

**JOINT RESOLUTION  
OF THE BOARDS OF DIRECTORS OF THE  
RAINDANCE METROPOLITAN DISTRICT NOS. 1 & 2**

**CONCERNING THE CAPITAL FACILITIES FEE GENERATED WITHIN  
RAINDANCE METROPOLITAN DISTRICT NO. 2**

WHEREAS, the RainDance Metropolitan District No. 1 (“**District No. 1**”) and RainDance Metropolitan District No. 2 (“**District No. 2**”) (District No. 1 and District No. 2 are collectively referred to as the “**Districts**”) were formed pursuant to §§ 32-1-101, *et seq.*, C.R.S., as amended (the “**Special District Act**”), by orders of the District Court for Weld County, Colorado; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Boards of Directors of the Districts (the “**Boards**”) shall have the management, control and supervision of all the business and affairs of the Districts; and

WHEREAS, on March 1, 2018, the Boards, along with RainDance Metropolitan District Nos. 3 and 4, adopted the Joint Resolution Concerning the Imposition of Capital Facilities Fee, which was recorded in the real property records of the Weld County Clerk and Recorder’s Office on May 16, 2018, at Reception No. 4399405 (the “**Fee Resolution**”) imposing a “**Capital Facilities Fee**”; and

WHEREAS, pursuant to Paragraph 3 and 4 of the Fee Resolution, the revenues derived from within each of the RainDance Metropolitan District Nos. 1-4 remain the property of the district from which they were generated notwithstanding the fact that District No. 1 acts as the “**Collecting District**”; and

WHEREAS, pursuant to Paragraph 3 of the Fee Resolution, the Collecting District shall promptly remit to (or at the direction of) each of the Raindance Metropolitan District Nos. 1-4 any Capital Facilities Fees generated from property within such district’s boundaries that are pledged toward the payment of bonds or other financial obligations of such district issued for the payment of Capital Facilities Costs (as defined in the Fee Resolution); and

WHEREAS, pursuant to Paragraph 4 of the Fee Resolution, the Collecting District shall not own or be entitled to control any portion of Capital Facilities Fees generated from property within another district’s boundaries unless specifically directed or consented to by the applicable district; and

WHEREAS, District No. 1 (acting by and through its Water Activity Enterprise) anticipates issuing its Non-Potable Water Enterprise Revenue Bonds, Series 2020 (together with any refunding bonds, the “**Enterprise Bonds**”), and desires to pledge the revenues from Capital Facilities Fees (including all late fees and interest thereon) generated within the boundaries of District No. 2 (the “**District No. 2 Fees**”) to the Enterprise Bonds; and

WHEREAS, the Enterprise Bonds are anticipated to be issued in order to allow District No. 1, acting by and through its Water Activity Enterprise, to finance non-potable water related public

improvements and/or to acquire non-potable water rights for the benefit of the Raindance community (i.e. the property within the boundaries of RainDance Metropolitan District Nos. 1-4); and

WHEREAS, the Board of Directors of District No. 2 has determined, and does hereby determine that the non-potable water related public improvements and/or water rights financed by the Enterprise Bonds will benefit the future residents, property owners, and taxpayers within its boundaries, and all of the RainDance community; and

WHEREAS, District No. 2 consents to the pledge of the District No. 2 Fees to the Enterprise Bonds; and

WHEREAS, in order to effectuate such pledge, pursuant to Paragraph 3 and 4 of the Fee Resolution, District No. 2 consents and desires to direct District No. 1 to retain, as owner, and be entitled to control any and all revenues from the District No. 2 Fees in order to allow District No. 1 to pledge the District No. 2 Fees to the Enterprise Bonds.

NOW, THEREFORE, be it resolved by the Boards as follows:

1. DECLARATION OF INTENT AND OWNERSHIP OF DISTRICT NO. 2 FEES. The Board of District No. 1 hereby declares its desire and intent to pledge the District No. 2 Fees to its Enterprise Bonds. District No. 2 hereby consents to the pledge of the District No. 2 Fees to the Enterprise Bonds. Pursuant to Paragraph 3 and 4 of the Fee Resolution, the Board of District No. 2 hereby declares and directs that, from and after the date hereof, subject to Section 2 hereof, the District No. 2 Fees shall constitute the property of District No. 1, and District No. 1 shall be entitled to fully control the District No. 2 Fees, without any further consent or direction of District No. 2. Subject to the conditions of Section 2 hereof, District No. 2 hereby forever sells, transfers and assigns to District No. 1 all right, title and interest, of District No. 2 (if any) in the District No. 2 Fees, for the purposes identified herein.

2. LIMITATION ON OWNERSHIP OF DISTRICT NO. 2 FEES. The Boards of the Districts hereby determine and declare that, in the event that District No. 1 has not issued the Enterprise Bonds and pledged the District No. 2 Fees to the payment thereof on or before December 1, 2020, all directions and assignments of District No. 2 herein shall be deemed automatically terminated and, thereafter; (i) District No 2 shall constitute the sole owner of the District No. 2 Fees, (ii) District No. 1 shall have no claim to ownership of and will not be entitled to control the District No. 2 Fees, and (iii) District No. 1 shall remit the District No. 2 Fees to District No. 2 (or at the direction of District No. 2) pursuant to Paragraph 3 of the Fee Resolution.

3. ENFORCEMENT. So long as District No. 1 constitutes as the sole owner of the District No. 2 Fees in accordance with the provisions hereof, District No. 1 will be entitled to enforce all provisions under the Fee Resolution regarding the collection and enforcement of the District No. 2 Fees in such time and manner as District No. 1 reasonably determines will be most efficacious in collecting the same, including without limitation the bringing of an action to foreclose any statutory or contractual lien which may exist in connection therewith. District No. 2 specifically consents to District No. 1, in its sole discretion, taking any action under Paragraph 6 of the Fee Resolution that would otherwise be undertaken by District No. 2 that is necessary to

enforce and collect the District No. 2 Fees. District No. 2 agrees to cooperate with District No. 1 to the extent necessary to enable District No. 1 to collect and enforce the District No. 2 Fees in accordance with the terms of the Fee Resolution, this Resolution, and the bond documents executed in connection with the Enterprise Bonds.

4. MODIFICATION AND AMENDMENT. The provisions of this Resolution shall only be modified by written amendment adopted by District No. 1 and District No. 2. For so long as the Enterprise Bonds are outstanding, each of District No. 1 and District No. 2 agrees that it will not take any actions to reduce the amounts of the District No. 2 Fees or consent to an amendment of this Resolution or the Fee Resolution in any way that would materially adversely affect the amount of District No. 2 Fees to be paid to District No. 1 hereunder or would affect District No. 1's ownership or control of the District No. 2 Fees as contemplated hereunder.

5. EFFECTIVE DATE. The provisions of this Resolution shall become effective immediately.

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ADOPTED THIS 2<sup>ND</sup> DAY OF JULY, 2020.

RAINDANCE METROPOLITAN DISTRICT NO.  
1, a quasi-municipal corporation and political  
subdivisions of the State of Colorado

DocuSigned by:

*Martin Lind*

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Officer of the District

ATTEST:

DocuSigned by:

*Justin Donaloo*

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

DocuSigned by:

*Martin Lind*

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Officer of the District

ATTEST:

DocuSigned by:

*Justin Donaloo*

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APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys At Law

DocuSigned by:

*Zachary White*

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General Counsel to the Districts