partially fund a surplus fund, and (iv) pay capitalized interest on the Bonds; and

(d) The Board specifically elects to apply the provisions of Title 11, Article 57, Part 2, C.R.S., to the Bonds.

Section 3. Approvals and Authorization to Issue Bonds; Approval and Authorization of Financing Documents.

(a) The District is hereby authorized and directed to issue the Bonds in accordance with the terms set forth herein, in the Bond Purchase Agreement, and in the Indenture. The Financing Documents are incorporated herein by reference and are hereby approved. The District shall enter into and perform its obligations under the Financing Documents in the form of such documents presented at or prior to this meeting, with such changes as are made pursuant to this Section 3 and are not inconsistent herewith or with the final pricing terms of the Bonds set forth in the Bond Purchase Agreement.

(b) The President of the District is hereby authorized and directed to execute and deliver the Financing Documents and the Secretary of the District is hereby authorized and directed to attest the Financing Documents and to affix the seal of the District thereto, and each of the President and the Secretary of the District are further authorized to execute, deliver and authenticate such other documents, instruments, or certificates as are deemed necessary or desirable in order to effect the transactions contemplated under the Financing Documents.

(c) The Financing Documents are to be executed in substantially the forms presented at or prior to this meeting of the Board, provided that such documents shall be completed, corrected, or revised as deemed necessary or convenient and approved by District Counsel, provided that District Counsel shall consult with a representative of the District in connection therewith, in order to carry out the purposes of this Resolution and the action taken by the Board at this meeting, and such approval shall be deemed approval by the Board.

(d) To the extent any Financing Document has been executed prior to the date hereof, then said execution is hereby ratified and affirmed. Copies of all of the Financing Documents shall be delivered, filed, and recorded as provided therein.

(e) Upon execution of the Financing Documents, the covenants, agreements, recitals, and representations of the District therein shall be effective with the same force and effect as if specifically set forth herein, and such covenants, agreements, recitals, and representations are hereby adopted and incorporated herein by reference.

(f) The appropriate officers of the District are hereby authorized and directed to prepare and furnish to any interested person certified copies of all proceedings and records of the District relating to the Bonds and such other affidavits and certificates as may be required to show the facts relating to the authorization and issuance thereof.

(g) The execution of any instrument by the President or the Secretary in connection with the issuance, sale, delivery or administration of the Bonds 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 4. Delegation of Authority; Bond Parameters.

(a) The Board hereby delegates the President and the Secretary as Authorized Delegates, and either one of such Authorized Delegates, individually, has the authority granted hereunder. Pursuant to Section 11-57-205, C.R.S., the Board hereby delegates to the Authorized Delegates, for a period of ninety (90) days following adoption of this Resolution, the authority to execute and deliver the Bond Purchase Agreement and to make the following determinations with respect to the Bonds, subject to the parameters and restrictions set forth in Section 4(b) below (the “**Delegated Determinations**”):

- (i) the rate or rates of interest on the Bonds;
- (ii) the terms and conditions on which and the prices at which the Bonds shall be optionally redeemed prior to maturity;
- (iii) the price or prices at which the Bonds will be sold;
- (iv) the original aggregate principal amount of the Bonds;
- (v) the amount of Bond principal subject to mandatory sinking fund redemption in any particular year;

- (vi) the amount of Bond principal maturing in any particular year;
- (vii) the existence and amounts of any reserve funds, surplus funds, and similar funds, and the amount thereof to be funded with Bond proceeds; and
- (viii) the allocation of the indebtedness of the Bonds to the voted authorization obtained at the Election.

(b) The authority of the Authorized Delegate to make the Delegated Determinations is subject to the following parameters and restrictions:

- (i) the net effective interest rate of the Bonds shall not exceed a net effective interest rate in excess of the maximum interest rate authorized by the Election;
- (ii) no redemption premium to be paid in connection with any optional redemption of the Bonds prior to maturity shall exceed any limitation imposed by the Act or the Election;
- (iii) the aggregate principal amount of the Bonds shall not exceed \$\_\_\_\_\_;
- (iv) the amounts of reserve funds, surplus funds, and similar funds shall not exceed any limitations under the Code as determined by Bond Counsel;
- (v) the allocation of voted electoral authorization to the Bonds shall not exceed any limitations of the Election; and
- (vi) the final maturity date of the Bonds shall be no later than December 1, 20\_\_.

Section 5. Authorization. In accordance with the Constitution and laws of the State of Colorado, the Act, the Supplemental Act, and the Election, the District shall issue the Bonds for the purposes of financing or reimbursing a portion of the costs of the acquisition, construction and installation of public infrastructure, the debt for which was approved at the Election for the Bonds and paying the costs of issuance of the Bonds.

Section 6. Authorization to Execute Other Documents and Instruments. The President and Secretary of the District shall, and they are each 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 and delivery of the Tax Certificate, a Form IRS 8038-G and any other documents relating to the exemption from taxation of interest to accrue on the Bonds; the execution of documents and certificates necessary or desirable to effectuate the entering into of the Financing Documents and the performance by the District of its obligations thereunder; and such other certificates, documents, instruments, and affidavits as may be reasonably required by Bond Counsel, the Trustee, the Underwriter, or District Counsel. The execution by the President

or the Secretary of any document not inconsistent herewith shall be conclusive proof of the approval by the District of the terms thereof.

