

**RAINDANCE METROPOLITAN DISTRICT NOS. 1-3**

[www.raindancemetrodistrict.org](http://www.raindancemetrodistrict.org)

**Raindance MD No. 1**  
Martin Lind, President  
May 2027  
Justin Donahoo,  
Secretary/Treasurer  
May 2025  
Austin Lind, Asst.  
Secretary  
May 2025  
Ryan Scallon, Asst.  
Secretary  
May 2025  
Vacant  
May 2027

**Raindance MD No. 2**  
Martin Lind, President  
May 2027  
Justin Donahoo,  
Secretary/Treasurer  
May 2025  
Austin Lind, Asst.  
Secretary  
May 2025  
Barry McGuinness, Asst.  
Secretary  
May 2027  
Garrett Scallon, Asst.  
Secretary  
May 2025

**Raindance MD No. 3**  
Martin Lind, President  
May 2027  
Justin Donahoo,  
Secretary/Treasurer  
May 2025  
Alan MacGregor, Asst.  
Secretary  
May 2025  
Cindy Beemer, Asst.  
Secretary  
May 2027  
Ryan Scallon, Asst.  
Secretary  
May 2025

**NOTICE OF JOINT MEETING**

Monday, August 26, 2024, at 11:30 a.m.

1625 Pelican Lakes Point, Suite 201, Windsor, Colorado 80550

*This meeting may also be attended via teleconferencing through the directions below:*

<https://us06web.zoom.us/j/81784084221?pwd=WUZyWUVaNjBaMlFnL1lKWkhuNmJaZz09>

Meeting ID: 817 8408 4221; Passcode: 043909; Call In#: 1(720)707-2699 or 1(719)359-4580

**JOINT MEETING AGENDA**

1. Call to Order
2. Declaration of Quorum/Director Conflict of Interest Disclosures
3. Approval of Agenda
4. Public Comment – Members of the public may express their views to the Boards on matters that affect the Districts that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person.
5. Consent Agenda –The items listed below are a group of items to be acted on with a single motion and vote by the Boards. An item may be removed from the consent agenda to the regular agenda by any Board member. Items on the consent agenda are then voted on by a single motion, second, and vote by the Boards.
  - a. Approval Minutes from the July 29, 2024 Joint Special Meeting (**enclosure**)
6. Operations Matters
  - a. General District Operations
7. Legal Matters

8. Financial Matters

- a. Conduct Public Hearings on 2024 Budget Amendments and Consider Adoption of Resolutions Amending 2024 Budgets (District Nos. 2 & 3) (**enclosures**)

9. Bond Matters

a. Engagement Letters

- i. Consider Approval of Engagement Letter with Ballard Spahr for Bond and Disclosure Counsel Services (District No. 2) (**enclosure**)
- ii. Consider Approval of Engagement Letter with Piper Sandler for Financial Advisor Services (District No. 2) (**enclosure**)
- iii. Consider Approval of Engagement Letter with RBC for Underwriting Services (District No. 2) (**enclosure**)
- iv. Consider Approval of Engagement Letter with Sherman & Howard for Special Counsel Services (District No. 3) (**enclosure**)
- v. Consider Approval of Bond Fee Disclosure Letter from White Bear Ankele Tanaka & Waldron (District No. 2) (**enclosure**)

- b. Consider Adoption of Resolution Authorizing a Capital Pledge Agreement between District Nos. 2-3 and U.S. Bank National Association (District No. 3) (**enclosure in supplemental packet**)

- c. Consider adoption of a resolution authorizing the issuance by Raindance Metropolitan District No. 2, in the Town of Windsor, Weld County, Colorado, of its Limited Tax General Obligation Refunding Bonds, Series 2024, in the aggregate principal amount of \$51,000,000 for the purpose of refunding outstanding general obligation indebtedness of District No. 2 and District No. 3, approving a Capital Pledge Agreement with District No. 3, and other documents relating to the Bonds (**enclosure in supplemental packet**)

- d. Consider ratification and authorization of additional agreements and actions by the Districts' consultants and representatives on the Districts' behalf that are necessary and incidental to the issuance of the Bonds

10. Other Business

11. Adjourn

2024 Regular Meeting Schedule

October 17<sup>th</sup> at 10:30 a.m.

MINUTES OF A JOINT SPECIAL MEETING OF THE  
BOARDS OF DIRECTORS

OF

RAINDANCE METROPOLITAN DISTRICT NOS. 1-3

Held: Monday, July 29, 2024 at 10:30 a.m.

*This meeting was held via teleconference and at 1625 Pelican  
Lakes Point, Suite 201, Windsor, Colorado 80550.*

Attendance

The joint special meeting of the Boards of Directors of the Raindance Metropolitan District Nos. 1-3 was called and held in accordance with the applicable laws of the State of Colorado. The following Directors, have confirmed their qualifications to serve, were in attendance:

Martin Lind, President (District Nos. 1-3)  
Justin Donahoo, Secretary/Treasurer (District Nos. 1-3)  
Austin Lind, Assistant Secretary (District Nos. 1 & 2)  
Garrett Scallon, Assistant Secretary (District No. 2)  
Barry McGuinness, Assistant Secretary (District No. 2)  
Alan MacGregor, Assistant Secretary (District No. 3)  
Cindy Beemer, Assistant Secretary (District No. 3)  
Ryan Scallon, Assistant Secretary (District Nos. 1 & 3)

Also present were Zachary P. White, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law (District Counsel); Gary Kerr, Lara Wynn, Water Valley Companies (District General Manager); Steve Southard, Melissa Ehrlich, Hannah Barker, Advance HOA (District Manager); Jonathan Heroux and Blaine Hawkins, Piper Sandler & Co., Shannon Fuller, Haynie & Company, District Auditor; and members of the public.

Call to Order/Declaration of  
Quorum

It was noted that a quorum of the Boards was present, and Director Martin Lind called the meeting to order and appointed Legal Counsel to direct the meeting.

Conflict of Interest  
Disclosures

Mr. Ankele advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. White reported that disclosures for those directors that provided White Bear White Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures

were acknowledged by the Boards. Mr. White inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Combined Meetings

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes is the action of each of the Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Approval of Agenda

Mr. Ankele presented the proposed agenda to the Boards for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda as presented.

Public Comment

None.

Consent Agenda

Mr. White reviewed the items on the consent agenda with the Boards. Mr. White advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, adopted, accepted, and ratified:

- Minutes from the June 20, 2024, Joint Special Meeting

Operations Matters

General Operations Matters

Mr. Southard presented to the Boards results of a survey regarding use of District parks for organized sports. The results were overwhelmingly opposed to organized sports in the parks. The Boards determined not to make changes to the Recreation Amenities Use Policy. The Boards directed Mr. Southard to discuss with the School District whether the new elementary school fields could be used for this purpose.

Raindance River Resort

None.

Water System Operations

None.

Capital Matters

None.

Legal Matters

None.

Bond Matters

Presentation re Bond Refinancings (District Nos. 2 & 3)

Mr. Heroux, acting as the Districts financial advisor, provided a presentation regarding Bond Refinancings attached hereto as Attachment 1 and discussed refinancing matters with the Boards of District Nos. 2 & 3. The Districts expect to receive a rating and will consider approving the proposed refinance at a later date.

Financial Matters

Review of Payables/Financials

Mr. Kerr presented the Payables and Financials to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the payables and financials.

Conduct Public Hearings on 2024 Budget Amendments and Consider Adoption of Resolutions Amending 2024 Budget

Director Martin Lind opened the public hearing on the 2024 Budget Amendments. Mr. White noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections were received prior to the meeting. There being no public comment, the hearings were closed.

Mr. White reviewed the Resolution Amending the 2024 Budget with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously adopted the resolution amending the Capital Projects Fund to \$15,215,000, and the Enterprise Fund to \$10,895,000.

Presentation and Consider Acceptance of 2023 Audits

Ms. Fuller presented the 2023 Audits to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the 2023 audits subject to final legal review and receipt of clean audits.

