

**REUNION METROPOLITAN DISTRICT  
SPECIAL MEETING AGENDA**

January 14, 2021

2:00 p.m.

Due to current circumstances related to COVID-19, this meeting will be held electronically via Microsoft Teams. See below for the link and information necessary to access the Microsoft Teams meeting.

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_MTZhYWFhZWUtZGE3Ny00ZGQ5LTg0MjMtOGRhZGUyMmJiMjRh%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%2278e91a46-bdcc-4fe5-980c-8ff3dcc70755%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_MTZhYWFhZWUtZGE3Ny00ZGQ5LTg0MjMtOGRhZGUyMmJiMjRh%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%2278e91a46-bdcc-4fe5-980c-8ff3dcc70755%22%7d)

**Or call in (audio only)**

[+1 720-547-5281](tel:+17205475281), [48883298#](tel:+148883298) United States, Denver

Phone Conference ID: 488 832 98#

**Reunion Metropolitan District**

Kelly Leid, President

Term to May 2023

Brett Price, Vice President

Term to May 2022

Bruce Rau, Treasurer

Term to May 2022

Teresa Kershishnik, Assistant Secretary

Term to May 2023

Tim E. Roberts, Assistant Secretary

Term to May 2023

**AGENDA**

1. Call to Order/Declaration of Quorum
2. Director Conflict of Interest Disclosures
3. Approval of Agenda
4. Public Comment – Members of the public may express their views to the Board on matters that affect the District that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person. Comments will be taken in the order reflected on the sign in sheet.
5. Financial Matters
  - A. Discussion of Bond Transaction
    - i. Consider Termination of Engagement Letter with D.A. Davidson for Underwriter Services (enclosed)

- ii. Review and Consider Approval of Engagement Letter between the District and Piper Sandler for Underwriter Services (enclosed)
  - iii. Review and Consider Approval of Engagement Letter between the District and White Bear Ankele Tanaka & Waldron for General Counsel Services (enclosed)
  - iv. Review and Consider Approval of Engagement Letter between the District and Gilmore and Bell for Bond Counsel Services (enclosed)
  - v. Review and Consider Approval of Engagement Letter between the District and Ballard Spahr for Disclosure Counsel Services (enclosed)
  - vi. Review and Consider Approval of Engagement Letter between the District and Metro Study for Market Study Services (to be distributed)
  - vii. Review and Consider Approval of Engagement Letter between the District and Jehn Water Consultants for ERU Violation Study Services (enclosed)
  - viii. Review and Consider Approval of Engagement Letter between the District and White & Janowski for Special Counsel Services (enclosed)
  - ix. Review and Consider Approval of Engagement Letter between the District and North Slope Capital Advisors for Municipal Advisor Services (enclosed)
  - x. Review and Consider Approval of Engagement Letter between the District and CLA for Financial Forecasting Services (enclosed)
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6. Legal Matters

- i. Review and Consider Adoption of Resolution Establishing Enterprise (enclosed)
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7. Other Business

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8. Adjournment

**REUNION METROPOLITAN DISTRICT**  
**c/o CliftonLarsonAllen**  
**8390 E. Crescent Parkway, Suite 300**  
**Greenwood Village, CO 80111**

January 13, 2021

Brooke Hutchens  
D.A. Davidson & Co.  
1500 Market Street, Suite 300  
Denver, CO 80202

Re: Reunion Metropolitan District/EUR Bond Transaction

Dear Ms. Hutchens:

This letter is to confirm our discussions that Reunion Metropolitan District has determined not to engage D.A. Davidson & Co. as underwriter in relation to the issuance of its ERU revenue bonds. The Board of Directors thanks you for your efforts to date on the transaction.

Sincerely,

Kelly Leid  
President

# PIPER | SANDLER

1200 17TH STREET, SUITE 1250  
DENVER, CO 80202-5856  
TF 800 274-4405 | F 303 405-0891  
Piper Sandler & Co. Since 1895.  
Member SIPC and NYSE.

**Reunion Metropolitan District**

c/o Kristen Bear  
White Bear Ankele Tanaka & Waldron  
2154 E Commons Ave #2000  
Centennial, CO 80122

December 21, 2020

Re: Underwriter/Placement Agent Engagement Letter  
Issue Description: SPECIAL REVENUE BONDS, SERIES 2021A  
SUBORDINATE SPECIAL REVENUE BONDS, SERIES 2021B (the "Securities")

Dear Kristen:

This letter confirms the agreement (the "Agreement") between Piper Sandler & Co. ("Piper Sandler" or "we" or "us") and Reunion Metropolitan District (the "Issuer" or "you") as follows:

1. **Engagement.** The Issuer hereby engages Piper Sandler to serve as an underwriter or placement agent for the Securities. As currently contemplated, the transaction will be an underwriting or private placement of the Securities with gross proceeds of approximately \$33,900,000. Sale and delivery of the Securities by the Issuer will occur on the day of closing ("Closing Date").
2. **Scope of Services.** We understand that the decision to either conduct a public sale of the Securities or sell the Securities in a private placement to a single or limited number of investors will be made by you sometime in the future. As a preliminary matter, we can assist you in determining whether to pursue a public sale or a private placement to a bank or other financial institution, based upon the facts and circumstances in evidence at that time. Depending on the capacity in which we would be acting, Piper Sandler agrees, as appropriate and directed by you, to provide the following services.

As an Underwriter:

- (a) Develop a financing plan for the Securities and assist you in determining the economic impact of the Securities;
- (b) Provide advice concerning structure, timing, terms and other similar matters concerning the Securities, including recommendations as to maturities, interest rates, structure, security, timing, and amount of proceeds needed to implement your project;
- (c) Review and make comments with respect to sale documents, as applicable, including Explanatory Statements, Authorizing Bond Resolutions, bond declarations and indentures and other underlying documents relating to the Securities;
- (d) Develop a sale schedule that incorporates all aspects of bringing Securities to market and arranging for a successful closing of the transaction;
- (e) Assist in the preparation of the preliminary and final Official Statements to be issued by you relating to the Securities for final approval by you and your agents, including bond counsel;
- (f) Distribute preliminary and final Official Statements and other documents to a broad list of institutions, banks, trusts, insurance companies, professional investment advisors, and other prospective investors in Securities;

- (g) Develop a marketing plan for the offering, including identification of potential investors;
- (h) Negotiate the pricing, including the interest rate, and other terms of Securities;
- (i) Obtain CUSIP number(s) for Securities and arranging for their DTC book-entry eligibility as required;
- (j) Provide a final schedule of debt service payments for Securities;
- (k) Review and make comments with respect to closing documents prepared by Bond Counsel;
- (l) Plan and arrange for the closing and settlement of the issuance and the delivery of Securities; and
- (m) Other activities that are integral to the purchase and distribution of the Securities and activities integral to fulfilling the role of a placement agent or underwriter including under the antifraud provisions of the federal securities laws and the obligations of Piper Sandler under MSRB rules.

**As a Placement Agent:**

- (a) consult with you in planning and implementing the placement of the Securities;
- (b) assist you in reviewing any transaction materials (the "Transaction Materials") we mutually agree are beneficial or necessary to the consummation of the transaction;
- (c) assist you in preparing for due diligence conducted by potential investors;
- (d) identify potential investors and use our reasonable commercial efforts to assist in arranging sales of the Securities to investors;
- (e) assist you in negotiating definitive documentation.

**3. Fees and Expenses.**

For our services, you agree to pay us an underwriting discount as described below of the gross proceeds received by you on all sales of the Securities payable as a discount to the purchase price or by wire transfer of immediately available funds at closing. For avoidance of doubt, the fee shall not be payable in the event a closing of the Securities does not occur.

Private Placement to the Developer	Non-Rated Senior Debt	Non-Rated Subordinate Debt
1%	2%	3%

**4. Representations, Warranties and Agreements of the Issuer.**

You represent and warrant to, and agree with us, that:

- (a) the Securities will be sold by you in compliance with the requirements for exemptions from registration or qualification of, and otherwise in accordance with, all federal and state securities laws and regulations;
- (b) you will make available to us and each purchaser such documents and other information which we and each purchaser reasonably deem (the "Transaction Materials") appropriate and will provide access to your officers, directors, employees, accountants, counsel and

other representatives and will provide each purchaser and us opportunities to ask questions and receive answers from these persons; it being understood that we and each purchaser will rely solely upon such information supplied by you and your representatives without assuming any responsibility for independent investigation or verification thereof; and

- (c) you agree to be responsible for the accuracy and completeness of any Transaction Materials to the extent of federal securities laws applicable to the transaction. You agree to notify us promptly of any material adverse changes, or development that may lead to any material adverse change, in your business, properties, operations, financial condition or prospects and concerning any statement contained in any Transaction Materials, or in any other information provided to us, which is not accurate or which is incomplete or misleading in any material respect;
  - (d) all financial projections that have or will be made available to Piper Sandler by you or any of your representatives in connection with the Transaction (the "Projections") have been and will be prepared in good faith and will be based upon assumptions believed by you to be reasonable (it being understood that projections by their nature are inherently uncertain and no assurances are being given that the results reflected in the Projections will be achieved);
  - (e) If we are acting as Underwriter on the Closing Date, you will deliver or cause to be delivered to us an Opinion of Bond Counsel to you, dated the Closing Date relating to: the validity of the Securities; exemption from registration and qualification under federal and state securities law; and if applicable the tax-exempt status of the Securities, together with a reliance letter from such counsel, dated the Closing Date and addressed to us and in a form acceptable to us.
5. **Other Matters Relating to Our Engagement.** The parties agree that we are not making a final commitment to underwrite or place securities until certain events have occurred including among other things, a successful authorizing bond election, satisfactory completion and execution of all final documentation for an offering including all terms and conditions and credit approval by Piper Sandler's internal credit approval process. This Agreement is therefore not a final commitment by us express or implied, to underwrite, place or purchase any securities. If you elect to conduct a public offering of the Securities, you and Piper Sandler will enter into a definitive bond purchase agreement which shall supersede the provisions of this agreement in any conflicting respects, except that the parties agree that the fee provisions set forth in Section 3 will continue to apply.

You acknowledge that you have retained us solely to provide the services to you as set forth in this agreement. As underwriter or placement agent, Piper Sandler may provide advice concerning the structure, timing, terms, and other similar matters concerning the transaction. You acknowledge and agree that: (i) the primary role of Piper Sandler as an underwriter or placement agent, is to sell or place securities to investors in an arms-length commercial transaction and that Piper Sandler has financial and other interests that differ from your interests (ii) Piper Sandler is not acting as a municipal advisor, financial advisor or fiduciary to you or any other person or entity and has not assumed any advisory or fiduciary responsibility to you with respect to the transaction contemplated herein and the discussions, undertakings and proceedings leading thereto (irrespective of whether Piper Sandler has provided other services or is currently providing other services to you on other matters) (iii) the only obligations Piper Sandler has to you with respect to the transaction contemplated hereby expressly are set forth in this agreement and (iv) you have consulted your own legal, accounting, tax, financial and other advisors, as applicable, to the extent deemed appropriate in connection with the transaction contemplated herein.

6. **Disclosure.** Attached to this letter are regulatory disclosures required by the Securities and Exchange Commission and the Municipal Securities Rulemaking Board to be made by us at this

time because of this engagement. We may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures. It is our understanding that you have the authority to bind the Issuer by contract with us, and that you are not a party to any conflict of interest relating to the Securities. If our understanding is incorrect, please notify the undersigned immediately.

7. **Termination.** You or we may terminate our engagement under this agreement, with or without cause, upon ten days' written notice to the other party. The fee, expense reimbursement, your representations, warranties and agreements, and miscellaneous provisions of this agreement will survive any termination of our engagement under this agreement.
8. **Section Headings.** Section headings contained herein are for convenience of reference only and are not part of this agreement.
9. **Amendment.** This agreement may be amended only by a written instrument executed by each of the Parties. The terms of this agreement may be waived only by a written instrument executed by the party waiving compliance.
10. **Entire Agreement.** This agreement embodies the entire agreement and understanding between you and us and supersedes all prior agreements and understandings relating to the subject matter of this agreement.
11. **No Assignment.** This agreement has been made by the Issuer and Piper Sandler, and no other person shall acquire or have any right under or by virtue of this agreement.
12. **Governing Law.** This agreement, and all claims or causes of action (whether in contract or tort) that may be based upon, arise out of or relate to this agreement or the negotiation, execution or performance of this agreement, will be governed by and construed in accordance with the laws of Colorado. You and we hereby waive all right to trial by jury in any action, proceeding, or counterclaim (whether based upon contract, tort or otherwise) in connection with any dispute arising out of this agreement or any matters contemplated by this agreement.
13. **Consent to Jurisdiction; Service of Process.** The parties each hereby (a) submits to the jurisdiction of any state or federal court sitting in the County in which the District is located, State of Colorado for the resolution of any claim or dispute with respect to or arising out of or relating to this agreement or the relationship between the parties (b) agrees that all claims with respect to such actions or proceedings may be heard and determined in such court, (c) waives the defense of an inconvenient forum, (d) agrees not to commence any action or proceeding relating to this agreement other than in a state or federal court sitting in the County in which the District is located, State of Colorado and (e) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law. Each party hereto irrevocably consents to service of process in the manner provided for notices in Section 17. Nothing in this agreement will affect the right of any party to this agreement to serve process in any other manner permitted by law.
14. **Effectiveness.** This agreement shall become effective upon its execution by duly authorized officials of all parties hereto and shall be valid and enforceable from and after the time of such execution.
15. **Severability.** In the event any provision of this agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof. You and us will endeavor in good faith negotiations to replace the invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the invalid or unenforceable provisions.