Section 7. Appointment of Trustee as Custodian. The Trustee is appointed custodian of all District moneys deposited in funds created by and subject to the lien of the Indenture, and is not required to provide any surety bond therefore, except as shall otherwise be provided by the Indenture under certain circumstances.

Section 8. Limited Offering Memorandum.

(a) The Preliminary Limited Offering Memorandum does not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Preliminary Limited Offering Memorandum and the Underwriter's use and distribution thereof in connection with the offer and sale of the Bonds are hereby ratified, approved and authorized.

(b) The Board also hereby authorizes the preparation and distribution of a final Limited Offering Memorandum in conjunction with the offer and sale of the Bonds to the public. The final Limited Offering Memorandum shall contain such corrections and additional or updated information to the Preliminary Limited Offering Memorandum so that it will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

(c) All officers of the District are hereby authorized to execute copies of the Limited Offering Memorandum on behalf of the District. If a supplement to the Preliminary Limited Offering Memorandum and/or the final Limited Offering Memorandum is deemed necessary or desirable by the Underwriter, the Board hereby authorizes such supplement.

Section 9. Post Issuance Tax Compliance Policy; Responsible Person. The Post Issuance Compliance Policy, in substantially the form presented to the Board at or prior to this meeting, is hereby approved by the Board and adopted as the Post Issuance Compliance Policy of the District. The Board hereby designates the person so identified therein as the "Responsible Person."

Section 10. Pledge of Trust Estate. The creation, perfection, enforcement, and priority of the Trust Estate pledged to secure or pay the Bonds, as provided herein and in the Indenture, shall be governed by Section 11-57-208 of the Supplemental Act, this Resolution, and the Indenture. The amounts pledged to the payment of the principal of, premium, if any, and interest on the Bonds shall immediately be subject to the lien of such pledge without any physical delivery, filing, or further act. The lien of such pledge shall have a first priority lien on the Trust Estate, but not necessarily an exclusive such lien. The lien of such pledge shall be valid, binding, and enforceable as 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 liens.

Section 11. No Recourse Against Officers and Agents. Pursuant to Section 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, interest or prior redemption premiums 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. By the acceptance of the Bonds and as a part of the consideration of their sale or purchase, any person purchasing or selling such Bond specifically waives any such recourse.

Section 12. Conclusive Recital. Pursuant to Section 11-57-210 of the Supplemental Act, the Bonds shall contain a recital that they are issued pursuant to certain provisions of the Supplemental Act. Such recital shall be conclusive evidence of the validity and the regularity of the issuance of the Bonds after their delivery for value.

Section 13. Limitation of Actions. Pursuant to Section 11-57-212 of the Supplemental Act, no legal or equitable action may be commenced with respect to this Resolution authorizing the issuance of the Bonds more than thirty (30) days after the date set forth below which is the date of adoption and approval of this Resolution.

Section 14. Ratification and Approval of Prior Actions. All actions heretofore taken by any officer of the District and the members of the Board, not inconsistent with the provisions of this Resolution, relating to the authorization, sale, issuance, and delivery of the Bonds, or the execution of any documents in connection with the Bonds, are hereby ratified, approved, and affirmed.

Section 15. Irrepealable Contract with Bondholders. After the Bonds have been issued, this Resolution shall constitute a contract between the District and the owner or owners of such Bonds and shall be and remain irrepealable until such time as the Bonds have been fully discharged pursuant to the terms thereof and of the Indenture.

Section 16. Repealer. All acts, 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. This repealer shall not be construed to revive any act or resolution, or part thereof, heretofore repealed, including without limitation, the preparation and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in connection therewith.

Section 17. 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.

Section 18. Effective Date. This Resolution shall take effect immediately upon adoption and approval.

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ADOPTED AND APPROVED by the Board of Directors of the Reagan Ranch Metropolitan District No. 1 (In the City of Colorado Springs), El Paso County, Colorado, on the \_\_\_day of \_\_\_\_\_, 2021.

**REAGAN RANCH METROPOLITAN DISTRICT NO.  
1**

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President

(SEAL)

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Secretary

Thereupon, Director \_\_\_\_\_ moved for 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 Yes: *All present*

Those voting No: *None*

Those abstaining: *None*

Those absent:

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

(SEAL)

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Secretary

STATE OF COLORADO )  
 )  
 EL PASO COUNTY )  
 )  
 CITY OF COLORADO SPRINGS )  
 ) ss.  
 REAGAN RANCH METROPOLITAN )  
 DISTRICT NO. 1 )

The undersigned, as Secretary of Reagan Ranch Metropolitan District No. 1 (the “**District**”), does hereby certify that the foregoing resolution constitutes a true and complete copy of the record of the proceedings of the Board of Directors (the “**Board**”) of the District relating to the adoption of a resolution authorizing the issuance by the District of its Limited Tax General Obligation Bonds, Series 2021<sup>(3)</sup>, and other matters relating thereto, adopted at a special meeting held via video conference and teleconference at \_:00 \_m. on \_\_\_\_\_, the \_\_\_ day of \_\_\_\_\_, 2021, as recorded in the official record of proceedings to the District kept in the office of the District’s general legal counsel, that the proceedings were duly has and taken; that the meeting was duly held, that the persons therein named were present at said meeting either by video conference or teleconference and voted as shown therein; and that a notice of meeting, in the form herein set forth as Exhibit A, was posted prior to the meeting in accordance with applicable law.

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

(SEAL)



\_\_\_\_\_  
 Secretary

**EXHIBIT A**  
**NOTICE OF MEETING**