Other Business

Adjourn

There being no further business to come before the Boards, and following discussion and upon a motion duly made, seconded, and unanimously carried, the Boards determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

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Secretary for the Meeting Districts

The foregoing minutes were approved on the 17<sup>th</sup> day of October 2024.

Attachment 1

# Raindance Metropolitan District No. 2

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Refinancing Summary  
July 2024

**PIPER | SANDLER**

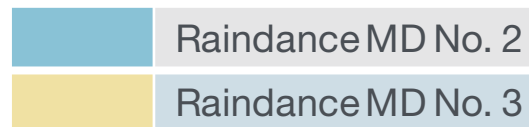
Piper Sandler & Co., Member SIPC and NYSE

# Raindance Metropolitan District No. 2 & No. 3



## OVERVIEW & HISTORY

- Nearly built-out primarily residential community
- MD No. 2 has 2 series of bonds outstanding, totaling just under \$23.9M in par value:
  - Series 2019A with \$19.3M outstanding
  - Series 2019B with \$4.6M outstanding
- MD No. 3 has 2 series of bonds outstanding, totaling just under \$19.2M in par value:
  - Series 2019A with \$16.4M outstanding
  - Series 2019B with \$2.8M outstanding
- This presentation is intended to discuss a potential refinancing that would allow the District MD No. 2 and MD No. 3 to accomplish the following items:
  - Refund all outstanding debt
  - Lower the blended interest rate on the outstanding debt
  - Lower the debt service mill levy;
  - Lower tax payments for the residents;
  - Provides additional savings that could allow residents to improve neighborhood amenities



<sup>1</sup> Estimated as of July 9, 2024



## Existing Debt Structure

	Raindance Metropolitan District No. 2		Raindance Metropolitan District No. 3	
	Series 2019A	Series 2019B	Series 2018A	Series 2018B
Date Issued	December 20, 2019		May 17, 2018	
Par Amount at Issuance	\$19,310,000	\$4,575,000	\$16,450,000	\$2,840,000
Outstanding Principal	\$19,310,000	\$4,575,000	\$16,370,000	\$2,840,000
Interest Rate	4.96% <sup>1</sup>	7.50%	5.750%	8.125%
First Call Date	12/01/2024	12/15/2024	12/1/2023	12/15/2023
Final Maturity	12/01/2049	12/15/2049	12/01/2047	12/15/2047

<sup>1</sup>Net Interest Cost

# Summary of Refinancing

	Refunding Bonds
<b>Description</b>	Investment Grade Rated and Insured Bond Issuance
<b>Purpose</b>	Refund all outstanding debt at Raindance MD No. 2 and Raindance MD No. 3
<b>Issuance</b>	Series 2024
<b>Par Amount</b>	\$42,945,000
<b>Interest Rate<sup>1</sup></b>	4.54%
<b>Final Maturity</b>	12/1/2054
<b>Average Mill Levy thru Maturity</b>	24.6 mills
<b>Average Homeowner Savings per Year<sup>2</sup></b>	\$380

<sup>1</sup>Estimated as of June 11, 2024

<sup>2</sup>As calculated through 2049 (Final Maturity of the outstanding 2019A & 2019B Bonds)

## Summary of Debt Service Mill Levies by District

	District No. 2	District No. 3
<b>2024 Debt Service Mills</b>	47.037	48.846
<b>2024 Annual Tax Burden<sup>1</sup></b>	\$1,891	\$1,963
<b>POST REFUNDING</b>		
<b>Estimated 2025 Debt Service Mills<sup>1</sup></b>	37.812	37.812
<b>Estimated 2025 Annual Tax Burden<sup>2</sup></b>	\$1,520	\$1,520
<b>Average Homeowner Savings in 2025</b>	\$371	\$444

<sup>1</sup>Assumes an average home price of \$600,000 and a residential assessment rate of 6.70%

<sup>2</sup>Annual savings will allow homeowners the flexibility to fund additional operations, maintenance, and/or amenity expenses if desired.

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## Goals for Refinancing

### The refunding at a high level achieves the following:

- Lowers annual debt service mill levy
- Lowers the cost of outstanding debt
- Refunding of all outstanding debt
- Potential refunding structure could include an investment grade credit rating with insurance possible
- Meaningful annual savings for homeowners
- As mentioned in the footnote on page 5, we anticipate additional funds could be available annually for residents to improve the neighborhood amenities or for other operations and maintenance expenses.

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## Financing Next Steps & Timeline

DATE	EVENT
July 29, 2024	Raindance MD No. 2 Board Meeting
August 23, 2024	Post Preliminary Offering Statement
September 9, 2024	Bond Pricing
September 18, 2024	Refinancing Transaction Closes
12/15/2024	<i>Certify Mill Levies for 2025 Collections</i>

*Timeline reflects estimated dates based the latest timetable, subject to change*

# Thank you

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**Jonathan Heroux**  
Managing Director  
(303) 405-0848

[Pjonathan.Heroux@psc.com](mailto:Pjonathan.Heroux@psc.com)

**John Kolstoe**  
Senior Vice President  
(303) 405-0853

[John.Kolstoe@psc.com](mailto:John.Kolstoe@psc.com)

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Piper Sandler & Co., Member SIPC and NYSE

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## Disclosure

Piper Sandler is providing the information contained herein for discussion purposes only in anticipation of being engaged to serve as underwriter or placement agent on a future transaction and not as a financial advisor or municipal advisor. In providing the information contained herein, Piper Sandler is not recommending an action to you and the information provided herein is not intended to be and should not be construed as a “recommendation” or “advice” within the meaning of Section 15B of the Securities Exchange Act of 1934. Piper Sandler is not acting as an advisor to you and does not owe a fiduciary duty pursuant to Section 15B of the Exchange Act or under any state law to you with respect to the information and material contained in this communication. As an underwriter or placement agent, Piper Sandler’s primary role is to purchase or arrange for the placement of securities with a view to distribution in an arm’s-length commercial transaction, is acting for its own interests and has financial and other interests that differ from your interests. You should discuss any information and material contained in this communication with any and all internal or external advisors and experts that you deem appropriate before acting on this information or material.

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**RAINDANCE METROPOLITAN DISTRICT NO. 2  
RESOLUTION TO AMEND 2024 BUDGET**

WHEREAS, the Board of Directors of Raindance Metropolitan District No. 2 (the “**District**”) certifies that at a special meeting of the Board of Directors of the District held August 26, 2024, a public hearing was held regarding the 2024 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2024 as follows:

Debt Service Fund	\$1,107,000
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and;

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2024; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2024 as follows:

Debt Service Fund	\$50,200,708
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BE IT FURTHER RESOLVED that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

*[Remainder of Page Intentionally Left Blank]*



ADOPTED AUGUST 26, 2024.

**DISTRICT:**

**RAINDANCE METROPOLITAN DISTRICT  
NO. 2**, a quasi-municipal corporation and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
Officer of the District

ATTEST:

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

APPROVED AS TO FORM:

**WHITE BEAR ANKELE TANAKA & WALDRON**  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF WELD  
RAINDANCE METROPOLITAN DISTRICT NO. 2\_

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held at (insert and via teleconference on Monday, August 26, 2024, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 26<sup>th</sup> day of August, 2024.