16. **Counterparts.** This agreement may be executed in several counterparts (including counterparts exchanged by email in PDF format), each of which shall be an original and all of which shall constitute but one and the same instrument.
17. **Notices.** Any notice required or permitted to be given under this agreement shall be given in writing and shall be effective from the date sent by registered or certified mail, by hand, facsimile or overnight courier to the addresses set forth on the first page of this agreement with a copy sent to the General Counsel of such Party.
18. THE PARTIES HEREBY IRREVOCABLY WAIVE ALL RIGHT TO A TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

Please confirm that the foregoing correctly and completely sets forth our understanding by signing and returning to us the enclosed duplicate of this engagement agreement.

Sincerely,

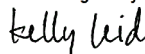


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**Sam Sharp, Managing Director**  
Piper Sandler & Co.

Acknowledgement and Approval of Engagement  
and Receipt of Appendix A Disclosures

DocuSigned by:



639A8BA27EBE4FB...

**Reunion Metropolitan District**

c/o Kristen Bear  
White Bear Ankele Tanaka & Waldron

Date: January 5, 2021



## Appendix A – G-17 Disclosure

We are providing you with certain disclosures relating to the captioned bond issue (the Bonds), as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 in accordance with MSRB Notice 2012-25 (May 7, 2012). Under federal regulations, all underwriters are required to send the following disclosures to you (as the Issuer of the Bonds) in order to clarify with you the role of an underwriter and other matters relating to an underwriting of the Bonds.

Piper Sandler intends to serve as an underwriter respecting the Bonds and not as a financial advisor or municipal advisor to you. As part of our services as an underwriter, Piper Sandler may provide advice concerning the structure, timing, terms, and other similar matters concerning an issue of municipal securities that Piper Sandler is underwriting.

Piper Sandler has been engaged to act as your underwriter in a negotiated underwriting, and by engaging Piper Sandler as your underwriter, you determined to sell the Bonds by negotiated sale. A negotiated sale is the sale of a new issue of municipal securities by an issuer directly to an underwriter or underwriting syndicate selected by the issuer. A negotiated sale is distinguished from a sale by competitive bid, which requires public bidding by the underwriters. Piper Sandler did not advise you as to what method of sale (competitive or negotiated sale) you used for this issuance of municipal securities.

### ***Our Role as Underwriter:***

In serving as underwriter for the Bonds, these are some important disclosures that clarify our role and responsibilities:

- (i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors;
- (ii) The underwriter's primary role is to purchase securities with a view to distribution in an arm's-length commercial transaction with the Issuer and it has financial and other interests that differ from those of the Issuer;
- (iii) Unlike a municipal advisor, the underwriter does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests;
- (iv) The underwriter has a duty to purchase securities from the Issuer at a fair and reasonable price, but must balance that duty with its duty to sell municipal securities to investors at prices that are fair and reasonable; and
- (v) The underwriter will review the official statement for the Issuer's securities in accordance with, and as part of, its responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of the transaction.<sup>1</sup>

### ***Our Compensation:***

The underwriter will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

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<sup>1</sup> Under federal securities law, an issuer of securities has the primary responsibility for disclosure for investors. The review of the official statement by the underwriter is solely for purposes of satisfying the underwriter's obligations under the federal securities laws and such review should not be construed by an issuer as a guarantee of the accuracy or completeness of the information in the official statement.

***Risk Disclosures:***

In accordance with the requirements of MSRB Rule G-17, this letter will be supplemented to provide disclosures of the material financial characteristics of the financing structure of the Bonds as well as the material financial risks of the financing that are known to us and reasonably foreseeable.

If you have any questions or concerns about these disclosures, please make those questions or concerns known immediately to me. In addition, you should consult with your own financial, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

## Appendix B – Risk Disclosures

The following is a general description of the financial characteristics and security structures of fixed rate municipal bonds (“Fixed Rate Bonds”), as well as a general description of certain financial risks that you should consider before deciding whether to issue Fixed Rate Bonds.

### **Financial Characteristics**

**Maturity and Interest.** Fixed Rate Bonds are interest-bearing debt securities issued by state and local governments, political subdivisions and agencies and authorities. Maturity dates for Fixed Rate Bonds are fixed at the time of issuance and may include serial maturities (specified principal amounts are payable on the same date in each year until final maturity), one or more term maturities (specified principal amounts are payable on each term maturity date), a combination of serial and term maturities, or bullet maturities, in which all the Bonds mature on a single maturity date. The final maturity date typically will range between 10 and 30 years from the date of issuance. Interest on the Fixed Rate Bonds typically is paid semiannually at a stated fixed rate or rates for each maturity date.

**Redemption.** Fixed Rate Bonds may be subject to optional redemption, which allows you, at your option, to redeem some or all of the bonds on a date prior to scheduled maturity, such as in connection with the issuance of refunding bonds to take advantage of lower interest rates. Fixed Rate Bonds will be subject to optional redemption only after the passage of a specified period of time, often approximately ten years from the date of issuance, and upon payment of the redemption price set forth in the bonds, which may include a redemption premium. You will be required to send out a notice of optional redemption to the holders of the bonds, usually not less than 30 days prior to the redemption date. Fixed Rate Bonds with term maturity dates also may be subject to mandatory sinking fund redemption, which requires you to redeem specified principal amounts of the bonds annually in advance of the term maturity date. The mandatory sinking fund redemption price is 100% of the principal amount of the bonds to be redeemed.

### **Security**

Payment of principal of and interest on a municipal security, including Fixed Rate Bonds, may be backed by various types of pledges and forms of security, some of which are described below.

#### **General Obligation Bonds**

“General obligation bonds” are debt securities to which your full faith and credit is pledged to pay principal and interest. If you have taxing power, generally you will pledge to use your ad valorem (property) taxing power to pay principal and interest. Ad valorem taxes necessary to pay debt service on general obligation bonds may not be subject to state constitutional property tax millage limits (an unlimited tax general obligation bond). The term “limited” tax is used when such limits exist.

General obligation bonds constitute a debt and, depending on applicable state law, may require that you obtain approval by voters prior to issuance. In the event of default in required payments of interest or principal, the holders of general obligation bonds have certain rights under state law to compel you to impose a tax levy.

#### **Revenue Bonds**

“Revenue bonds” are debt securities that are payable only from a specific source or sources of revenues. Revenue bonds are not a pledge of your full faith and credit and you are obligated to pay principal and interest on your revenue bonds only from the revenue source(s) specifically pledged to the bonds. Revenue bonds do not permit the bondholders to compel you to impose a tax levy for payment of debt service. Pledged revenues may be derived from operation of the financed project or system, grants or excise or other specified taxes. Generally, subject to state

law or local charter requirements, you are not required to obtain voter approval prior to issuance of revenue bonds. If the specified source(s) of revenue become inadequate, a default in payment of principal or interest may occur. Various types of pledges of revenue may be used to secure interest and principal payments on revenue bonds. The nature of these pledges may differ widely based on state law, the type of issuer, the type of revenue stream and other factors.

#### General Fund Obligations

“General Fund Obligations” are debt securities that are payable from an issuer’s general fund and are not secured by a specific tax levy like a general obligation bond or a specific revenue pledge like a revenue bond. General fund obligations come in many varieties and may be a continuing obligation of the general fund or may be subject to annual appropriation. Often general fund obligations are issued in the form of certificates of participation in a lease obligation of the issuer.

### **Financial Risk Considerations**

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all of the following:

#### Risk of Default and Fiscal Stress

You may be in default if the funds pledged to secure your bonds are not sufficient to pay debt service on the bonds when due. The consequences of a default may be serious for you and may include the exercise of available remedies against you on behalf of the holders of the bonds. Depending on state law, if the bonds are secured by a general obligation pledge, you may be ordered by a court to raise taxes or other budgetary adjustments may be necessary to enable you to provide sufficient funds to pay debt service on the bonds. If the bonds are revenue bonds, subject to applicable state law and the terms of the authorizing documents, you may be required to take steps to increase the available revenues that are pledged as security for the bonds.

Bonds payable from the general fund, particularly bonds without a defined revenue stream identified to pay debt service, reduce your flexibility to balance the general fund. Because a fixed debt service payment is required to be paid regardless of how your general fund is impacted by revenue losses or by increased expenses, you have less flexibility in the options available to you in assuring a balanced budget for your general fund.

General Fund Obligations that are Project Based. Some general fund obligations are issued for projects which are expected to generate revenues that will pay for some or all of the debt service on the bonds. In the event the project does not generate the anticipated levels of revenues available for debt service, or, in the extreme case, does not create any revenue available for debt service, you may need to make payments from other available general fund revenues. This may force you to reduce other expenditures or to make difficult decisions about how to pay your debt service obligation while meeting other expenditure needs.

General Fund Obligations that are Subject to Annual Appropriation. Some general fund obligations require that debt service is subject to annual appropriation by your governing body. If your governing body decides not to appropriate payments for debt service, your credit ratings may be negatively impacted and you may be forced to pay a higher interest rate on future debt issuance or may be unable to access the market for future debt issuance.

For all bonds, a default may negatively impact your credit ratings and may effectively limit your ability to publicly offer bonds or other securities at market interest rate levels. Further, if you are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, it may be necessary for you to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy. A default also may occur if you are unable to comply with covenants or other provisions agreed to in connection with the issuance of the bonds.

*Redemption Risk*

Your ability to redeem the bonds prior to maturity may be limited, depending on the terms of any optional redemption provisions. In the event that interest rates decline, you may be unable to take advantage of the lower interest rates to reduce debt service.

*Refinancing Risk*

If the financing plan contemplates refinancing some or all of the bonds at maturity (for example, if there are term maturities, bullet maturities or if a shorter final maturity is chosen than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent the refinancing of those bonds when required. Further, limitations in the federal tax rules on advance refunding of bonds (an advance refunding of bonds occurs when tax-exempt bonds are refunded more than 90 days prior to the date on which those bonds may be retired) may restrict the ability to refund the bonds to take advantage of lower interest rates.

*Reinvestment Risk*

You may have proceeds of the bonds to invest prior to the time that you are able to spend those proceeds for the authorized purpose. Depending on market conditions, you may not be able to invest those proceeds at or near the rate of interest that you are paying on the bonds, which is referred to as “negative arbitrage”.

*Tax Compliance Risk*

The issuance of tax-exempt bonds is subject to a number of requirements under the United States Internal Revenue Code, as enforced by the Internal Revenue Service (IRS). You must take certain steps and make certain representations prior to the issuance of tax-exempt bonds. You also must covenant to take certain additional actions after issuance of the tax-exempt bonds. A breach of your representations or your failure to comply with certain tax-related covenants may cause the interest on the bonds to become taxable retroactively to the date of issuance of the bonds, which may result in an increase in the interest rate that you pay on the bonds or the mandatory redemption of the bonds. The IRS also may audit you or your bonds, in some cases on a random basis and in other cases targeted to specific types of bond issues or tax concerns. If the bonds are declared taxable, or if you are subject to audit, the market price of your bonds may be adversely affected. Further, your ability to issue other tax-exempt bonds also may be limited.