\_\_\_\_\_  
Signature

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
DEBT SERVICE FUND  
2024 BUDGET AMENDMENT**

	ADOPTED BUDGET 2024	AMENDED BUDGET 2024
BEGINNING FUND BALANCES	\$ 1,659,634	\$ 1,693,545
<b>REVENUES</b>		
Property Taxes	1,524,842	1,524,842
Specific Ownership Taxes	60,994	60,000
Net Investment Income	40,000	50,000
Bond Issuance - LTGO Refunding Bonds Series 2024	-	42,210,000
Transfer from Raindance MD#3 - Funds On-Hand at Closing	-	4,574,675
Transfer from Raindance MD#3 - Pledged Revenues (Series 2024)	-	87,646
Total Revenues	1,625,836	48,507,163
Total Funds Available	3,285,470	50,200,708
<b>EXPENDITURES</b>		
General:		
County Treasurer's Fee	22,873	22,873
Bank Fees	40	40
Series 2019 Bonds:		
Paying Agent Fee	3,000	3,000
Investment Advisory Fee	4,500	4,500
Bond Interest - Series 2019A	965,500	482,750
Bond Interest - Series 2019B	105,000	-
Series 2024 Bonds:		
Original Issue Discount	-	22,795
Cost of Issuance	-	933,810
Refunding Escrow Deposit (District#2 Series 2019 Bonds)	-	26,833,953
Transfer to Raindance MD#3 - Refunding of its Series 2018 Bonds	-	21,780,659
Bond Interest - Series 2024	-	-
Contingency	6,087	116,328
Total Expenditures	1,107,000	50,200,708
ENDING FUND BALANCES	\$ 2,178,470	\$ -
2019A Senior Reserve Fund	\$ 1,549,250	\$ -
2019A Senior Surplus Fund	629,220	-
	\$ 2,178,470	\$ -

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
RESOLUTION TO AMEND 2024 BUDGET**

WHEREAS, the Board of Directors of Raindance Metropolitan District No. 3 (the “**District**”) certifies that at a special meeting of the Board of Directors of the District held August 26, 2024, a public hearing was held regarding the 2024 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted a budget and appropriated funds for fiscal year 2024 as follows:

Debt Service Fund	\$1,970,000
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and;

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2024; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2024 as follows:

Debt Service Fund	\$26,953,360
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BE IT FURTHER RESOLVED that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

*[Remainder of Page Intentionally Left Blank]*

ADOPTED AUGUST 26, 2024.

**DISTRICT:**

**RAINDANCE METROPOLITAN DISTRICT  
NO. 3**, a quasi-municipal corporation and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
Officer of the District

ATTEST:

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

APPROVED AS TO FORM:

**WHITE BEAR ANKELE TANAKA & WALDRON**  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF WELD  
RAINDANCE METROPOLITAN DISTRICT NO. 3

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held at (insert and via teleconference on Monday, August 26, 2024, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 26<sup>th</sup> day of August, 2024.

\_\_\_\_\_  
Signature

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
DEBT SERVICE FUND  
2024 BUDGET AMENDMENT**

	ADOPTED BUDGET 2024	AMENDED BUDGET 2024
BEGINNING FUND BALANCES	\$3,040,381	\$3,104,035
REVENUES		
Property Taxes	1,848,166	1,848,166
Specific Ownership Taxes	73,927	73,000
Net Investment Income	110,000	130,000
Facilities Fees	17,500	17,500
Transfer from Raindance MD#2 - Refunding of 2018 Bonds	-	21,780,659
Total Revenues	<u>2,049,593</u>	<u>23,849,325</u>
Total Funds Available	<u>5,089,974</u>	<u>26,953,360</u>
EXPENDITURES		
General:		
County Treasurer's Fee	27,722	27,722
Miscellaneous	20	20
Series 2018 Bonds:		
Paying Agent Fee	6,000	6,000
Investment Advisory Fee	6,000	6,000
Bond Interest - Series 2018A	941,275	470,638
Bond Principal - Series 2018A	195,000	-
Bond Interest - Series 2018B	785,000	-
Series 2024 Bonds:		
Refunding Escrow Deposit	-	21,780,659
Transfer to Raindance MD#2 - Funds On-Hand at Closing	-	4,574,675
Transfer to Raindance MD#2 - Pledged Revenues	-	87,646
Contingency	8,983	-
Total Expenditures	<u>1,970,000</u>	<u>26,953,360</u>
ENDING FUND BALANCES	<u>\$ 3,119,974</u>	<u>\$ -</u>
2018A Senior Reserve Fund	\$ 1,423,675	\$ -
2018A Senior Surplus Fund	1,645,000	-
Reserve for Future Debt Service	51,299	-
TOTAL RESERVE	<u>\$3,119,974</u>	<u>\$ -</u>

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

August 22, 2024

Board of Directors  
RainDance Metropolitan Districts Nos. 2 and 3  
c/o Zachary White  
White Bear Ankele Tanaka & Waldron  
2154 E. Commons Ave., Suite 2000  
Centennial, CO 80122

Dear Mr. White:

We are pleased that RainDance Metropolitan District No. 2 (“**District No. 2**”) and RainDance Metropolitan District No. 3 (“**District No. 3**”) and, together with District No. 2, the “**Districts**”) have engaged Ballard Spahr LLP as bond counsel and disclosure counsel in connection with District No. 2’s proposed issuance of its Limited Tax General Obligation Refunding Bonds, Series 2024, in the presently estimated principal amount of \$43,000,000 (the “**Bonds**”), and the execution and delivery by the Districts of a Capital Pledge Agreement securing the payment of such Bonds, as more particularly described in the attached Terms of Engagement. The Bonds are to be issued for the purpose of refunding the Limited Tax General Obligation Bonds, Series 2018A (the “**2018A Senior Bonds**”) and Subordinate Limited Tax General Obligation Bonds, Series 2018B (the “**2018B Subordinate Bonds**”) issued by District No. 3, and the Limited Tax General Obligation Bonds, Series 2019A (the “**2019A Senior Bonds**”) and Subordinate Limited Tax General Obligation Bonds, Series 2019B (the “**2019B Subordinate Bonds**”) issued by District No. 2. The 2018A Senior Bonds, 2018B Subordinate Bonds, 2019A Senior Bonds and 2019B Subordinate Bonds are collectively referred to herein as the “**Refunded Bonds.**”

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 Districts, describes the billing arrangements, discusses certain of our confidentiality obligations, and addresses certain conflict of interest understandings and the Terms of Representation attached thereto.

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

Very truly yours,



Anastasia G. Khokhryakova  
Enclosure



Kimberly Casey

**AGREED AND APPROVED**

**RAINDANCE METROPOLITAN DISTRICT NO. 2**

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

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

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

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

**RAINDANCE METROPOLITAN DISTRICT NO. 3**

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

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

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

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

## TERMS OF ENGAGEMENT

The following terms together with the accompanying letter of engagement dated August 22, 2024 (the “**Transmittal Letter**”) constitute the terms of the engagement of Ballard Spahr LLP (“**Ballard Spahr**”) as the Districts’ bond and 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 Districts (i.e., RainDance Metropolitan District Nos. 2 and 3) and does not include others. Because each District will be our client, Ballard Spahr will not treat information obtained from each District as confidential vis-à-vis the other District in the representation covered by this engagement letter. Any information received by Ballard Spahr from any District can be disclosed to the other Districts. Further, Ballard Spahr will not represent any District in any dispute between them. While we believe that we can represent all Districts adequately in connection with the proposed matter (including preparation of the Capital Pledge Agreement described below), the ultimate decision in that regard is that of the Districts. **We advise each District that they may individually consult with independent counsel regarding this decision. By executing the Transmittal Letter, the Districts shall be deemed to consent to our representation of all Districts on the terms described herein..**

**2. SCOPE OF REPRESENTATION.** It is currently contemplated that the Bonds will be issued by the District and secured by ad valorem property taxes of the Districts limited to 39.00 mills (subject to adjustment for changes in the method of calculating assessed valuation as provided in the Districts’ Service Plan), and related specific ownership taxes. The ad valorem property tax pledge securing payment of the Bonds by the Districts will be set forth in a Capital Pledge Agreement. The ad valorem property tax pledge securing payment of the Bonds will never convert to an unlimited property tax pledge.

The Bonds are structured as fixed-rate bonds, fully amortizing within their term. It is anticipated that the Bonds will be assigned an investment grade rating, and that payment of the Bonds will be secured by a municipal bond insurance policy. The Bonds will also be secured by a Reserve Fund, which is anticipated will be funded with a surety bond issued by the provider of the municipal bond insurance policy.

Net proceeds of the Bonds may be placed into an escrow held under an escrow agreement and will be used to pay the Refunded Bonds when redeemed in December 2024.

The Bonds are anticipated to be offered to financial institutions or institutional investors in a limited offering by RBC Capital Markets (the “Underwriter”), using an official statement prepared by Underwriter’s counsel or counsel to the Districts.

As bond counsel we will advise the Districts in connection with the structuring of the Bonds, the Capital Pledge Agreement and will prepare the basic bond documents. In particular, we will: (i) prepare an Indenture of Trust, a Capital Pledge Agreement and two Escrow Agreements; (ii) prepare resolutions of the Districts authorizing the Bonds, Indenture, Capital Pledge Agreement and related documents, as applicable; (iii) prepare and submit to the State Securities Commissioner documentation necessary to exempt the Bonds from the registration



requirements of the Municipal Supervision Act; (iv) prepare and/or review, as applicable, such other documents and agreements as may be required in connection with the Bonds or which we deem necessary for rendering our opinion, (v) negotiate opinions of the Districts' counsel and other necessary opinions required to be delivered in connection with the issuance of the Bonds; (vi) prepare a tax certificate and a tax-exempt opinion; and (vii) prepare the forms of such closing documents, certificates and opinions of counsel as may be required by the terms of the financing, the Districts' service plan and applicable federal and state laws.

As you know, bond counsel's primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of bonds and the status of any exemption provided to interest thereon under federal tax law. Subject to the completion of tax due-diligence and other proceedings to our satisfaction, on the date when the Bonds are issued, we will render our opinion in customary form to the Districts addressing the enforceability of the Bonds, Indenture of Trust and Capital Pledge Agreement and the extent to which the interest on the Bonds is excluded from gross income for purposes of federal income tax. These opinions will be executed and delivered by us in written form and will be based on facts, expectations and law existing as of the date of the opinion.

As disclosure counsel to the Districts we will advise the Districts in connection with its disclosure obligations under applicable securities laws and will prepare the basic disclosure documents. In particular, we will (i) assist the Districts in the preparation of a preliminary official statement and official statement (collectively, the "OS") 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 Districts and of the existing and planned development in the Districts that are material to such disclosure documents; (iii) provide a letter to District No. 2 stating that, during the course of our preparation of the OS, no facts came to our attention which indicated that the contents of the OS, as of its date, were inaccurate or incomplete in any material respect; and (iv) prepare and/or review, as applicable, such other documents and agreements as may be required in connection with the OS or which we deem necessary for providing such letter.

While we will assist the Districts in preparing the OS, our role as disclosure counsel does not include any independent verification of the statements of fact to be contained in the OS 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 OS and our letter delivered to District No. 2 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 OS.

We assume no obligation to review the financial condition of the Districts 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. As bond counsel we would also not assume responsibility for the accuracy, completeness or fairness of statements contained in any offering materials, other than any statements regarding validity of the Bonds, tax exemption or other issues that we expressly address in an opinion. 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 Districts, and we expect that the developer(s) of the properties in the Districts, 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 Kim Casey will be the Relationship Partner and that Anastasia Khokhyrakova will be Matter Billing Lawyer. Anastasia Khokhyrakova will have primary responsibility for disclosure counsel work performed by Ballard Spahr under this engagement letter, and Kim Casey will have primary responsibility for bond counsel 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. For example, Ethan Anderson and David Evans, associates, will assist Anastasia and Kim on bond and disclosure counsel matters and the work on federal tax matters will be performed by Marybeth Orsini.

**4. FEES AND EXPENSES.** Our fee to act as bond and disclosure counsel to the Districts in connection with the issuance of the Bonds (as presently proposed) will be \$115,000, a fee based on the structure, size and complexity of the financing transaction, and our estimate of the amount and nature of legal work necessary to accomplish a closing of the Bonds on or before September 30, 2024. This fee includes routine out of pocket disbursements (such as photocopying charges, delivery expenses, fax charges and postage). Any extraordinary disbursements or expenses authorized by the Districts will be billed to the Districts. If the anticipated structure of the Bonds changes materially from the structure described in this letter, we may propose an increase in the fee if warranted by the change. The above proposed fee is nonbinding if the structure of the Bonds is materially different from the structure described above. Our fee for bond and disclosure counsel services will be payable on the closing date for the Bonds.

**5. RETENTION AND DISPOSITION OF DOCUMENTS.** Following the termination of our representation, any otherwise nonpublic information the Districts have supplied to us which is retained by us will be kept confidential in accordance with applicable rules of professional conduct. At your request, the Districts' papers and property will be returned to the Districts 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 Districts on various legal matters. The Districts understand that it 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 Districts acknowledge that we may legend any written tax advice that we provide in the course of this engagement to indicate that it may not be relied on for purposes of penalty protection. The Districts further understand 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 Districts. For example, from time to time we represent investment banking firms with whom the Districts may have a relationship, such as RBC Capital Markets, that may be viewed as competing with the Districts’ projects, but are not related to the Districts’ 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 Districts and its other clients, the Districts and we agree as follows with respect to certain conflicts of interest issues:

(a) Unless we have the Districts’ 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 Districts and in which the other client is adverse to the Districts. 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 Districts acknowledge that we will be free to represent any other client either generally or in any matter in which the Districts 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 Districts 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 Districts' 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 Districts, 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 Districts 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 Districts.

**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 authorized representatives of the Districts 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

2024

## 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	\$12 p/gb per month
Data Processing	No Charge
Document Production	No Charge
Duplicating	\$0.10 per page
Duplicating (Color)	\$0.15 per page
Outside Duplicating	Invoice Cost
Fax (Outgoing Only)	No Charge
Lexis and Westlaw	Actual (discounted) Cost
Library Research Services	Published Standard Cost
Long Distance Telephone	No Charge
Overtime	No Charge
Postage	No Charge (Standard USPS First Class under \$25) Actual Cost (Standard USPS First Class over \$25, Certified, Registered, Insurance, USPS Priority and Overnight Express)
State Department Services	No Charge
Telephone (Credit Card Calls)	No Charge
Travel	Actual Cost

## FINANCIAL SERVICES AGREEMENT

This Financial Services Agreement, (the Agreement) is entered into on July 16, 2024 by and between Raindance Metropolitan District No.2, CO (the Client) and Piper Sandler & Co. (Piper Sandler or the Financial Services Provider). This Agreement will serve as our mutual agreement with respect to the terms and conditions of our engagement as your financial services provider, effective on the date this Agreement is executed (the Effective Date).

### **I. Scope of Services.**

(A) **Services to be provided.** Piper Sandler is engaged by the Client to provide services with respect to the planned issuance of the Client's bonds to be issued from time to time during the term of this Agreement (the Issue(s))

(B) **Scope of Services.** The Scope of Services to be provided respecting the Issue(s) may consist of the following, if directed by the Client:

1. Evaluate options or alternatives with respect to the proposed new Issue(s),
2. Review recommendations made by other parties to the Client with respect to the new Issue(s).<sup>1</sup>
3. Consult with and/or advise the Client on actual or potential changes in market place practices, market conditions or other matters that may have an impact on the Issues or Products.
4. Assist the Client in establishing a plan of financing
5. Assist the Client in establishing the structure, timing, terms and other similar matters concerning the Issue
6. Prepare the financing schedule
7. Provide assistance as to scheduling, coordinating and meeting procedural requirements relating to any required bond referendum
8. Consult and meet with representatives of the Client and its agents or consultants with respect to the Issue
9. Attend meetings of the Client's governing body, as requested
10. Advise the Client on the manner of sale of the Issue
11. Make arrangements for printing, advertising and other vendor services necessary or appropriate in connection with the Issue
12. Advise the Client with regard to continuing disclosure matters, as requested
13. In a competitive bid sale, prepare the bid package, obtain CUSIP numbers, assist the Client in collecting and analyzing bids submitted by underwriters and in connection with the Client's selection of a winning bidder
14. At the time of sale, provide the Client with relevant data on comparable issues recently or currently being sold nationally and by comparable Clients
15. In a negotiated sale, coordinate pre-pricing discussions, supervise the sale process, advise the Client on matters relating to retail or other order periods and syndicate priorities, review the order book, and if directed by the Client, advise on the acceptability of the underwriter's pricing and offer to purchase
16. Assist the Client in identifying an underwriter in a negotiated sale or other deal participants such as an escrow agent, accountant, feasibility consultant, etc. to work on the Issue
17. Respond to questions from underwriters
18. Arrange and facilitate visits to, prepare materials for, and make recommendations to the Client in connection with credit ratings agencies, insurers and other credit or liquidity providers