## Certificate Of Completion

Envelope Id: F81CDF8D2A5D48608BD45763F5EAF407	Status: Completed
Subject: Please DocuSign: Reunion MD District Engagement Letter with Piper Sandler (needs Kelly to sign).pdf	
Client Name: Reunion MD	
Client Number: 011-042159-OS01-2021	
Source Envelope:	
Document Pages: 10	Signatures: 1
Certificate Pages: 4	Initials: 0
AutoNav: Enabled	Envelope Originator:
Envelope Stamping: Enabled	Kathy Suazo
Time Zone: (UTC-06:00) Central Time (US & Canada)	220 South 6th Street
	Suite 300
	Minneapolis, MN 55402
	Kathy.Suazo@claconnect.com
	IP Address: 67.137.57.251

## Record Tracking

Status: Original	Holder: Kathy Suazo	Location: DocuSign
1/5/2021 5:52:27 PM	Kathy.Suazo@claconnect.com	

## Signer Events

Signature	Timestamp
<p>Kelly Leid</p> <p>kleid@oakwoodhomesco.com</p> <p>Board Member</p> <p>Security Level: Email, Account Authentication (None)</p> <p>DocuSigned by:  639A8BA27EBE4FB...</p> <p>Signature Adoption: Pre-selected Style</p> <p>Using IP Address: 216.87.72.100</p>	<p>Sent: 1/5/2021 5:54:02 PM</p> <p>Viewed: 1/5/2021 5:58:18 PM</p> <p>Signed: 1/5/2021 5:58:28 PM</p>

**Electronic Record and Signature Disclosure:**  
Accepted: 1/5/2021 5:58:18 PM  
ID: 0338c99c-f82a-4707-8a9c-4b4da4d14670

In Person Signer Events	Signature	Timestamp
Editor Delivery Events	Status	Timestamp
Agent Delivery Events	Status	Timestamp
Intermediary Delivery Events	Status	Timestamp
Certified Delivery Events	Status	Timestamp
Carbon Copy Events	Status	Timestamp
Witness Events	Signature	Timestamp
Notary Events	Signature	Timestamp
Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	1/5/2021 5:54:02 PM
Certified Delivered	Security Checked	1/5/2021 5:58:18 PM
Signing Complete	Security Checked	1/5/2021 5:58:28 PM
Completed	Security Checked	1/5/2021 5:58:28 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

## **ELECTRONIC RECORD AND SIGNATURE DISCLOSURE**

From time to time, CliftonLarsonAllen LLP (we, us or Company) may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to this Electronic Record and Signature Disclosure (ERSD), please confirm your agreement by selecting the check-box next to 'I agree to use electronic records and signatures' before clicking 'CONTINUE' within the DocuSign system.

### **Getting paper copies**

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after the signing session and, if you elect to create a DocuSign account, you may access the documents for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

### **Withdrawing your consent**

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

### **Consequences of changing your mind**

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. Further, you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

### **All notices and disclosures will be sent to you electronically**



Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures electronically from us.

#### **How to contact CliftonLarsonAllen LLP:**

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com)

#### **To advise CliftonLarsonAllen LLP of your new email address**

To let us know of a change in your email address where we should send notices and disclosures electronically to you, you must send an email message to us at [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com) and in the body of such request you must state: your previous email address, your new email address. We do not require any other information from you to change your email address.

If you created a DocuSign account, you may update it with your new email address through your account preferences.

#### **To request paper copies from CliftonLarsonAllen LLP**

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an email to [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com) and in the body of such request you must state your email address, full name, mailing address, and telephone number. We will bill you for any fees at that time, if any.

#### **To withdraw your consent with CliftonLarsonAllen LLP**

To inform us that you no longer wish to receive future notices and disclosures in electronic format you may:



i. decline to sign a document from within your signing session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;

ii. send us an email to [BusinessTechnology@CLAconnect.com](mailto:BusinessTechnology@CLAconnect.com) and in the body of such request you must state your email, full name, mailing address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

### **Required hardware and software**

The minimum system requirements for using the DocuSign system may change over time. The current system requirements are found here: <https://support.docusign.com/guides/signer-guide-signing-system-requirements>.

### **Acknowledging your access and consent to receive and sign documents electronically**

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please confirm that you have read this ERSD, and (i) that you are able to print on paper or electronically save this ERSD for your future reference and access; or (ii) that you are able to email this ERSD to an email address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format as described herein, then select the check-box next to ‘I agree to use electronic records and signatures’ before clicking ‘CONTINUE’ within the DocuSign system.

By selecting the check-box next to ‘I agree to use electronic records and signatures’, you confirm that:

- You can access and read this Electronic Record and Signature Disclosure; and
- You can print on paper this Electronic Record and Signature Disclosure, or save or send this Electronic Record and Disclosure to a location where you can print it, for future reference and access; and
- Until or unless you notify CliftonLarsonAllen LLP as described above, you consent to receive exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you by CliftonLarsonAllen LLP during the course of your relationship with CliftonLarsonAllen LLP.

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LISA CANCANON

January 11, 2021

Reunion Metropolitan District  
Acting by and through the Reunion Metropolitan District Water Activity Enterprise  
c/o CliftonLarsonAllen  
8390 E. Crescent Parkway, Suite 300  
Greenwood Village, CO 80111

Re: Special Disclosure of Costs for Legal Services in Connection with Bonds

Dear Board of Directors:

White Bear Ankele Tanaka & Waldron (“**WBA**”) currently serves as general counsel to Reunion Metropolitan District (the “**District**”) pursuant to an engagement letter dated November 6, 2018 that defines the scope of WBA’s engagement for general counsel legal services (the “**Engagement**”). The Engagement states that fees for our services are paid monthly based on hours of service provided and other factors set forth in the Engagement. The purpose of this letter is to confirm the terms of a special fee arrangement regarding WBA’s work in connection with the expected issuance by an enterprise to be formed by the District of its Senior Water Revenue Bonds, Series 2021A, to be issued through the Reunion Metropolitan District Water Activity Enterprise, in the estimated principal aggregate amount of approximately \$443,050,000 (the “**Bonds**” and/or the “**Transaction**”). This letter is also intended to describe the roles of WBA and various other professionals expected to be involved in the Transaction. Due to the nature of this type of Transaction, fees for all professionals are usually paid at closing; however, our Engagement provides for monthly billing and payment, followed, typically, by reimbursement to the District for our fees from closing proceeds. This letter discloses a special billing arrangement for our fees to provide a measure of certainty to the District regarding the costs of the Transaction. Other than as specifically noted herein, this letter is not intended to alter any of the provisions of the Engagement.

The effort to close the Transaction may involve the work of several professionals outside the Firm including: (i) [an investment banker (the “**Underwriter**”) who will be engaged by the District to structure and then market the Transaction; (ii) a bond lawyer who will be engaged by the District to assist with structuring the Transaction and issue various opinions necessary to close the Transaction, including a tax exempt opinion (“**Bond Counsel**”); and (iii) disclosure counsel who will be engaged by the District to prepare the necessary documents to describe the Transaction and disclose the potential risks thereof to purchasers (“**Disclosure Counsel**”). Please note that it is also our recommendation that the District engage an independent municipal advisor to provide

Reunion Metropolitan District  
Acting by and through the Reunion Metropolitan District Water Activity Enterprise  
c/o CliftonLarsonAllen  
Page 2  
January 11, 2021

advice with respect to the Transaction, specifically including advice regarding structure, timing, financial terms, and other similar matters. These professional firms are generally referred to herein as the “**Professionals**”. Our role as general counsel will be to participate with the Professionals in documenting the Transaction as to which we will render a general counsel opinion to various parties regarding the status of the District and other matters surrounding the Transaction.

All of the Professionals will be paid out of proceeds of the Transaction on terms set forth in their individual engagements, which means they are paid by the District. Their duties to the District will be set forth in their individual engagement agreements and will run directly to the District and not to WBA. The Underwriter may choose to engage its own counsel whose duties will run to the Underwriter/Placement Agent only, but whose fees are generally paid by the District as a cost of the Transaction at closing.

In connection with these Professional engagements, it is important to understand that WBA’s role in the Transaction is limited to matters specifically set forth in our legal opinion, the anticipated form of which is attached hereto (the “**Opinion**”). If the risk or structure of the Transaction changes materially from what we anticipate at this time, resulting in changes to our Opinion which may increase the scope of our services or risk, we will advise the District and it may be necessary for us to increase our fees (as set forth below) for these services.

It is also important for the District to understand, and agree, that WBA is not engaged to oversee the efforts, work product, advice or opinions of the other Professionals. We will perform the work necessary to render our Opinion and will be sufficiently involved in the Transaction to keep the Board of Directors apprised of the status of the efforts of the other Professionals. We read their work to assure our familiarity with their documents but we do not review their work for completeness or accuracy. They are engaged because their services fall outside the scope of our expertise. Accordingly, by proceeding with the Transaction, the District acknowledges that it will rely solely on such Professionals as to the advice they render to the District and the content of their written materials, and the District further acknowledges that WBA is not the guarantor of their work. Should the District have any questions or concerns regarding the work of other Professionals, those questions should be directed to us so we can make sure they are addressed by the correct party.

As compensation for WBA's services as general counsel in connection with the approval, issuance and closing of the Transaction, the District shall pay the Firm a fee of \$80,000 for the Transaction from closing proceeds to compensate us for our time and expertise in connection with attempting to achieve a closing of the Transaction and for risks we incur in connection with the issuance of our Opinion. Accordingly, we will NOT include time and materials billings to the District as part of our routine monthly general counsel invoices; rather, a “**Bond Transaction Legal Services Invoice**” will be provided to the District at or near the closing of the Transaction and shall be due at the time of closing. In addition to these fees, there shall be due and payable upon closing of the Transaction the out of pocket expenses, including travel, telephone and telefax, staff overtime and copying expenses, and all other items and expenses incurred or paid by the Firm

Reunion Metropolitan District  
Acting by and through the Reunion Metropolitan District Water Activity Enterprise  
c/o CliftonLarsonAllen  
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on behalf of the District in connection with the Transaction. Please note that if the District directs that work on the Transaction cease prior to closing, or in the event the Transaction does not close for any reason within 90 days of the date of this letter, we may opt to provide a standard invoice to you for actual time and expenses incurred, which will be due in accordance with our standard Engagement, in lieu of the Bond Transaction Legal Services Invoice referenced above.

We appreciate the opportunity to continue to provide legal services to the District. Should you have any questions regarding this matter, please do not hesitate to call us.

Sincerely,

*White Bear Ankele Taraska & Waldron*

**Reunion Metropolitan District**

By: \_\_\_\_\_  
Signature

Printed Name: \_\_\_\_\_

Position: \_\_\_\_\_

Date: \_\_\_\_\_

Enclosure

WILLIAM P. ANKELE, JR.  
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AUDREY G. JOHNSON  
LISA CANCANON

## Form of General Counsel Opinion

District  
Address  
Address  
Address

Addressee (1)  
Address  
Address  
Address

Addressee (3)  
Address  
Address  
Address

Addressee (4)  
Address  
Address  
Address

\$ \_\_\_\_\_  
\_\_\_\_\_ DISTRICT [in the City of \_\_\_\_\_]  
( \_\_\_\_\_ COUNTY, COLORADO)  
NAME OF ISSUANCE, SERIES \_\_\_\_ (the “Loan”) OR (the “Bonds”)

Ladies and Gentlemen:

We have acted as general counsel to the \_\_\_\_\_ District, [City/Town of \_\_\_\_\_,] \_\_\_\_\_ County, Colorado (the “**District**”) in connection with the issuance by the District of the Loan/Bonds. We are not counsel for individual directors of the District [see FN1 below for language to insert for pledge agreement opinions]<sup>1</sup>. The opinions stated herein are given in our limited capacity as legal counsel to the District for general matters. Further, neither our firm nor any of its attorneys or employees have been employed, contracted, or otherwise retained as a “municipal advisor” to the District as such term is defined in 15 U.S.C. 78o-4(e)(4), as amended by the Dodd/Frank Act (the “**Act**”), or any rules promulgated by the Securities and Exchange Commission under the Act. Any comments or advice provided by our firm regarding the issuance of securities by the District have been solely of a “traditional legal nature”, as recognized under the Act.

<sup>1</sup> For pledge agreement opinions in multi-district structures, add [and we have not represented the Districts in negotiating the terms or substance of the Agreement]. Make sure to delete this FN from the opinion.

As to questions of fact material to our opinion, we have relied specifically upon the certified proceedings of the District relating to the authorization, issuance and delivery of the **Loan/Bonds** and certifications or other representations of public officials and other persons furnished to us without undertaking to verify the same by independent investigation. Whenever our opinion with respect to the existence or absence of facts is indicated to be based on our knowledge, it shall mean that, during the course of our representation as described above, no information has come to our attention which has given us actual knowledge contrary to the existence or absence of such facts. We have not undertaken any independent investigation to determine the existence or absence of such facts, nor have we undertaken any such investigation with respect to facts certified by anyone, and no inference as to our knowledge of the existence or absence of such facts may be drawn from our representation of the District.

In connection herewith, we have assumed, without independent verification or investigation as to the same: (a) the genuineness and authenticity of all documents submitted to us as originals; (b) the conformity of the originals to all photocopies provided to us in connection with rendering this opinion; (c) that the signatures of persons signing all documents in connection with which this opinion is rendered are genuine and are authorized by the entity on whose behalf such persons have signed; provided, however, that no such assumptions as to genuineness and authorization are made as to signatures on behalf of the District; (d) that all parties to the documents reviewed by us have full power and authority and have obtained all consents and/or approvals necessary to execute, deliver and perform thereunder, provided however that no such assumptions are made as to the District regarding necessary consents and/or approvals in connection with execution, delivery, and performance of the Financing Documents, as defined below; and (e) that all such documents have been duly authorized by all necessary corporate officers, have been duly executed by such parties, and have been duly delivered by such parties; provided, however, that no such assumptions are made as to the District's, execution and delivery of any Financing Documents.

The **Loan/Bonds** is/are being issued pursuant to a Resolution **INSERT FULL NAME OF RESOLUTION UNLESS INFEASIBLE DUE TO LENGTH** adopted by the Board of Directors of the District (the "**Board**") at a **regular/special** meeting held on \_\_\_\_\_, 20\_\_ (the "**Authorizing Resolution**"). Capitalized words and phrases not otherwise defined herein shall have the meanings assigned in the Authorizing Resolution.

As general counsel to the District, we have reviewed the following documents:

A. The **[Consolidated/Amended and Restated]** Service Plan of the District, approved by the **Town/City/County** on \_\_\_\_\_, **[as amended by a First Amendment to Service Plan, dated \_\_\_\_\_]** **[collectively,]** the "**Service Plan**";

B. **USE THIS PARAGRAPH IF THERE IS AN OFFERING DOCUMENT:** [Those portions of the **[Disclosure Document Name]** dated \_\_\_\_\_, 202\_\_ (the "**Disclosure Document**") titled: **["THE DISTRICT—INTRODUCTION", "THE DISTRICT" and "LEGAL MATTERS"]**;

C. The Authorizing Resolution;

USE THIS LANGUAGE FOR LOAN DOCUMENTS, ADDING AND DELETING REFERENCES TO DOCUMENTS, AS NECESSARY:

D. The Loan Agreement between the District and \_\_\_\_\_, dated as of \_\_\_\_\_, 20\_\_;

E. The Custodial Agreement between the District, \_\_\_\_\_, as custodian, and \_\_\_\_\_, as lender, dated \_\_\_\_\_, 20\_\_;

F. The Placement Agent Agreement between the District and \_\_\_\_\_, as placement agent, dated \_\_\_\_\_, 20\_\_.

USE THIS LANGUAGE FOR BOND DOCUMENTS, ADDING AND DELETING REFERENCES TO DOCUMENTS, AS NECESSARY:

D. [The Indenture of Trust between the District and \_\_\_\_\_, as trustee, dated as of \_\_\_\_\_, 20\_\_];

E. The Bond Purchase Agreement between the District and \_\_\_\_\_, dated as of \_\_\_\_\_, 20\_\_; and

F. The Continuing Disclosure Agreement, dated as of \_\_\_\_\_, 20\_\_.

The documents described in paragraphs [C if there is an offering document; or B if there is not an offering document] through [\_\_\_\_], above, are hereafter referred to as the “**Financing Documents**.”

Based on the foregoing, and except as otherwise qualified and limited herein and expressly qualified by paragraphs 10 [11] through 13 [14], inclusive, we are of the opinion that:

1. The District is a duly organized and existing quasi-municipal corporation and political subdivision of the State of Colorado.

2. We have not received any notice from the State Division of Local Government (the “**Division**”) concerning the intent by the Division to certify the District dissolved pursuant to § 32-1-710, C.R.S., and the officers or directors of the District have not advised us of receipt of same. Nothing has come to our attention which would lead us to believe that there are any grounds for dissolution of the District under such statute.

3. The District is not required by law to amend the Service Plan to effectuate the execution and performance of its obligations under the Financing Documents.

4. To the best of our knowledge, based upon the oral representations and affirmations provided to us by individuals serving on the Board, and without any other independent investigation or inquiry by us, for the period from the date of adoption and approval of the Authorizing Resolution to and including the date hereof, such individuals are qualified to serve as directors and officers of the District and have been duly elected or appointed.

5. The District has taken the procedural steps necessary to adopt the Authorizing Resolution in material compliance with the procedural rules of the District and the requirements of Colorado law, and the Authorizing Resolution remains in full force and effect as the date hereof.

6. The Financing Documents have been duly authorized, executed, and delivered on behalf of the District.

7. To the best of our actual knowledge, [and except as otherwise set forth in the Disclosure Document,] there is no action, suit, or proceeding pending in which the District is a party, nor is there any inquiry or investigation pending against the District by any governmental agency, public agency, or authority which, if determined adversely to the District, would have a material adverse effect upon the District's ability to comply with its obligations under the Financing Documents.

8. To the best of our knowledge and with reasonable inquiry, the issuance, execution, and delivery of the Loan/Bonds by the District, and the execution and delivery of the Financing Documents and the performance by the District of its obligations with respect thereto, will not result in a violation of any applicable judgment, order or decree of any authority of the State of Colorado, and will not result in a breach of, or constitute a default under, any agreement or instrument to which the District is a party or by which the District is bound.

9. To the best of our knowledge and with reasonable inquiry, no additional or further approval, consent, or authorization of any governmental, public agency, or authority not already obtained is required by the District in connection with the issuance of the Loan/Bonds, or entering into and performing its obligations under the Financing Documents.

10. [USE THIS PARAGRAPH AS APPLICABLE: We assisted the District in the review of portions of the Disclosure Document. We have not been engaged as disclosure counsel by the District in connection with preparation of the Disclosure Document nor by any other participant involved with the issuance of the Loan/Bonds, and have not undertaken to provide counsel in regard to the contents of the Disclosure Document and/or the disclosure or nondisclosure of matters addressed therein except as set forth in the sections of the Disclosure Document entitled: "THE DISTRICT--INTRODUCTION", "THE DISTRICT", and "LEGAL MATTERS" (together, the "Covered Sections"). We have generally reviewed the Covered Sections and participated in meetings and discussions with representatives of the District, Bond Counsel and the Underwriter but have not reviewed sections of the Disclosure Document other than the Covered Sections. In the course of these activities, and without further independent investigation, we are not aware that the Covered Sections of the Disclosure Document (except for the financial statements, projections and other financial and statistical information included in the Covered Sections, as to which we express no opinion) contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading.]

This letter contains opinions of our firm which are, in their entirety, subject to and qualified generally as set forth therein, and are expressly qualified by the following paragraphs 10 [11] through 13 [14]:



10. [11]. The obligations of the District with respect to the Loan/Bonds, Financing Documents, and other documents and agreements referred to or contained therein or herein may all be affected in the future by:

(a) Provisions of bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally;

(b) Compliance or non-compliance by the directors of the District with laws contained in § 18-8-308, C.R.S., and under §§24-18-101, *et seq.*, C.R.S., regarding disclosure of potential conflicts of interest; provided, however, that we have advised the directors of the requirements of such laws and we are aware that each of the directors of the District have filed potential conflict of interest disclosure forms, if applicable, in connection with the transactions and agreements contemplated herein;

(c) Rights to indemnification and contribution which may be limited by applicable law and equitable principles;

(d) The unenforceability under certain circumstances of provisions imposing penalties, forfeiture, late payment charges or an increase in interest rate upon delinquency in payment or the occurrence of an event of default;

(e) General principles of equity now or hereafter in effect, including, without limitation, concepts of mutuality, reasonableness, good faith and fair dealing, and the possible unavailability of specific performance or injunctive relief, regardless of whether such enforceability is considered in a proceeding in equity or at law;

(f) The exercise by the United States of America of the powers delegated to it by the federal constitution;

(g) The reasonable and necessary exercise in certain exceptional situations of the police power inherent in the sovereignty of the State and its governmental bodies in the interest of serving an important public purpose; and

(h) The exercise of judicial discretion and interpretation.

11. [12]. We do not practice law in the areas of federal or state income taxation. Accordingly, we express no opinion as to the federal or state tax consequences associated with the issuance of the Loan/Bonds or with regard to execution and delivery of any of the Financing Documents.

12. [13]. The opinions expressed herein are based solely upon Colorado and applicable federal law as of the date hereof. In providing this opinion, we expressly rely on §1-1-105.5, C.R.S. and §32-1-808, C.R.S.

13. [14]. We express no opinion as to: (a) the financial ability of the District to perform its obligations under the Financing Documents; (b) the validity or enforceability of the Loan/Bonds or the Financing Documents; (c) the accuracy of any TABOR allocation made in

connection with the issuance; or (d) the financial condition of the District or the sufficiency of the security provided for payment of the debt service on the Loan/Bonds.

Our only client in the transaction to which this opinion relates is the District. None of the other addressees to this letter have been or are currently clients of our firm. The inclusion of the additional addressees to this opinion shall not establish an attorney-client relationship between such addressee and our firm.

This letter and the opinions expressed herein are limited to the use of the addressees as set forth above, and may not be relied upon by other parties, and may be relied upon only as stated herein. The opinions set forth herein supersede any and all previous understandings, representations, statements, opinions, etc., provided by our firm, whether oral or written, and whether such previous understandings, representations, statements, or opinions were made to the addressees herein, or otherwise, in relation to the Loan/Bonds. We express no opinion as to matters not specifically set forth herein and no opinion may be inferred or implied beyond the matters expressly stated in this letter, subject to all assumptions, limitations, exceptions and qualifications contained herein. Further, the opinions expressed herein are based only on the laws in effect and the facts in existence as of the date hereof and in all respects are subject to and may be limited by future legislation, developing case law, and any change in facts occurring after the date of this letter. We expressly undertake no responsibility or duty to inform any party, whether addressees hereof or not, as to any change in fact, circumstance or law occurring after the date hereof which may affect or alter any of the opinions, statements or information set forth above. This letter and the opinions expressed herein may not be quoted, reproduced, circulated or referred to in whole or in part without our express written consent except in the transcript of proceedings prepared in connection with issuance of the Loan/Bonds.

Sincerely,

WHITE BEAR ANKELE TANAKA & WALDRON



15 West South Temple, Suite 1450  
Salt Lake City, Utah 84101-1531

(801) 364-5080 / (801) 364-5032 FAX / gilmorebell.com

January 11, 2021

Reunion Metropolitan District  
C/O White Bear Ankele Tanaka & Waldron  
2154 East Commons Avenue, Suite 2000  
Centennial, Colorado 80122  
Attention: Kristen Bear

Re: Proposed Issuance of \$40,120,000 Senior Special Revenue Bonds, Series 2021A and 5,487,000 Subordinate Special Revenue Bonds, Series 2021B of Reunion Metropolitan District, Adams County, Colorado

Dear Board Members:

The purpose of this engagement letter is to set forth certain matters concerning the services we will perform as bond counsel to Reunion Metropolitan District, Adams County, Colorado (the "*Issuer*"), in connection with the issuance of the above-referenced bonds (the "*Bonds*"). We understand that the Bonds are being issued for the purpose of (i) financing the purchase by the District of certain ERU water credits; (ii) funding reserves and capitalized interest as appropriate; and (iii) paying any related costs of issuance and will be secured by such ERU water credits with additional security being provided by funds held in reserves. We further understand that the Bonds will be to be offered to financial institutions or institutional investors in a limited offering by Piper Sandler & Co. (the "*Underwriter*").

#### **SCOPE OF ENGAGEMENT**

In this engagement, as bond counsel to the Issuer we expect to perform the following duties:

- (1) Subject to the completion of proceedings to our satisfaction, render our legal opinion (the "*Bond Opinion*") regarding the validity and binding effect of the Bonds, the excludability of interest on the Bonds from gross income for federal and Colorado income tax purposes, and such related matters as we deem necessary or appropriate.
- (2) Examine applicable law as it relates to the authorization and issuance of the Bonds and our Bond Opinion and advise the Issuer regarding the legal authority for the issuance of the Bonds and other legal matters related to the structure of the Bonds.
- (3) Prepare or review authorizing proceedings and legal documents necessary or appropriate to the authorization, issuance and delivery of the Bonds and coordinate the authorization and execution of such documents.