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<sup>11</sup> **Note: The acceptance of this duty will require you to document in writing the suitability or non-suitability of the third party recommendation.**

19. Coordinate working group sessions, closing, delivery of the new Issue and transfer of funds
20. Prepare a closing memorandum or transaction summary
21. Advise Client on potential exercise of optional or other call rights, or potential tender offers, for outstanding Issue(s)
22. Advise Client on potential refunding or other refinancing opportunities of its outstanding Issue(s)
23. If directed by the Client, review recommendations made by third parties with respect to outstanding issue(s)<sup>2</sup>
24. Consult with and/or advise Client on actual or potential changes in market place practices, market conditions or other matters that may have an impact on Client's outstanding Issue(s)
25. Advise Client on post-issuance disclosure compliance matters, including specific issues that may arise from time to time and the preparation, review and revision of applicable policies and procedures, relating to outstanding Issue(s)
26. Assist Client and its dissemination agent in the preparation of annual filings or other continuing disclosures required under continuing disclosure undertakings for outstanding Issue(s)
27. Advise Client on matters relating to compliance with, including testing and/or reporting on compliance with, bond or other covenants relating to outstanding Issue(s)
28. Review documentation of outstanding Issue(s) with Client personnel and with Client's bond counsel and other consultants
29. Assist Client in responding to inquiries from investors or other market participants in connection with Client's outstanding Issue(s)

***For Services Respecting Official Statement.***

Piper Sandler has not assumed responsibility for preparing or certifying as to the accuracy or completeness of any preliminary or final official statement, other than with respect to written information about Piper Sandler as the municipal advisor if provided by Piper Sandler in writing for inclusion in such documents.

***II. Limitations on Scope of Services.*** In order to clarify the extent of our relationship, Piper Sandler is required under MSRB Rule G-42<sup>3</sup> to describe any limitations on the scope of the activities to be performed for you. Accordingly, the Scope of Services are subject to the following limitations:

The Scope of Services is limited solely to the services described herein and is subject to limitations set forth within the descriptions of the Scope of Services. Any duties created by this Agreement do not extend beyond the Scope of Services or to any other contract, agreement, relationship, or understanding, if any, of any nature between the Client and the Financial Services Provider.

To assist us in complying with our duties to our regulators, you agree that if we are asked to evaluate the advice or recommendations of third parties, you will provide us written direction to do so.

The Scope of Services does not include tax, legal, accounting or engineering advice with respect to any Issue or Product or in connection with any opinion or certificate rendered by counsel or any other person at closing.

***III. Amending Scope of Services.*** The Scope of Services may be changed only by written amendment or supplement. The parties agree to amend or supplement the Scope of Services promptly to reflect any material changes or additions to the Scope of Services.

***IV. Compensation.*** A fee of \$100,000 is payable in immediately available funds at closing and is contingent on a successful closing of the bond issuance.

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<sup>2</sup> **Note: The acceptance of this duty will require you to document in writing the suitability or non-suitability of the third party recommendation.**

<sup>3</sup> See MSRB Rule G-42(c)(v).

**V. IRMA Matters.** If the Client has designated Piper Sandler as its independent registered municipal advisor (“IRMA”) for purposes of SEC Rule 15Ba1-1(d)(3)(vi) (the “IRMA exemption”), the extent of the IRMA exemption is limited to the Scope of Services and any limitations thereto. Any reference to Piper Sandler, its personnel and its role as IRMA in the written representation of the Client contemplated under SEC Rule 15Ba1-1(d)(3)(vi)(B) is subject to prior approval by Piper Sandler and Client agrees not to represent, publicly or to any specific person, that Piper Sandler is Client’s IRMA with respect to any aspect of municipal financial products or the issuance of municipal securities, or with respect to any specific municipal financial product or any specific issuance of municipal securities, outside the Scope of Services without Piper Sandler’s prior written consent.

**VI. Piper Sandler’s Regulatory Duties When Servicing the Client.** MSRB Rule G-42 requires that Piper Sandler undertake certain inquiries or investigations of and relating to the Client in order for Piper Sandler to fulfill certain aspects of the fiduciary duty owed to the Client. Such inquiries generally are triggered: (a) by the requirement that Piper Sandler know the essential facts about the Client and the authority of each person acting on behalf of the Client so as to effectively service the relationship with the Client, to act in accordance with any special directions from the Client, to understand the authority of each person acting on behalf of the Client, and to comply with applicable laws, regulations and rules; (b) when Piper Sandler undertakes a determination of suitability of any recommendation made by Piper Sandler to the Client, if any or by others that Piper Sandler reviews for the Client, if any; (c) when making any representations, including with regard to matters pertaining to the Client or any Issue or Product; and (d) when providing any information in connection with the preparation of the preliminary or final official statement, including information about the Client, its financial condition, its operational status and its municipal securities or municipal financial products. Specifically, Client agrees to provide to Piper Sandler any documents on which the Client has relied in connection with any certification it may make with respect to the accuracy and completeness of any Official Statement for the Issue.

Client agrees to cooperate, and to cause its agents to cooperate, with Piper Sandler in carrying out these duties to inquire or investigate, including providing to Piper Sandler accurate and complete information and reasonable access to relevant documents, other information and personnel needed to fulfill such duties.

In addition, the Client agrees that, to the extent the Client seeks to have Piper Sandler provide advice with regard to any recommendation made by a third party, the Client will provide to Piper Sandler written direction to do so as well as any information it has received from such third party relating to its recommendation.

**VII. Term of Agreement.** The term of this Agreement shall begin on the Effective Date and ends, unless earlier terminated as provided below, at the close of business on the [respective] settlement date(s) for the Issue(s)

**Option 1:** This Agreement may be terminated with or without cause by either party upon the giving of at least thirty (30) days prior written notice to the other party of its intention to terminate, specifying in such notice the effective date of such termination. All fees due to Piper Sandler shall be due and payable upon termination. Upon termination, the obligations of Piper Sandler under this Agreement, including any amendment shall terminate immediately and Piper Sandler shall thereafter have no continuing fiduciary or other duties to the Client. The provisions of Sections IV, VII, XII, XIV, XV and XVII shall survive termination of this Agreement.

**VIII. Independent Contractor.** The Financial Services Provider is an independent contractor and nothing herein contained shall constitute or designate the Financial Services Provider or any of its employees or agents as employees or agents of the Client.

**IX. Entire Agreement/Amendments.** This Agreement, including any amendments and Appendices hereto which are expressly incorporated herein, constitute the entire Agreement between the parties hereto and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and



effect. This Agreement may not be modified except by a writing executed by both the Financial Services Provider and Client.

**X. Required Disclosures.** MSRB Rule G-42 requires that Piper Sandler provide you with disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Such disclosures are provided in Piper Sandler's Disclosure Statement attached as Appendix A to this Agreement.