- (4) Prepare or review those sections of the limited offering memorandum to be disseminated in connection with the sale of the Bonds involving: (a) the terms of the Bonds, (b) appropriate descriptions or summaries of certain legal documents and legal matters, (c) Colorado and federal law pertinent to the validity of the Bonds and the income tax treatment of interest paid thereon, and (d) our Bond Opinion. We understand that Ballard Spahr, LLP will act as disclosure counsel to the Issuer and will assist in the preparation of the limited offering memorandum. We will deliver a customary supplemental opinion of bond counsel regarding the above sections of the offering document and certain other matters at closing.
- (5) Draft or review the continuing disclosure undertaking of the Issuer.
- (6) Assist the Issuer in seeking from other governmental authorities such approvals, permissions, and exemptions as we determine are necessary or appropriate in connection with the authorization, issuance and delivery of the Bonds, except that we will not be responsible for any required Blue Sky filing.
- (7) Attend meetings and conferences related to the Bonds and otherwise consult with the parties to the transaction prior to the issuance of the Bonds.
- (8) Coordinate the closing of the transaction, and after the closing assemble and distribute transcripts of the proceedings and documentation relating to the authorization and issuance of the Bonds.

Our Bond Opinion will be addressed to the Issuer and will be delivered by us on the date the Bonds are exchanged for their purchase price (the “*Closing*”). The Bond Opinion will be based on facts and law existing as of its date. In rendering our Bond Opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation, and we will assume continuing compliance by the Issuer with applicable laws relating to the Bonds. During the course of this engagement, we will rely on you to provide us with complete and timely information on all developments pertaining to any aspect of the Bonds and their security. We understand that you will direct members of your staff and other employees of the Issuer to cooperate with us in this regard.

Our duties in this engagement are limited to those expressly set forth above. Among other things, our duties do not include:

- (a) Except to the limited extent described in paragraph (4) above, assisting in the preparation or review of an limited offering memorandum or any other disclosure document with respect to the Bonds or performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document or rendering advice that the limited offering memorandum or other disclosure document does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

- (b) Preparing requests for tax rulings from the Internal Revenue Service or no-action letters from the Securities and Exchange Commission, or representing the Issuer in Internal Revenue Service examinations or inquiries or Securities and Exchange Commission investigations.
- (c) Preparing blue sky or investment surveys with respect to the Bonds.
- (d) Drafting state constitutional or legislative amendments or pursuing test cases or other litigation.
- (e) Making an investigation or expressing any view as to the creditworthiness of the Issuer or any credit enhancement provider for the Bonds.
- (f) Preparing or negotiating the terms of any guaranteed investment contract or other investment agreement.
- (g) After Closing, providing advice concerning any actions necessary to assure compliance with any continuing disclosure undertaking.
- (h) After Closing, providing continuing advice to the Issuer or any other party concerning any actions necessary to assure that interest paid on the Bonds will continue to be excludable from gross income for federal income tax purposes (*e.g.*, our engagement does not include rebate calculations for the Bonds).
- (i) Addressing any other matter not specifically set forth above that is not required to render our Bond Opinion.

#### **ATTORNEY-CLIENT RELATIONSHIP**

Upon execution of this engagement letter, the Issuer will be our client and an attorney-client relationship will exist between us. We understand that White Bear Ankele Tanaka & Waldron also has been engaged by the Issuer as general counsel and to represent the Issuer in connection with the issuance of the Bonds. We assume that all other parties will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. We further assume that all other parties understand that in this transaction we represent only the Issuer, we are not counsel to any other party, and we are not acting as an intermediary among the parties. Our services as bond counsel are limited to those contracted for in this letter; the Issuer's execution of this engagement letter will constitute an acknowledgment of those limitations. Our representation of the Issuer will not affect, however, our responsibility to render an objective Bond Opinion.

Our representation of the Issuer and the attorney-client relationship created by this engagement letter will be concluded upon issuance of the Bonds and delivery of our Bond Opinion. Nevertheless, subsequent to Closing, we will mail the appropriate Internal Revenue Service Form 8038 and prepare and distribute to the participants in the transaction a transcript of the proceedings pertaining to the Bonds. We do not undertake (unless separately engaged) to provide continuing advice to the Issuer or any other party concerning any actions necessary to assure that interest paid on the Bonds will continue to be excludable from gross income for federal and Colorado income tax purposes or to assure compliance with the continuing disclosure requirements of applicable federal securities laws. Nonetheless, subsequent events

may affect the tax-exempt status of interest on the Bonds and compliance with federal securities laws. Consequently, continued monitoring and other action to assure compliance with these requirements may be necessary. Should the Issuer want our firm to assist with such compliance (*e.g.*, arbitrage rebate calculations and ongoing securities law disclosure), our participation in such post-closing matters must be specifically requested, and a separate engagement will be required.

### **CONFLICTS**

As you are aware, our firm represents many political subdivisions, underwriters and others. It is possible that during the time that we are representing the Issuer, one or more of our present or future clients will have transactions with the Issuer. We also may represent, in unrelated matters, one or more of the entities involved in the issuance of the Bonds, including the Underwriter. We do not believe any such representation will adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the Bonds so as to make such representations not adverse to our representation of the Issuer or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the Bonds. Acceptance of this letter will signify the Issuer's consent to our representation of others consistent with the circumstances described in this paragraph.

### **FEES**

Based upon (i) our current understanding of the terms, structure, size and schedule of the financing represented by the Bonds, (ii) the duties we will undertake pursuant to this engagement letter, (iii) the time we have and anticipate devoting to the financing, and (iv) the responsibilities we will assume in connection therewith, we estimate that our fee will be \$120,000. Our fee may vary (a) if the principal amount of Bonds actually issued differs significantly from the amount stated above, (b) if material changes in the structure or schedule of the financing occur, or (c) if unusual or unforeseen circumstances arise which require a significant increase in our time or responsibility. If, at any time, we believe that circumstances require an adjustment of our original fee estimate, we will advise you. In addition, we will expect to be reimbursed for all client charges made or incurred on your behalf, such as travel costs, photocopying, deliveries, teleconference charges, telecopy charges, postage, filing fees, computer-assisted research and other expenses. We estimate that such charges will not exceed \$1,500. We are not currently assuming any travel costs in this estimate.

Our fee is usually paid at the Closing, and we customarily do not submit any statement until the Closing unless there is a substantial delay in completing the financing. We may submit an additional statement for client charges following the Closing. If the financing is not consummated or is completed without the delivery of our Bond Opinion as bond counsel, or our services are otherwise terminated, we will expect to be paid a reasonable fee for work to date that is mutually agreed on between you and us.

### **RECORDS**

Papers and property furnished by you will be returned promptly upon request. Our own files, including lawyer work product, pertaining to the transaction will be retained by us. For various reasons, including the minimization of unnecessary storage expenses, we reserve the right to dispose of any documents or other materials retained by us after the termination of this engagement.

If the foregoing terms are acceptable to you, please so indicate by returning this engagement letter dated and signed by an authorized officer, retaining the original for your files. We look forward to working with you. If this engagement letter is not signed and returned, but you direct us to conduct the work as initially discussed without objection to the terms of this letter, we will consider this letter to govern our relationship unless we agree otherwise in writing.

**RANDALL LARSEN  
GILMORE & BELL, P.C.**

By: /S/ Randall Larsen

**ACCEPTED AND APPROVED:**

**REUNION METROPOLITAN DISTRICT  
ADAMS COUNTY, COLORADO**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

-----  
1225 17th Street, Suite 2300  
Denver, CO 80202-5596  
TEL 303.292.2400  
FAX 303.296.3956  
www.ballardspahr.com

Kimberly C. Reed  
Tel: 303.299.7372  
Fax: 303.296.3956  
reedk@ballardspahr.com

**REUNION METROPOLITAN DISTRICT  
ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE  
SENIOR WATER REVENUE BONDS, SERIES 2021A**

January 11, 2021

*Via Electronic Mail*

Board of Directors  
Reunion Metropolitan District  
c/o Kristen Bear  
White Bear Ankele Tanaka & Waldron  
2154 East Commons Avenue, Suite 2000  
Centennial, Colorado 80122

Dear Ms. Bear,

We are pleased that Reunion Metropolitan District (the "District") has engaged Ballard Spahr LLP as disclosure counsel in connection with the proposed issuance by the District, through its Water Activity Enterprise, of Senior Water Revenue Bonds, Series 2021A, in the presently estimated principal amount of \$43,050,000 (the "Bonds"), which Bonds are to be secured by revenues resulting from the sale of certain South Adams County Water and Sanitation District ("South Adams") Equivalent Residential Units ("ERUs") presently owned by Oakwood Homes, or affiliates thereof.

This transmittal letter, together with the attached Terms of Engagement, is intended to formalize our retention. It sets forth the scope of our engagement, outlines how we propose to staff the work for the District, describes the billing arrangements, discusses certain of our confidentiality obligations, and addresses certain conflict of interest understandings.

If this letter and the attached Terms of Engagement correctly reflect your understanding, please sign, date and return the enclosed copy of this letter to me. We value our representation of the District and are grateful that the District will look to us for legal representation.

Very truly yours,

/s/ Kimberly Casey Reed



Enclosure

**AGREED AND APPROVED**

REUNION METROPOLITAN DISTRICT

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## TERMS OF ENGAGEMENT

The following terms together with the accompanying letter of engagement dated January 11, 2021 (the “**Transmittal Letter**”) constitute the terms of the engagement of Ballard Spahr LLP (“**Ballard Spahr**”) as the District’s disclosure counsel with respect to the proposed Bonds:

**1. CLIENT.** It is understood that Ballard Spahr’s client for purposes of this representation is limited to the District and does not include others.

**2. SCOPE OF REPRESENTATION.** The Bonds are anticipated to be secured by revenues resulting from the sale of certain South Adams County Water and Sanitation District ("South Adams") Equivalent Residential Units ("ERUs") presently owned by Oakwood Homes, or its affiliate. The Bonds are being issued for the purpose of financing the costs of the District purchasing such ERUs from Oakwood Homes (and potentially additionally ERUs to be purchased directly from South Adams), funding a Reserve Fund and paying costs of issuance.

The Bonds are expected to be issued, pursuant to an Indenture of Trust (the “Indenture”) between the District and a trustee bank (the "Trustee"), as fixed-rate bonds fully amortizing within their term, payable from and to the extent of revenues resulting from the sale by the District of the ERUs to homebuilders carrying out development within the District. The Bonds will be further secured by a Reserve Fund, to be funded with proceeds of the Bonds, a Surplus Fund (to be funded from excess revenues), and the District's interest in the ERUs. The Bonds will be subject to accelerated principal payments in the event of excess revenues from ERU sales, after funding of the Surplus Fund. In the event that ERU sales are not sufficient to fund the stated debt service schedule, the ERUs held by the Trustee as security for the Bonds will be subject to liquidation. The Bonds are anticipated to be offered to financial institutions and institutional investors in minimum denominations of \$500,000, in a limited offering by Piper Sandler, in its capacity as underwriter of the Bonds (the “Underwriter”), using a limited offering memorandum.

We understand that the District also expects to issue additional revenue bonds (the "Subordinate Bonds") secured by revenues resulting from sale by the District of the ERUs, but on a basis subordinate to the Bonds; however, the Subordinate Bonds will be sold to the developer of property within the District and will not be offered using the limited offering memorandum.

As disclosure counsel to the District we will advise the District in connection with its disclosure obligations under applicable securities laws and will prepare the basic disclosure documents. In particular, we will (i) assist the District in the preparation of a single preliminary and then final offering document (collectively, the “Offering Document”) to be used by the Underwriter in connection with issuance and sale of the Bonds; (ii) conduct diligence of the contracts and other affairs of the District and of the existing and planned “Development” (meaning the development for which the District’s ERUs are expected to be purchased by homebuilders) that are material to such disclosure documents; (iii) provide a letter to the District stating that, during the course of our preparation of the Offering Document, no facts came to our attention which indicated that the contents of the Offering Document, as of its date, were

inaccurate or incomplete in any material respect; (iv) provide a reliance letter to the Underwriter pertaining to the Offering Document; and (v) prepare and/or review, as applicable, such other documents and agreements as may be required in connection with the Offering Document or which we deem necessary for providing such letter. In addition, due to some unique aspects of the proposed Bond transaction, we anticipate that the District may request our assistance in connection with the following (the “Non-Disclosure-Specific Legal Services”): (a) reviewing Bond transaction documentation prepared by District bond counsel and general counsel to ensure achieves the goals of the transaction, including security features; (b) addressing the manner in which the District can ensure the value of ERUs purchased by restricting the ability of builders in the project from purchasing ERUs directly from South Adams (to include review of a covenant prepared by bond counsel or general counsel to the District); (c) addressing the ability of the District or Trustee to perfect a security interest in contract rights, such as the ERUs, and to liquidate the same, which may include conducting legal research with a view to determining whether a request for South Adams to produce physical certificates to evidence ERUs is necessary for the transaction (it being acknowledged that such work may instead be undertaken by other counsel involved in the proposed transaction); and (d) negotiating and/or reviewing documentation relating to, additional matters requiring South Adams’ agreement deemed necessary for the transaction.

While we will assist the District in preparing the Offering Document, our role as disclosure counsel does not include any independent verification of the statements of fact to be contained in the Offering Document and any appendices thereto. Furthermore, we will not verify or opine upon, and we do not assume responsibility for, the accuracy, completeness or fairness of the statements contained in the Offering Document and our letter delivered to the District will expressly disclaim the same. In addition, we will express no opinion or belief as to the assumptions, projections, estimates, forecasts, financial statements, or other financial, numerical, economic, technical, demographic or statistical data included in the Offering Document.

We assume no obligation to review the financial condition of the District or any other participant or the adequacy of the security provided to bondholders, and we will express no opinion relating thereto. However, we reserve the right to request such information as we consider necessary to inform ourselves of all aspects of the financing. While we may suggest alternative provisions for the documents to comply with legal requirements and accommodate the interests of the parties, we neither represent nor advocate the interests of any party to the transaction other than the District, and we expect that the developer(s) of the properties in the District, the Underwriter, and other parties will retain such other counsel as they deem necessary and appropriate to represent their interests.

**3. STAFFING.** Customarily, each client of Ballard Spahr is served by a Relationship Partner (a principal lawyer contact) and one or more Matter Billing Lawyers (a lawyer designated to oversee an individual matter that Ballard Spahr handles on your behalf). It is expected that Kimberly Reed will be the Relationship Partner and the Matter Billing Lawyer, and will have primary responsibility for work performed by Ballard Spahr under this engagement letter. The work or parts of it may be performed by other lawyers and legal assistants at Ballard Spahr. Such delegation may be for the purpose of involving lawyers or legal assistants with

special expertise in a given area or for the purpose of providing services on the most efficient and timely basis.

**4. FEES AND EXPENSES.** Our fee to act as disclosure counsel to the District in connection with the issuance of the Bonds (as presently proposed) is estimated at \$120,000 to \$140,000, a fee based on the structure, size and complexity of the financing transaction, including the uniqueness of certain proposed elements of the transaction, and our estimate of the amount and nature of legal work necessary in connection with a closing of the Bonds on or before July 1, 2021. This includes an estimate of the amount of Non-Disclosure-Specific Legal Services presently anticipated, which is subject to change. This fee estimate includes routine out of pocket disbursements (such as photocopying charges, delivery expenses, fax charges and postage), *but excludes amounts payable to third parties, to be directly paid by the District, as described in the last sentence of this paragraph.* Any extraordinary disbursements or expenses authorized by the District will be billed to the District. If the anticipated structure of the Bonds, contents of the disclosure document or timeline for the transaction changes significantly, we may propose an increase in the fee if warranted by the change, and the above estimated fee is nonbinding with respect to an issuance of the Bonds in accordance with a structure varying materially from the structure described above. Our fee for disclosure counsel services will be payable on the closing date for the Bonds. Please note that we may forward to the District, and the District will be responsible for the direct payment of, any invoices by third parties for work required to produce the Offering Document, in the event any such invoice exceeds \$1,000 (regardless of whether the Bonds close); such work is presently expected to consist only of the preparation of an economic and demographic appendix for the Offering Document, for an amount not in excess of \$2,500. We will seek District advance approval for any other third party work that would be directly billed to the District (though none is presently anticipated). In the event that we pay any such expenses of third parties on behalf of the District, the District agrees to reimburse such expenses upon request, no later than July 1, 2021, regardless of whether the Bonds are issued.

**5. RETENTION AND DISPOSITION OF DOCUMENTS.** Following the termination of our representation, any otherwise nonpublic information the District has supplied to us which is retained by us will be kept confidential in accordance with applicable rules of professional conduct. At your request, the District's papers and property will be returned to the District promptly upon receipt of payment for outstanding fees and costs. Our own files pertaining to the matter will be retained by Ballard Spahr. These firm files include, for example, firm administrative records, time and expense reports, personnel and staffing materials, credit and accounting records; and internal lawyers' work product such as drafts, notes, internal memoranda, and legal and factual research, including investigative reports, prepared by or for the internal use of lawyers. We reserve the right to destroy or otherwise dispose of any such documents or other materials retained by us within a reasonable time after the termination of the engagement.

**6. REGARDING FEDERAL TAX ADVICE.** In the course of our representation, we may render tax advice to the District on various legal matters. The District understands that they may not use such tax advice to avoid any penalties that may be imposed by the Internal

Revenue Service unless, in accordance with the Internal Revenue Service rules of practice, we are specifically engaged to provide a formal, written tax opinion for that purpose. Accordingly, the District acknowledges that we may legend any written tax advice that we provide in the course of this engagement to indicate that they may not be relied on for purposes of penalty protection. The District further understands that our representation does not include the provision of any tax advice concerning transactions in which you may participate that would be “reportable transactions” within the meaning of Section 6707A of the Internal Revenue Code of 1986, as amended, and that our provision of tax advice concerning such transactions would require a separate engagement for that purpose.

**7. CONFLICTS OF INTEREST.** Ballard Spahr represents many other companies and individuals. It is possible that present or future clients of Ballard Spahr will have disputes or transactions with the District. For example, from time to time we represent investment banking firms with whom the District may have a relationship, such as Wells Fargo that may be viewed as competing with the District’s projects, but are not related to the District’s project, and we would expect to continue with these representations. Accordingly, to prevent any future misunderstanding and to preserve Ballard Spahr’s ability to represent the District and its other clients, the District and we agree as follows with respect to certain conflicts of interest issues:

(a) Unless we have the District’s specific agreement that we may do so we will not represent another client in a matter which is substantially related to a matter in which we represent the District and in which the other client is adverse to the District. We understand the term “matter” to refer to transactions, negotiations, proceedings or other representations involving specific parties.

(b) In the absence of a conflict as described in subparagraph (a) above, the District acknowledges that we will be free to represent any other client either generally or in any matter in which the District may have an interest.

(c) The effect of subparagraph (b) above is that we may represent another client on any issue or matter in which the District might have an interest, including, but not limited to:

(i) Agreements; licenses; mergers and acquisitions; joint ventures; loans and financings; securities offerings; bankruptcy, receivership or insolvency (including, without limitation, representation of a debtor, secured creditor, unsecured creditor, potential or actual acquirer, contract party or other party-in-interest in a case under the federal bankruptcy code or state insolvency laws or in a non-judicial debt restructuring, in which you are a debtor, creditor, contract party, potential or actual acquirer or other party-in-interest); patents, copyrights, trademarks, trade secrets or other intellectual property; real estate; government contracts; the protection of rights; representation before regulatory authorities as to these matters and others;

(ii) Representation of the debtor or other party in a Chapter 11 case under the Federal Bankruptcy Code in which you are a creditor, debtor or otherwise have an interest in the case;

(iii) Representation and advocacy with respect to legislative issues, policy issues, or regulatory issues, including rulemakings, administrative proceedings and enforcement proceedings; and

(iv) Litigation matters brought by or against you as long as such matters are not the same as or substantially related to matters in which we are, or have been, representing you.

We agree, however, that the District's prospective consent to conflicting representation contained in the preceding sentence shall not apply in any instance where, as a result of our representation of the District, we have obtained proprietary or other confidential information of a nonpublic nature, that, if known to such other client, could be used in any such other matter by such client to your material disadvantage. The District should know that, in similar engagement letters with many of our other clients, we have asked for similar agreements to preserve our ability to represent the District.

**8. APPLICATION OF THESE TERMS.** The Transmittal Letter, this statement of general terms of representation, and the accompanying schedule of other charges will govern our relationship with you upon our retention even if you do not sign and return a copy of the Transmittal Letter. In the event that we agree to undertake additional matters, any such additional representations will be governed by the terms and conditions of this agreement unless we mutually agree otherwise in writing. Our representation will be deemed concluded at the time that we have rendered our final bill for services on this matter. If you disagree with any of these terms and conditions, please advise us immediately by return correspondence so that we can resolve any differences as early as possible and proceed with a clear, complete, and consistent understanding of our relationship. This letter agreement supersedes any prior agreement with you with respect to our engagement to provide professional services to you. The terms and conditions of this letter may be modified or amended only by written agreement signed by an authorized representative of the District and Ballard Spahr, and neither party may bind the other party by unilateral submission of additional or different terms and conditions absent written consent to such terms and conditions by the other party.

# Ballard Spahr LLP

2021

## Disbursement Pricing

Disbursement	Cost
Ballard Spahr Messenger	No Charge
Binding	No Charge
Cab Fares/Ride Share Services	Actual Cost
Courier Service	Actual Cost
Data Hosting	\$5 p/gb per month
Data Processing	\$200 p/gb
Document Production	No Charge
Duplicating	\$0.10 per page
Duplicating (Color)	\$0.45 per page
Outside Duplicating	Invoice Cost
Fax (Outgoing Only)	No Charge
Lexis	Actual (discounted) Cost
Library Research Services	Published Standard Cost
Long Distance Telephone	No Charge
Overtime	No Charge
Postage	No Charge
State Department Services	No Charge
Telephone (Credit Card Calls)	No Charge
Travel	Actual Cost

***Jehn Water Consultants, Inc.***  
***Water Resources Consulting***  
*Celebrating Over 25 Years of Excellence*

88 Inverness Circle East  
Suite K-102  
Englewood, Colorado 80112  
(303) 321-8335

September 3, 2020

Mr. Bruce Rau, Board Member  
Reunion Metropolitan District  
c/o Clifton Larsen Allen  
8390 E. Cresent Parkway, Suite 300  
Greenwood Village, Colorado 80111

Re: Scope of Work for Water Consultation Services for a Valuation of Water Rights in Adams County, Colorado

Dear Mr. Rau:

Thank you for requesting a Scope of Work from Jehn Water Consultants, Inc. to provide consulting services in regard to a valuation of water rights for the Reunion Metropolitan District located in Adams County, Colorado. We propose to complete the work necessary to prepare a valuation of the ERU credits held by the District with South Adams County Water and Sanitation District, based on a comparable sales approach.

We will provide the above services at our normal hourly rates plus expenses as identified on the attached Rate Sheet, and will invoice for our services on a monthly basis as work progresses with net amounts due within 30 days of billing. For budget purposes, we estimate our Services for the above described Scope may range between \$4,000 and \$6,000, depending on the information available. Interest at the rate of one and one-half percent (1 1/2%) per month will be charged on all accounts over thirty days past due.


If this Scope of Work is acceptable, please acknowledge by signing below and returning a copy to our office. We will begin work immediately upon receiving approval from you to proceed.

If you have any questions regarding the above outlined Scope of Work, please do not hesitate to call.

Sincerely,



Gina L. Burke  
President

DocuSigned by:  
  
Accepted By: \_\_\_\_\_  
469E2359D13F442...  
Title: Secretary  
Oct-26-2020





**SCHEDULE OF HOURLY RATES AND EXPENSES  
EFFECTIVE JANUARY 1, 2020**

**CLASSIFICATION**

Principal Hydrologist	\$215.00
Project Manager	\$140.00
Project Hydrologist, Geologist or Engineer	\$100.00
Staff Hydrologist, Geologist or Engineer	\$95.00
GIS Analyst	\$95.00
Geologist I/Hydrologist I	\$85.00
Field Technician	\$70.00
Administration	\$70.00
Expert Witness	\$250.00

**OTHER CHARGES**

**JWC EQUIPMENT AND MATERIAL:** Use of equipment owned by JWC will be invoiced at fixed unit rates. A summary of these rates will be provided upon request.

**PROJECT SUPPLIES AND SPECIALTY EQUIPMENT:** All project related expenses, material costs, field supplies, freight and shipping, telephone, reproductions and the costs associated with the rental of specialized equipment will be charged at cost plus 15%.

Project mileage will be billed accordingly.

*The above rates are effective through December 2020.*

January 11, 2021

**VIA EMAIL**

Kelly Leid, President  
Reunion Metropolitan District, acting by and through the  
Reunion Metropolitan District Water Activity Enterprise  
c/o Kristen D. Bear  
General Counsel  
White Bear Ankele Tanaka & Waldron  
2154 E. Commons Ave., Suite 2000  
Centennial, CO 80122  
[kbear@wbapc.com](mailto:kbear@wbapc.com)

**Re: Preparation of Opinion Letter re Clayton-SACWSD Water Credits**

Dear Kristen:

White & Jankowski LLC (“WJ”) would be happy to advise the Reunion Metropolitan District, acting by and through the Reunion Metropolitan District Water (“District”) on water issues related to South Adams County Water and Sanitation District ERU Water Credits currently owned by Clayton Properties Group II (“Clayton SACWSD Water Credits”).