**XI. Limitation of Liability.** In the absence of willful misconduct, bad faith, gross negligence or reckless disregard of obligations or duties hereunder on the part of Piper Sandler or any of its associated persons, Piper Sandler and its associated persons shall have no liability to the Client for any act or omission in the course of, or connected with, rendering services hereunder, or for any error of judgment or mistake of law, or for any loss arising out of any issuance of municipal securities, any municipal financial product or any other investment, or for any financial or other damages resulting from the Client's election to act or not to act, as the case may be, contrary to any advice or recommendation provided by Piper Sandler to the Client. No recourse shall be had against Piper Sandler for loss, damage, liability, cost or expense (whether direct, indirect or consequential) of the Client arising out of or in defending, prosecuting, negotiating or responding to any inquiry, questionnaire, audit, suit, action, or other proceeding brought or received from the Internal Revenue Service in connection with any Issue or Product, if any or otherwise relating to the tax treatment of any Issue or Product if any, or in connection with any opinion or certificate rendered by counsel or any other party. Notwithstanding the foregoing, nothing contained in this paragraph or elsewhere in this Agreement shall constitute a waiver by Client of any of its legal rights under applicable U.S. federal securities laws or any other laws whose applicability is not permitted to be contractually waived, nor shall it constitute a waiver or diminution of Piper Sandler's fiduciary duty to Client under Section 15B(c)(1), if applicable, of the Securities Exchange Act of 1934, as amended, and the rules thereunder.

**XII. Indemnification.** Unless prohibited by law, the Client hereby indemnifies and holds harmless the Financial Services Provider, each individual, corporation, partnership, trust, association or other entity controlling the Financial Services Provider, any affiliate of the Financial Services Provider or any such controlling entity and their respective directors, officers, employees, partners, incorporators, shareholders, trustees and agents (hereinafter the "Indemnitees") against any and all liabilities, penalties, suits, causes of action, losses, damages, claims, costs and expenses (including, without limitation, fees and disbursements of counsel) or judgments of whatever kind or nature (each a "Claim"), imposed upon, incurred by or asserted against the Indemnitees arising out of or based upon (i) any allegation that any information in the Preliminary Official Statement or Final Official Statement contained (as of any relevant time) an untrue statement of a material fact or omitted (as of any relevant time) or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

**XIII. Official Statement.** The Client acknowledges and understands that state and federal laws relating to disclosure in connection with municipal securities, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Client and that the failure of the Financial Services Provider to advise the Client respecting these laws shall not constitute a breach by the Financial Services Provider or any of its duties and responsibilities under this Agreement. The Client acknowledges that any Official Statement distributed in connection with an issuance of securities are statements of the Client and not of Piper Sandler.

**XIV. Notices.** Any written notice or communications required or permitted by this Agreement or by law to be served on, given to, or delivered to either party hereto, by the other party shall be in writing and shall be deemed duly served, given, or delivered when personally delivered to the party to whom it is addressed or in lieu of such personal services, when deposited in the United States' mail, first-class postage prepaid, addressed to the Client at:

Raindance Metropolitan District No. 2  
1601 Pelican Lakes Point, Suite 100  
Windsor, CO 80550

Martin Lind  
303 482-2213  
mlind@watervalley.com

Or to the Financial Services Provider at:

Piper Sandler & Co.  
800 Nicollet Mall, Suite 900  
Minneapolis, MN 55402-7036

P. Jonathan Heroux  
303 405-0848  
PJonathan.heroux@psc.com

With a copy to:

Piper Sandler & Co.  
Legal Department  
800 Nicollet Mall, Suite 900  
Minneapolis, MN 55402

**XV. Consent to Jurisdiction; Service of Process.** The parties each hereby (a) submits to the jurisdiction of any State or Federal court sitting in the Denver, 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 Denver, 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.

**XVI. Choice of Law.** This Agreement shall be construed and given effect in accordance with the laws of the state of Colorado.

**XVII. Counterparts; Severability.** This Agreement may be executed in two or more separate counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any term or provision of this Agreement which is invalid or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such invalidity or unenforceability without rendering invalid or unenforceable the remaining terms and provisions of this Agreement or affecting the validity or enforceability of any of the terms or provisions of this Agreement in any other jurisdiction.

**XVIII. Waiver of Jury Trial.** THE PARTIES EACH HEREBY AGREES TO WAIVE ANY RIGHT TO A TRIAL BY JURY WITH RESPECT TO ANY CLAIM, COUNTERCLAIM OR ACTION ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THE RELATIONSHIP BETWEEN THE PARTIES. PARTIES AGREE TO WAIVE CONSEQUENTIAL AND PUNITIVE DAMAGES.

**XIX. No Third Party Beneficiary.** This Agreement is made solely for the benefit of the parties and their respective successors and permitted assigns. Nothing in this Agreement, express or implied, is intended to confer on any person, other than the parties and their respective successors and permitted assigns, any rights, remedies, obligations or liabilities under or by reason of this Agreement.

**XX. Authority.** The undersigned represents and warrants that they have full legal authority to execute this Agreement on behalf of the Client. The following individual(s) at the Client have the authority to direct Piper Sandler's performance of its activities under this Agreement:


Martin Lind

The following individuals at Piper Sandler have the authority to direct Piper Sandler's performance of its activities under this Agreement:

P. Jonathan Heroux, Managing Director

IN WITNESS WHEREOF, the parties have executed this Agreement on the date first above written. By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

PIPER SANDLER & CO.

By:  \_\_\_\_\_  
P. Jonathan Heroux  
Its: Managing Director  
Date: 07/16/2024 \_\_\_\_\_

ACCEPTED AND AGREED:

RAINDANCE METROPOLITAN DISTRICT NO.2, CO

By: \_\_\_\_\_  
Martin Lind  
Its: \_\_\_\_\_  
Date: \_\_\_\_\_

Piper Sandler & Co. is registered with the U.S. Securities and Exchange Commission and the Municipal Securities Rulemaking Board ("MSRB"). A brochure is posted on the website of the MSRB, at [www.msrb.org](http://www.msrb.org) that describes the protections that may be provided by MSRB rules and how to file a complaint with an appropriate regulatory authority.

## APPENDIX A – DISCLOSURE STATEMENT

Municipal Securities Rulemaking Board Rule G-42 (the Rule) requires that Piper Sandler provide you with the following disclosures of material conflicts of interest and of information regarding certain legal events and disciplinary history. Accordingly, this Appendix A provides information regarding conflicts of interest and legal or disciplinary events of Piper Sandler required to be disclosed to pursuant to MSRB Rule G-42(b) and (c)(ii).

(A) **Disclosures of Conflicts of Interest.** The Rule requires that Piper Sandler provide to you disclosures relating to any actual or potential material conflicts of interest, including certain categories of potential conflicts of interest identified in the Rule, if applicable. If no such material conflicts of interest are known to exist based on the exercise of reasonable diligence by us, Piper Sandler is required to provide a written statement to that effect.

Accordingly, we make the following disclosures with respect to material conflicts of interest in connection with the Scope of Services under the Agreement, together with explanations of how we address or intend to manage or mitigate each conflict. To that end, with respect to all of the conflicts disclosed below, we mitigate such conflicts through our adherence to our fiduciary duty to you in connection with municipal advisory activities, which includes a duty of loyalty to you in performing all municipal advisory activities for the Client. This duty of loyalty obligates us to deal honestly and with the utmost good faith with you and to act in your best interests without regard to our financial or other interests. In addition, as a broker dealer with a client oriented business, our success and profitability over time is based on assuring the foundations exist of integrity and quality of service. Furthermore, Piper Sandler's supervisory structure, utilizing our long-standing and comprehensive broker-dealer supervisory processes and practices, provides strong safeguards against individual representatives of Piper Sandler potentially departing from their regulatory duties due to personal interests. The disclosures below describe, as applicable, any additional mitigations that may be relevant with respect to any specific conflict disclosed below.