**SCOPE OF WORK**

WJ will advise the District regarding: (1) whether Clayton SACWSD Water Credits are considered real property rights under Colorado water law; and (2) if the foregoing water sources are not real property rights, provide an opinion letter to the District confirming this. The foregoing work will take approximately 5.0 hours to complete at a cost not to exceed \$1,400 unless authorized by the District.

After WJ completes the Scope of Work described above, WJ will not assume continuing responsibility to advise the District on matters affecting the work WJ has performed unless the District and WJ agree in writing that WJ’s representation extends to providing continuing advice.

**DEALING WITH CONFLICTS**

WJ has no current conflicts of interest that might prevent WJ from undertaking the Scope of Work detailed above. If WJ discovers any conflict, WJ will confer with the District promptly about the circumstances and how the matter should be resolved consistent with the Colorado Rules of Professional Conduct.

Kelly Leid, President  
Reunion Metropolitan District  
c/o Kristen D. Bear  
January 11, 2021  
Page 2 of 3

### **ATTORNEY-CLIENT RELATIONSHIP**

The attorney-client relationship is one of mutual trust, confidence, and respect. In order to competently and diligently represent the District, WJ is dependent upon the District for factual and other information. Therefore, the District agrees to be available at reasonable times to confer with WJ by telephone and/or email on necessary issues and to cooperate and participate in the foregoing matters as WJ may request. The District agrees to advise WJ of any changes to the contact information listed on the first page of this Agreement.

The District may terminate WJ's representation at any time, although the District remains obligated to pay accrued fees and costs. WJ may also terminate representation pursuant to the Rules of Professional Conduct, Rule 1.16 and any additional provisions that may apply to a particular situation.

### **COSTS AND FEES/HOURLY RATES**

WJ charges fees on an hourly basis. WJ also charges for costs advanced, such as filing fees, large photocopying jobs, computerized legal research and other similar disbursements. WJ's current hourly rates are as follows: (1) \$290 for David Taussig; (2) \$275 for myself and Heather Warren; (3) \$230 for Ginny Sciabbarrasi; (4) \$150 for WJ's paralegal Melanie Cabral; and (5) \$120 for WJ's legal administrative assistant Andrea Browne.

### **MONTHLY BILLING STATEMENT**

WJ will email the District a monthly statement for all services performed during the previous month by email at [kbear@wbapc.com](mailto:kbear@wbapc.com) or an updated email addresses provided by the District in writing to WJ. In addition to fees, the statement may also include charges for costs advanced.

Failure to timely pay will be grounds for WJ to terminate its representation, subject to applicable rules. WJ reserves the right to charge interest on all past-due balances at one and one-half percent per month, or 18 percent annually.

### **FILE RETENTION**

By signing below, the District agrees to, and acknowledges notice of, WJ's file retention policy which was developed in accordance with the Colorado Rules of Professional Conduct. Absent a written agreement to the contrary, WJ will consider the District's client matters to be closed sixty (60) days after all pending tasks have been completed, provided that WJ has no knowledge of pending or threatened litigation against the District relating to the Scope of Work.

Kelly Leid, President  
Reunion Metropolitan District  
c/o Kristen D. Bear  
January 11, 2021  
Page 3 of 3

Once the District's client matters are closed as discussed above, WJ will return to the District any original documents the District has provided to WJ and may elect to deliver the documents developed during our representation to the District or retain those documents.

Any documents not provided to the District will be retained for a period of five (5) years following closure of this matter and will then be destroyed subject to court rule and any applicable statutory exceptions. The District may request to reclaim any documents prior to their destruction. The District is responsible for notifying WJ of any change in address or contact information.

### **ACCEPTANCE OF TERMS OF REPRESENTATION**

If the scope and terms of engagement are acceptable to the District, please indicate this by countersigning below. Please return a signed letter for our files and retain a copy for the District's files.

Thank you for the opportunity to represent the District.

Sincerely,



Alan E. Curtis

I, Kelly Leid, President of the Reunion Metropolitan District, acting by and through the Reunion Metropolitan District Water Activity Enterprise, agree to engage White & Jankowski LLC for the scope of work described in this letter under the terms set forth above.

\_\_\_\_\_ Dated: \_\_\_\_\_



## North Slope Capital Advisors

1165 Delaware Street, Suite 140  
Denver, CO 80204  
303-953-4101

**[www.northslopecapital.com](http://www.northslopecapital.com)**

STEPH CHICHESTER  
steph@northslopecapital.com  
(303) 953-4101

NICK TAYLOR  
nick@northslopecapital.com  
(303) 953-4101

January 8, 2021

Board of Directors  
Reunion Metropolitan District  
c/o Kristen Bear, District Counsel  
White Bear Ankele Tanaka & Waldron  
2154 E. Commons Avenue, Suite 2000  
Centennial, CO 80122

Re: Financial Advisor Scope of Services Engagement Letter

Board of Directors:

The purpose of this letter is to set forth certain matters concerning the services North Slope Capital Advisors ("North Slope") will perform as financial advisor to the Reunion Metropolitan District located in the City of Commerce City, Colorado (the "District"). North Slope is a consulting firm that advises Colorado governmental entities on matters relating to the issuance of securities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities. North Slope is listed as a public finance advisor in the Bond Buyer's Municipal Market Place and is registered with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010 as an *Independent Registered Municipal Advisor*.

North Slope has a fiduciary duty of loyalty and care, including a duty to put the financial interests of the District ahead of its business interests. North Slope's employees are not officers or employees of the District, and North Slope has not otherwise been engaged to provide financial services for the District in connection with the proposed bond issuance.

North Slope will be engaged by the District in accordance with industry best practices to perform the work outlined in the **Scope of Services** section below and shall be compensated for those services as provided in the **Fees** section below. For more information on the municipal advisory practices and protections, the District can access the municipal advisory client brochure on the MSRB's website at [www.msrb.org](http://www.msrb.org).

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January 8, 2021  
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### SCOPE OF SERVICES

- 1) Confirm the District's Financing Goals.** North Slope will meet with the District to understand, identify, and prioritize the financing goals for the proposed bond issuance which may include maximizing proceeds for public infrastructure, reimbursing developer advances at a lower cost of capital, and other objectives. North Slope will also meet with the relevant financing team professionals to determine the credit profile of the District and verify the structuring constraints for the bond issue.
- 2) Plan of Finance Review.** North Slope will independently verify the underwriter's financial model of the proposed financing using development assumptions by product type and year, "ERU" fee revenue projections, inflation assumptions, estimated interest rates, and other assumptions supplied by third parties (e.g. market study and price appreciation consultants, accountants, the underwriter, etc.). North Slope will suggest refinements to the structure if any, document the rationale for selecting a particular financing vehicle, and summarize the benefits and considerations of the proposed plan of finance from the perspective of District taxpayers.
- 3) Documentation Support.** During the documentation phase of the transaction, North Slope will assist the District in reviewing and commenting on each financing document and will work with the District, district counsel, bond counsel, and the underwriter or purchaser to finalize the structure, repayment terms, call feature, sizing and closing date.
- 4) Transaction Support.** North Slope will attend Board meetings, document review sessions, and any other financing team meetings as requested and provide general financial advisory support through the financing process. North Slope will provide board and/or community education on bond financings generally as well as the proposed bond transaction specifically as requested. Transaction support will also include advising the District during the lead-up to pricing about interest rates on other recent comparable bond financings.
- 5) Pricing Comfort.** Prior to pricing the proposed bond issuance, North Slope will conduct market research in order to provide the District with an opinion that the interest rate(s), issue structure, redemption provisions, and costs of issuance (including the underwriters discount) on the proposed senior and subordinate bond issues are reasonable. If requested, North Slope will review and sign a "Financial Advisor" or "Pricing Certificate" as part of closing documentation for the proposed bond issuance.

### FEES

#### Contingent Fee Proposal

The fee below is payable only when the bond issue has successfully closed. The initial term of this engagement shall be in force from the date hereof and end when all services have been completed.

Fee
\$32,500

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We look forward to working with you and your team on this engagement. Please do not hesitate to contact us with any questions. Please execute the enclosed copy of this letter and return it to the undersigned via email.

NORTH SLOPE CAPITAL ADVISORS

By \_\_\_\_\_  
Name: Stephanie Chichester  
Title: President  
Date:

ACCEPTED AND AGREED TO:  
REUNION METROPOLITAN DISTRICT

By \_\_\_\_\_  
Name:  
Title:  
Date:

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### **DISCLOSURE STATEMENT**

This Disclosure Statement is provided by North Slope to the District in connection with this engagement letter dated January 8, 2021. This Disclosure Statement provides information regarding conflicts of interest and legal or disciplinary events that North Slope is required to disclose to the District pursuant to MSRB Rule G-42(b) and (c)(ii). At this time, there are no known material conflicts of interest known to North Slope in connection with the Scope of Services under this engagement letter and there are no legal or disciplinary events that are material to the District's evaluation or the integrity of North Slope's management or advisory personnel disclosed, or that should be disclosed, on any "Form MA" or "Form MA-I" filed with the SEC. For reference, North Slope's Form MA and Form MA-I filed with the SEC, most recently updated on March 24, 2020, are available on the SEC's EDGAR system by clicking the following link: [North Slope Capital Advisors Filings](#).

The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by North Slope and North Slope has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC.

As required by MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of the North Slope. North Slope will provide the District with any such supplement or amendment as it becomes available throughout the term of the engagement.





January 11, 2021

The Board of Directors of  
Reunion Metropolitan District  
Adams County, Colorado

This letter is to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services we will provide.

Jason Carroll will be the engagement principal and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Dawn Jones will also be assigned to your account. This arrangement ensures that other people you know will be familiar with your engagement. It also provides a person who can substitute for Jason should he not be available. We hope you will contact either of these people when you believe the firm can be of assistance.

We will compile, in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants, from information provided by the members of the Board of Directors of Reunion Metropolitan District (the "District") (collectively, "Management"), the forecasted surplus cash balances and cash receipts and disbursements and the summary of significant forecast assumptions and accounting policies of the District for the General Fund and the Debt Service Fund for the calendar years ending 2020 through 2060. A compilation is limited to presenting, in the form of a financial forecast, information that is the representation of Management. We will not examine the financial forecast and therefore will not express any form of assurance on the achievability of the forecast or the reasonableness of the underlying assumptions. We are not independent with respect to the District.

A compilation of a financial forecast involves assembling the forecast based on Management's assumptions and performing certain other procedures with respect to the forecast without evaluating the support for, or expressing an opinion or any form of assurance on, the assumptions underlying it.

If for any reason we are unable to complete our compilation of your financial forecast, we will not issue a report on it as a result of this engagement.

A financial forecast presents, to the best of Management's knowledge and belief, the District's expected surplus cash balances and cash receipts and disbursements for the forecast period. It is based on Management's assumptions, reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

Management is responsible for representations about the District's plans and expectations and for disclosure of significant information that might affect the ultimate realization of the forecasted results.

There will usually be differences between the forecasted and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material. Our report will contain a statement to that effect.

We have no responsibility to update our report for events and circumstances occurring after the date of our report.

At the conclusion of the engagement, Management agrees to supply us with a signed representation letter that, among other things, will confirm Management's responsibility for the underlying assumptions and the appropriateness of the financial forecast and its presentation.

Management understands that the forecast must include disclosure of the summary of significant assumptions and that financial projections, if any are included, must identify the hypothetical assumptions and include a description of the limitations on the usefulness of the presentation. In order for us to complete the engagement, Management must provide assumptions that are appropriate for the forecast. If the assumptions provided are inappropriate and have not been revised to our satisfaction, we will be unable to complete the engagement and, accordingly, we will not issue a report on the forecast.

It is our understanding that the primary intent of engaging our professional services is for the benefit of the District. Our services are not intended to benefit or influence any other person or entity.

If Management intends to reproduce and publish the forecast and our report thereon, they must be reproduced in their entirety and both the first and subsequent corrected drafts of the document containing the forecast and any accompanying material must be submitted to us for approval.