**Transactions in Client's Securities.** As a municipal advisor, Piper Sandler cannot act as an underwriter in connection with the same issue of bonds for which Piper Sandler is acting as a municipal advisor. From time to time, Piper Sandler or its affiliates may submit orders for and acquire your securities issued in an Issue under the Agreement from members of the underwriting syndicate, either for its own trading account or for the accounts of its customers. Again, while we do not believe that this activity creates a material conflict of interest, we note that to mitigate any perception of conflict and to fulfill Piper Sandler's regulatory duties to the Client, Piper Sandler's activities are engaged in on customary terms through units of Piper Sandler that operate independently from Piper Sandler's municipal advisory business, thereby eliminating the likelihood that such investment activities would have an impact on the services provided by Piper Sandler to you under the Agreement.

(B) **Disclosures of Information Regarding Legal Events and Disciplinary History.** The Rule requires that all municipal advisors provide to their clients certain disclosures of legal or disciplinary events material to a client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel. Accordingly, Piper Sandler sets out below required disclosures and related information in connection with such disclosures.

- I. **Material Legal or Disciplinary Event.** There are no legal or disciplinary events that are material to the Client's evaluation of Piper Sandler or the integrity of Piper Sandler's management or advisory personnel disclosed, or that should be disclosed, on any Form MA or Form MA-I filed with the SEC.
- II. **Most Recent Change in Legal or Disciplinary Event Disclosure.** Piper Sandler has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC.

(C) **How to Access Form MA and Form MA-I Filings.** Piper Sandler's most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at <http://www.sec.gov/edgar/searchedgar/companysearch.html>. The Form MA and the Form MA-I include information regarding legal events and disciplinary history about municipal advisor firms and their

personnel, including information about any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation. 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 Piper Sandler in its capacity as a broker-dealer on Form BD or Form U4 or as an investment adviser on Form ADV, as applicable. Information provided by Piper Sandler on Form BD or Form U4 is publicly accessible through reports generated by BrokerCheck at <http://brokercheck.finra.org>, and Piper Sandler's most recent Form ADV is publicly accessible at the Investment Adviser Public Disclosure website at <http://www.adviserinfo.sec.gov>. For purposes of accessing such BrokerCheck reports or Form ADV, Piper Sandler's CRD number is 665.

(D) ***Future Supplemental Disclosures.*** As required by the Rule, this Section 5 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 Piper Sandler. Piper Sandler will provide you with any such supplement or amendment as it becomes available throughout the term of the Agreement.



Capital  
Markets

RBC Capital Markets, LLC  
Municipal Finance  
1801 California Street, Suite 3850  
Denver, CO 80202  
Telephone: 303-595-1200

May 22, 2024

Attn: Martin Lind  
Raindance Metropolitan District No. 2  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122

Re: Limited Tax General Obligation Bonds, Series 2024 (Bonds)

Dear Mr. Lind:

Capital Markets, LLC (RBCCM) is writing the President of Raindance Metropolitan District No. 2 (Issuer) to:

- (i) Confirm the engagement of RBC Capital Markets, LLC as underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the above-captioned Bonds pursuant to the Securities and Exchange Commission's Municipal Advisor Rule, and
- (ii) Provide certain disclosures as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2019-20 (Nov. 8, 2019).<sup>1</sup>

As part of our underwriting services, we may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

The following MSRB Rule G-17 (Rule G-17) conflict of interest disclosures are now broken down into three types, including: (i) dealer-specific conflicts of interest disclosures; (ii) transaction-specific disclosures (if applicable); and (iii) standard disclosures.

#### I. Dealer-Specific Conflicts of Interest Disclosures

RBCCM has identified the following potential or actual material conflicts:

##### ORDINARY COURSE OF BUSINESS ACTIVITIES AND RELATIONSHIPS

- o RBCCM and its affiliates comprise a full service securities firm and a commercial bank among other entities. RBCCM engages in municipal advisory activities, securities trading and underwriting, corporate investment banking, asset management, retail and institutional brokerage, and other commercial and investment banking products and services for a wide range of corporations, municipal entities and individuals.

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<sup>1</sup> Revised Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective Mar. 31, 2021).

- The activities of RBCCM and its affiliates may include investment in, and trading of, securities and other financial instruments for their own account or the account of customers relating to the securities and/or financial instruments of the Issuer and/or the Obligor.
- RBCCM and its affiliates may also communicate independent investment recommendations, market advice or trading ideas and/or publish or express independent research views relating to the securities of the Issuer and/or the Obligor.
- RBCCM maintains business relationships with municipal advisory firms, broker-dealers, law firms and other transaction participants as part of its national municipal securities business but does not utilize referral arrangements with such entities regarding municipal underwriting, sales or trading. Further, RBCCM does not maintain any distribution agreements with respect to municipal securities offerings.

## II. Transaction-Specific Disclosures

- Disclosures Concerning Complex Municipal Securities Financing:
  - Since RBCCM has not recommended a “complex municipal securities financing” to the Issuer, additional disclosures regarding the financing structure for the Bonds are not required to be furnished by RBCCM under Rule G-17.

## III. Standard Disclosures

- Disclosures Concerning the Underwriter’s Role:
  - MSRB Rule G-17 requires an underwriter to deal fairly at all times with issuers, obligors and investors.
  - The underwriter’s primary role is to purchase the Bonds with a view to distribution in an arm’s-length commercial transaction with the Issuer and/or the Obligor. The underwriter has financial and other interests that differ from those of the Issuer and/or the Obligor.
  - Unlike a municipal advisor, an underwriter does not have a fiduciary duty to the Issuer and/or the Obligor under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer and/or the Obligor without regard to its own financial or other interests.
  - The Issuer and/or the Obligor may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer/Obligor’s interest in this transaction.
  - The underwriter has a duty to purchase the Bonds from the Issuer and/or the Obligor at a fair and reasonable price, but must balance that duty with its duty to sell the Bonds to investors at prices that are fair and reasonable.
  - The underwriter will review the official statement for the Bonds in accordance with, and a part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.<sup>2</sup>

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<sup>2</sup> Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the official statement by the underwriters is solely for purposes of satisfying the underwriters’ 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.

- Disclosures Concerning the Underwriter's 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 and/or the Obligor a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

If you or any other Issuer and/or Obligor officials have any questions or concerns about the engagement of RBCCM or these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer and/or the Obligor's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate. This engagement is preliminary, non-binding and may be terminated at any time without penalty or liability for costs incurred by the underwriter.

Please note that nothing in this letter should be viewed as a commitment by the underwriters to purchase or sell all the Bonds and any such commitment will only exist upon the execution of any bond purchase agreement or similar agreement and then only in accordance with the terms and conditions thereof.

You have been identified by the Issuer as a primary contact for the Issuer receipt of these disclosures, and that you are not a party to any disclosed conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately.

Please sign and return the enclosed copy of this letter to me via PDF or to the address set forth herein. Depending on the structure of the transaction that the Issuer decides to pursue, or if additional actual or potential material conflicts are identified, we may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction and/or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

We look forward to working with you in connection with the issuance of the Bonds. Thank you.

Sincerely,



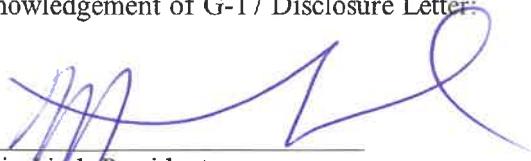
Jon Moellenberg, Managing Director  
RBC CAPITAL MARKETS, LLC



Michael Persichitte, Director  
RBC CAPITAL MARKETS, LLC



Acknowledgement of G-17 Disclosure Letter:

A handwritten signature in blue ink, appearing to be 'M. Lind', written over a horizontal line.

Martin Lind, President  
RAINDANCE METROPOLITAN DISTRICT NO. 2

Date: 5.23.24



Capital  
Markets

RBC Capital Markets, LLC  
Municipal Finance  
1801 California Street, Suite 3850  
Denver, CO 80202  
Telephone: 303-595-1200

July 10, 2024

Attn: Martin Lind  
Raindance Metropolitan District No. 3  
2154 E Commons Avenue, Suite 2000  
Centennial, CO 80122

Re: Limited Tax General Obligation Bonds, Series 2024 (Bonds)

Dear Mr. Lind:

Capital Markets, LLC (RBCCM) is writing the President of Raindance Metropolitan District No. 3 (Issuer) to:

- (i) Confirm the engagement of RBC Capital Markets, LLC as underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the above-captioned Bonds pursuant to the Securities and Exchange Commission's Municipal Advisor Rule, and
- (ii) Provide certain disclosures as required by the Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2019-20 (Nov. 8, 2019).<sup>1</sup>

As part of our underwriting services, we may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

The following MSRB Rule G-17 (Rule G-17) conflict of interest disclosures are now broken down into three types, including: (i) dealer-specific conflicts of interest disclosures; (ii) transaction-specific disclosures (if applicable); and (iii) standard disclosures.

#### I. Dealer-Specific Conflicts of Interest Disclosures

RBCCM has identified the following potential or actual material conflicts:

##### ORDINARY COURSE OF BUSINESS ACTIVITIES AND RELATIONSHIPS

- o RBCCM and its affiliates comprise a full service securities firm and a commercial bank among other entities. RBCCM engages in municipal advisory activities, securities trading and underwriting, corporate investment banking, asset management, retail and institutional brokerage, and other commercial and investment banking products and services for a wide range of corporations, municipal entities and individuals.

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<sup>1</sup> Revised Interpretive Notice Concerning the Application of MSRB Rule G-17 to Underwriters of Municipal Securities (effective Mar. 31, 2021).

- The activities of RBCCM and its affiliates may include investment in, and trading of, securities and other financial instruments for their own account or the account of customers relating to the securities and/or financial instruments of the Issuer and/or the Obligor.
- RBCCM and its affiliates may also communicate independent investment recommendations, market advice or trading ideas and/or publish or express independent research views relating the securities of the Issuer and/or the Obligor.
- RBCCM maintains business relationships with municipal advisory firms, broker-dealers, law firms and other transaction participants as part of its national municipal securities business but does not utilize referral arrangements with such entities regarding municipal underwriting, sales or trading. Further, RBCCM does not maintain any distribution agreements with respect to municipal securities offerings.

## II. Transaction-Specific Disclosures

- Disclosures Concerning Complex Municipal Securities Financing:
  - Since RBCCM has not recommended a “complex municipal securities financing” to the Issuer, additional disclosures regarding the financing structure for the Bonds are not required to be furnished by RBCCM under Rule G-17.

## III. Standard Disclosures

- Disclosures Concerning the Underwriter’s Role:
  - MSRB Rule G-17 requires an underwriter to deal fairly at all times with issuers, obligors and investors.
  - The underwriter’s primary role is to purchase the Bonds with a view to distribution in an arm’s-length commercial transaction with the Issuer and/or the Obligor. The underwriter has financial and other interests that differ from those of the Issuer and/or the Obligor.
  - Unlike a municipal advisor, an underwriter does not have a fiduciary duty to the Issuer and/or the Obligor under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer and/or the Obligor without regard to its own financial or other interests.
  - The Issuer and/or the Obligor may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer/Obligor’s interest in this transaction.
  - The underwriter has a duty to purchase the Bonds from the Issuer and/or the Obligor at a fair and reasonable price, but must balance that duty with its duty to sell the Bonds to investors at prices that are fair and reasonable.
  - The underwriter will review the official statement for the Bonds in accordance with, and a part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.<sup>2</sup>

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<sup>2</sup> Under federal securities law, an issuer of securities has the primary responsibility for disclosure to investors. The review of the official statement by the underwriters is solely for purposes of satisfying the underwriters’ 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.

- Disclosures Concerning the Underwriter's 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 and/or the Obligor a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

If you or any other Issuer and/or Obligor officials have any questions or concerns about the engagement of RBCCM or these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with the Issuer and/or the Obligor's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate. This engagement is preliminary, non-binding and may be terminated at any time without penalty or liability for costs incurred by the underwriter.

Please note that nothing in this letter should be viewed as a commitment by the underwriters to purchase or sell all the Bonds and any such commitment will only exist upon the execution of any bond purchase agreement or similar agreement and then only in accordance with the terms and conditions thereof.

You have been identified by the Issuer as a primary contact for the Issuer receipt of these disclosures, and that you are not a party to any disclosed conflict of interest relating to the subject transaction. If our understanding is incorrect, please notify the undersigned immediately.

Please sign and return the enclosed copy of this letter to me via PDF or to the address set forth herein. Depending on the structure of the transaction that the Issuer decides to pursue, or if additional actual or potential material conflicts are identified, we may be required to send you additional disclosures regarding the material financial characteristics and risks of such transaction and/or describing those conflicts. At that time, we also will seek your acknowledgement of receipt of any such additional disclosures.

We look forward to working with you in connection with the issuance of the Bonds. Thank you.

Sincerely,



Jon Moellenberg, Managing Director  
RBC CAPITAL MARKETS, LLC



Michael Persichitte, Director  
RBC CAPITAL MARKETS, LLC

Acknowledgement of G-17 Disclosure Letter:

DocuSigned by:

*Martin Lind*

Martin Lind, President

RAINANCE METROPOLITAN DISTRICT NO. 3

Date: July 10, 2024 | 1:45 PM PDT



August 26, 2024

RainDance Metropolitan Districts No. 2  
1625 Pelican Lakes Point, Suite 201  
Windsor, Colorado 80550

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 RainDance Metropolitan Districts No. 2 (the “**District**”) pursuant to an engagement letter dated November 8, 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 the District of its Limited Tax General Obligation Refunding Bonds, Series 2024, in the estimated principal aggregate amount of up to \$51,000,000 (the “**Series 2024 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 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. Please note that we do not practice municipal securities law or municipal tax law. Accordingly, we will not be drafting or opining on the validity or enforceability of any capital pledge or similar agreement between the Districts in connection with the Transaction, we will not be negotiating the terms of any such agreement on behalf of any of the Districts, and we recommend that the Districts engage separate counsel to represent them in the negotiation of the terms of such agreements.

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 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 \$87,000 for the Transaction from closing proceeds. The purpose of the fee is 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. If the anticipated structure of the Bonds changes significantly, we may propose an increase in the fee if warranted by the change, and the above-proposed fee is nonbinding with respect to an issuance of the Bonds in accordance with a structure varying materially from the structure described above. In addition to the above-referenced fee, there shall be due and payable on a monthly basis all out of pocket expenses

incurred or paid by the Firm 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,

**RAINDANCE METROPOLITAN DISTRICT NO. 2 Acknowledgment**

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

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

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

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

**RAINDANCE METROPOLITAN DISTRICT NO. 3 Acknowledgment**

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

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

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

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

Enclosure:





**Form of General Counsel Opinion**

\_\_\_\_\_, 202\_

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 “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 Bonds. We are not counsel for individual directors of the District and we have not represented the Districts in negotiating the terms or substance of the Agreement. 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.

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 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 Bonds 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 [Preliminary Disclosure Document Name] dated \_\_\_\_\_, 202\_ and the [Final Disclosure Document Name] dated \_\_\_\_\_, 202\_ (collectively, 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 [insert year] Promissory Note issued pursuant to the Loan Agreement, dated as of the date of issuance;

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

G. 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\_\_;

F. The [insert year] Bonds, dated as of the closing date; and

G. 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 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, 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, 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 Bonds, or entering into and performing its obligations under the Financing Documents.

10. 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 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-Litigation-District General Counsel Opinion<sup>1</sup>" (together, the "**Covered Sections**"). We have generally reviewed the Covered Sections, but have not reviewed other sections of the Disclosure Document, whether or not such other sections are cross-referenced in 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) contained or contain (in the case of the Preliminary Limited Offering Memorandum, as of its date, and in the case of the Limited Offering Memorandum, as of its date and the date hereof, respectively) any untrue statement of a material fact or omitted 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]:

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10. [11]. The obligations of the District with respect to the 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 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 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 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 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 Bonds.

Sincerely,

WHITE BEAR ANKELE TANAKA & WALDRON