Our fee for these services will be based on the actual time spent at our standard hourly rates plus other costs incurred and is anticipated to be paid from bond proceeds. We will also add a Technology and Client Support Fee of five percent (5%) of all professional fees billed. Bills for services are due when submitted. If a bill for services is not paid when due, we reserve the right to cease work and withdraw from the engagement. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

Our hourly rates currently in effect for these services are as follows:

Principal	\$300 - \$425
Chief Financial Officer	\$200 - \$385
Controller	\$180 - \$250
Senior	\$140 - \$180
Staff	\$ 80 - \$150
Administrative support	\$ 80 - \$120

You hereby agree that if any statement is not paid within 30 days from its date, that the balance remaining from time-to-time unpaid shall draw interest at the monthly rate of 1½%, which is an annual percentage rate of 18%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

This engagement is limited to that described in this letter. As such, you understand and agree that we are acting solely as accountants. We are not acting in any way as a fiduciary or assuming any fiduciary responsibilities for you.

CliftonLarsonAllen LLP certifies that as of the date of this letter, it does not knowingly employ or contract with an illegal alien to perform work under this Agreement. We have confirmed or attempted to confirm the employment eligibility of all employees who are newly hired for employment in the United States through participation in the Basic Pilot Program. The District may terminate this Agreement if we do not comply with the provisions of C.R.S. 8-17.5 – 102(2) and we shall be liable for actual and consequential damages to the District. We shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to C.R.S. 8-17.5-102(5).

The working papers for our engagement are the sole and exclusive property of CliftonLarsonAllen LLP and constitute confidential and proprietary information. We do not provide access to our work papers to you or anyone else in the normal course of business. Should we be ordered by a valid subpoena or other appropriate court order to provide access to or copies of our work papers, you agree to reimburse us for the time and out-of-pocket expense necessary to comply with such order.

We do not anticipate any difficulties in meeting the expectations recited in this letter. However, in the unlikely event that there are disagreements regarding our services, any claims against CliftonLarsonAllen LLP as a result of the engagement must be brought within two years from the date of our report, or if a report is not issued, within two years from the date of the acceptance of this letter. Any damages will be limited to the amount of fees paid to CliftonLarsonAllen LLP.

We believe this letter accurately summarizes the significant terms of our engagement. If the above terms are in accordance with your understanding and acceptable to you, please sign, date, and return the duplicate copy of this letter to us.

We very much appreciate the opportunity to serve you and will be pleased to discuss any questions you may have.

Very truly yours,

CliftonLarsonAllen LLP

A handwritten signature in black ink that reads "Jason Carroll". The signature is fluid and cursive, with the first name "Jason" and last name "Carroll" clearly distinguishable.

Jason Carroll, CPA  
Principal, Outsourcing Team  
(303) 779-5710  
Jason.carroll@CLAconnect.com

This letter correctly sets forth the understanding of the Board of Directors of Reunion Metropolitan District.

Reunion Metropolitan District

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Director's Signature

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Title

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Date

CERTIFIED RECORD  
OF  
PROCEEDINGS OF  
REUNION METROPOLITAN DISTRICT  
COMMERCE CITY, COLORADO  
RELATING TO  
CREATION OF ITS  
WATER ACTIVITY ENTERPRISE

STATE OF COLORADO )  
COUNTY OF ADAMS )  
REUNION METROPOLITAN DISTRICT )

The Board of Directors of Reunion Metropolitan District, Adams County, Colorado, met in special session in full conformity with law and the resolutions and policies of the District on Thursday, the 14th day of December 2021 at the hour of 2:00 p.m.

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

President and Chairman: \_\_\_\_\_

Vice President: \_\_\_\_\_

Directors: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Also present: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Secretary: \_\_\_\_\_

General Counsel: \_\_\_\_\_

Thereupon there was introduced the following Resolution, copies of which had been distributed previously to each Director, whereupon the Resolution was read as follows:

**RESOLUTION  
OF THE BOARD OF DIRECTORS OF  
REUNION METROPOLITAN DISTRICT**

**ESTABLISHING WATER ACTIVITY ENTERPRISE**

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A RESOLUTION ESTABLISHING A WATER ACTIVITY ENTERPRISE UNDER STATE LAW WITHIN REUNION METROPOLITAN DISTRICT; ACKNOWLEDGING THAT SUCH WATER ACTIVITY ENTERPRISE HAS THE AUTHORITY TO ISSUE ITS OWN REVENUE BONDS UNDER STATE LAW; MAKING CERTAIN FINDINGS WITH RESPECT TO SUCH ENTERPRISE; AND PROVIDING OTHER DETAILS IN CONNECTION THEREWITH.

WHEREAS, Reunion Metropolitan District, City of Commerce City, Adams County, Colorado (the “**District**”) is responsible for the provision of water activities, including the construction of the public water projects and facilities within and without the boundaries of the District; and

WHEREAS, the District desires to establish a water activity enterprise (the “**Enterprise**”) under Colorado law; and

WHEREAS, the members of the governing body of the District (the “**Board**”) are willing and intend to act as the governing body of the Enterprise; and

WHEREAS, pursuant to Title 37, Article 45.1, Part 1, Colorado Revised Statutes (the “**Act**”), the establishment of water activity enterprises within or by entities of state and local government is critical to the health and welfare of the people of the State of Colorado; and

WHEREAS, the Act defines a “water activity enterprise” to include any government water activity business owned by a district, which enterprise receives under ten percent of its annual revenues in grants from all Colorado state and local governments combined and which is authorized to issue its own revenue bonds pursuant to this article or any other applicable law; and

WHEREAS, “district” is defined in the Act to include special districts organized and operating under Title 32, Article 1, Colorado Revised Statutes (the “**Special District Act**”); and

WHEREAS, “water activity” is defined in the Act to include but not be limited to the diversion, storage, carriage, delivery, distribution, collection, treatment, use, reuse, augmentation, exchange, or discharge of water and includes the provision of wholesale or retail water or wastewater or storm water services and the acquisition of water or water rights; and

WHEREAS, “grant” in the context of the Act means a cash payment of public funds made directly to a water activity enterprise by the state or a local governmental entity or a district, which cash payment is not required to be repaid; and

WHEREAS, the District is a district under the Act which under the Special District Act and Title 31, Article 35, Part 4, Colorado Revised Statutes, has its own revenue bonding authority and which will be the sole owner of the Enterprise; and

WHEREAS, any water activity currently pursued by the District at present receives under ten percent of its annual revenues in grants from all Colorado state and local governments combined and the District intends to insure that the water activity enterprise will continue to receive under ten percent of its revenues from such grants; and

WHEREAS, the Board has determined that it is in the best interest of the District to designate its water enterprise fund and its water activities as a “water activity enterprise” pursuant to the Act and pursuant to Article X, Section 20 of the Colorado Constitution (the “**Amendment**”); and

WHEREAS, all capitalized words and terms used in this enterprise resolution (the “**Enterprise Resolution**”) shall have the meanings set forth therefor in these recitals.

THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF REUNION METROPOLITAN DISTRICT, CITY OF COMMERCE CITY, ADAMS COUNTY, COLORADO:

Section 1. Establishment of the Enterprise. The District hereby establishes the Enterprise as an agency of the District and formally designates it as the “Reunion Metropolitan District Water Activity Enterprise.” It shall be the purpose of the Enterprise to pursue, or continue as applicable, the District’s water activities as defined in the Act, which shall include the acquisition and sale of ERU Water Rights Credits under the provision of any applicable Water Resources Agreement and may further include but not necessarily be limited to, water acquisition or water project or facility activities, construction, operation, repair, and replacement of water facilities, using revenues and income generated by and earned or acquired in connection with such water activities and held and managed in the District’s water enterprise fund. As between the District and the Enterprise, all water activities done and furnished by the Enterprise shall be accounted for separately.

Section 2. Enterprise Excluded from the Provisions of the Amendment. Pursuant to and in accordance with the Act, the Enterprise shall be excluded from the provisions of the Amendment and shall be entitled to impose rates, fees, tolls, penalties and charges; collect and spend revenues; issue revenue bonds; and construct, operate, and maintain facilities and provide water services; all without reference or regard to the limitations contained in the Amendment.

Section 3. Governing Body. The members of the Board shall serve as the governing body of the Enterprise and shall be known collectively as the Board of Directors of the Enterprise (the “**Enterprise Board**”). Acting as the Enterprise Board, the Board may exercise the District’s legal authority relating to water activities as defined in the Act. The Enterprise Board hereby is directed to take all actions necessary to cause the Enterprise to comply with all applicable laws.



Section 4. Powers of the Enterprise. The Enterprise shall have all powers and authority granted to water activity enterprises by the provisions of the Act, including but not limited to the power to conduct and continue water activities as defined in the Act; the power to contract with any person or entity, including other districts as defined in the Act and other water activity enterprises as defined in the Act; and the powers to issue and reissue revenue bonds through its governing body in accordance with and through the provisions of Section 37-45.1-104(2), Colorado Revised Statutes.

Section 5. Enterprise Obligations and District Obligations. In consideration of the Enterprise's commitment to provide water services for which the District actually is obligated and to collect and spend revenues from rates, fees, tolls, and charges imposed by the District, the District hereby agrees to continue to provide administrative services for the Enterprise and its activities, to continue to hold title to and own all of the assets currently owned by the District and necessary to the operation of the enterprise, to levy taxes, if any, for and pay debt service on general obligation bonds of the District, if any, issued to finance the acquisition of water rights and the construction and installation of water facilities and improvements, and to impose all rates, fees, tolls, and charges for water activities. The relationship between the District and the Enterprise with respect to the administration of the Enterprise, the operation of the water activities, and the duties and responsibilities of each party shall be as may be delineated and clarified from time to time in a joint resolution of the Board and the Enterprise Board which may be adopted at any time when this Enterprise Resolution is in full force and effect ("**Joint Resolution**").

Section 6. Transactions in the Name of the District. Any and all transactions of the Enterprise may be done in the name of the District or in the name of the Enterprise and neither this Section 6 nor any transaction entered into pursuant to it shall alter or abrogate the relationship of the District and the Enterprise as established pursuant to this Enterprise Resolution and as may be further clarified from time to time in a Joint Resolution.

Section 7. Findings of the Board. The Board hereby makes the following findings with respect to the establishment of the Enterprise:

(a) The District's water enterprise fund and activities conducted through the enterprise, shall comprise the Enterprise which shall be and is the water activity business owned by the District.

(b) The Enterprise shall be and is an agency of the District for the purpose and within the meaning of the following:

(i) Title 24, Article 10, Part 1, Colorado Revised Statutes, the "Colorado Governmental Immunity Act";

(ii) Title 29, Article 1, Part 6, Colorado Revised Statutes, the "Colorado Local Government Audit Law";

(iii) Title 29, Article 1, Part 1, the “Local Government Budget Law of Colorado; and

(iv) All other local, state and federal laws, rules and regulations.

(c) The establishment of the Enterprise is necessary to provide a secure water supply for use by the property owners within the District and other customers of the Enterprise.

(d) The District has the authority to conduct water activities as defined in the Act and is the sole owner of the Enterprise as required by the Act. The District has revenue bonding authority for water activities pursuant to the Special District Act and Title 31, Article 35, Part 4, Colorado Revised Statutes, all as required by the Act.

(e) The Enterprise expects to receive under ten percent (10%) of its annual revenues in grants (as defined in the Act) from all Colorado state and local governments combined, and expects to receive under ten percent (10%) of its revenues for the 2021 fiscal year from such sources.

(f) Pursuant to the Act, the Enterprise is authorized to issue its own revenue bonds.

(g) The Enterprise does not and shall not levy any tax whatsoever, nor shall any rates, fees, tolls, penalties or charges collected and spent by the Enterprise ever be deemed to be taxes for any purpose under any law, rule, or regulation, whether local, state or federal.

Section 8. Termination. The Enterprise shall remain in existence at the will of the Board and in accordance with law. In the event that the Enterprise is terminated by operation of law or by act of the Board, any and all assets of the Enterprise, immediately and without the need for further action, shall be deemed to be and shall be assets of the District.

Section 9. Repealer. All orders, rules, regulations, and resolutions of the District, or parts thereof inconsistent or in conflict with this Enterprise Resolution, hereby are repealed to the extent only of such inconsistency or conflict.

Section 10. Severability. If any section, paragraph, clause, or provision of the Enterprise 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 Enterprise Resolution, the intent being that the same are severable.

Section 11. Effective Date. This Enterprise Resolution shall be effective immediately upon its adoption.

***[Remainder of Page Intentionally Left Blank].***

ADOPTED THIS 14<sup>th</sup> DAY OF JANUARY, 2021.

REUNION METROPOLITAN DISTRICT

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President

ATTEST:

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APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys At Law

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General Counsel to the District