

INDY OAK TOD METROPOLITAN DISTRICT

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 / 800-741-3254
Fax: 303-987-2032
<https://indyoaktodmd.colorado.gov/>

NOTICE OF SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Hunter Thompson	President	2027/May 2027
Eric Knorr	Treasurer	2025/May 2025
Nicholas Coy	Assistant Secretary	2025/May 2025
Aaron Anderson	Assistant Secretary	2027/May 2027
VACANT		2027/May 2025
Peggy Ripko	Secretary	(non-elected position)

DATE: July 18, 2023
TIME: 6:00 P.M.
LOCATION: 141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898

THIS DISTRICT BOARD MEETING WILL BE ACCESSIBLE BY VIDEO / TELEPHONIC MEANS. THERE WILL BE ONE PERSON PRESENT AT THE PHYSICAL LOCATION POSTED ON THIS NOTICE

ZOOM ACCESS: Please email Peggy Ripko if there are any issues (pripko@sdmsi.com)

Join Zoom Meeting
<https://us02web.zoom.us/j/86267550643?pwd=V3RnRGRtWkRyUIZZc1VMWTJFZjFHdz09>
Call-In: 1-253-215-8782
Meeting ID: 862 6755 0643
Passcode: 987572

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest and confirm quorum.

B. Approve Agenda, confirm location of the meeting, and posting of meeting notice.

- C. Review and consider approval of Minutes from the May 22, 2023 Special Meeting (enclosure).
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II. PUBLIC COMMENT

Members of the public may express their views to the Board on matters that affect the District and not otherwise listed on the agenda as public hearings. Comments will be limited to three (3) minutes per person.

III. FINANCIAL MATTERS

- A. Conduct Public Hearing to consider Amendment to 2023 Budget and if necessary, consider adoption of Resolution to Amend the 2023 Budget and Appropriate Expenditures (enclosure).
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- B. 2023 Refunding Loan Matters.
-

- 1. Consider ratification of approval of the engagement of Sherman & Howard L.L.C. as Bond Counsel for the District (enclosure).
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- 2. Consider ratification of approval of the engagement of Lewis Young Robertson and Burningham, Inc. as External Financial Advisor to the District (enclosure).
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- 3. Consider ratification of approval of the engagement of Piper Sandler & Co. as Placement Agent for the District (enclosure).
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- 4. Discuss updated Schedule and potential closing date for the 2023 Refunding Loan.
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- 5. Discuss information and opinions anticipated to be included in the Certificate of Financial Advisor from Lewis Young Robertson and Burningham, Inc.
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6. Public Comment relative to the 2023 Refunding Loan.
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7. Adjourn to executive session pursuant to Sections 24-6-402(4)(b) and (e), C.R.S., to receive legal advice regarding the issuance of the 2023 Refunding Loan (if necessary).
-

8. Consider adoption of a resolution authorizing the incurrence of a loan by the District with Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado, as lender, in a maximum principal amount not to exceed \$4,400,000 for the purpose of refunding its existing general obligation indebtedness. In connection therewith, the Board will consider: the approval of a Loan Agreement, as evidenced by a Promissory Note; and any other such documents, certificates and instruments in connection therewith; details concerning the loan and funds appertaining thereto; ratifying acts previously taken concerning said loan; repealing all resolutions in conflict therewith; and providing for other matters relating thereto.
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- C. Other.
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IV. LEGAL MATTERS

- A. Discuss allegations of property damage to fencing and retaining walls in Pearson Grove.
-

1. Adjourn to executive session pursuant to Sections 24-6-402(4)(b) and (e), C.R.S., to receive legal advice on negotiations related to allegations of property damage to fencing and retaining walls in Pearson Grove (if necessary).
-

V. OTHER MATTERS

- A. _____
-

VI. ADJOURNMENT

THE NEXT REGULAR MEETING IS SCHEDULED FOR AUGUST 21, 2023.

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE INDY OAK TOD METROPOLITAN DISTRICT (THE “DISTRICT”) HELD MAY 22, 2023

A Special Meeting of the Board of Directors of the Indy Oak TOD Metropolitan District (referred to hereafter as the “Board”) was convened on Monday, May 22, 2023, at 6:00 p.m. This District Board meeting was held by Zoom. The meeting was open to the public via Zoom.

Directors in Attendance Were:

Jonnye Phifer
Hunter Thompson
Nicholas Coy
Aaron Anderson
Eric Knorr

Also In Attendance Were:

Peggy Ripko; Special District Management Services, Inc. (“SDMS”)

Suzanne Meintzer, Esq. (for a portion of the meeting) and Jay Morse, Esq.; McGeady Becher P.C.

Diane Wheeler; Simmons & Wheeler, P.C.

Katie McVey; Piper Sandler & Co. (for a portion of the meeting)

**DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST**

Ms. Ripko noted a quorum was present and discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State and to the Board. The Board members were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting. Ms. Ripko noted for the record that no Board members made any disclosures prior to this meeting as all Board members are residents of the District and no disclosures were made during the meeting.

**ADMINISTRATIVE
MATTERS**

Agenda: Ms. Ripko reviewed the proposed Agenda for the District’s Special Meeting with the Board.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Phifer, seconded by Director Coy and, upon vote, unanimously carried, the Board approved the Agenda, as amended.

Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, upon motion duly made by Director Phifer, seconded by Director Thompson and, upon vote, unanimously carried, the Board determined to conduct this meeting via Zoom and encouraged public participation via Zoom. The Board noted that notice of this meeting and teleconference number was duly posted and that it had not received any objections to the meeting or any requests that the meeting be changed by taxpaying electors within the District's boundaries.

Minutes: The Board reviewed the Minutes of the April 25, 2023, Special Meeting.

Following discussion, upon motion duly made by Director Phifer, seconded by Director Coy and, upon vote, unanimously carried, the Board approved the April 25, 2023, Special Meeting Minutes.

May 2, 2023, Regular Directors' Election: Ms. Ripko discussed the results of the May 2, 2023, Regular Election. Ms. Ripko noted that Director Thompson, Director Phifer and Director Anderson were each elected for respective four-year terms.

Ms. Meintzer joined the meeting at this point.

Appointment of Officers: Following discussion, upon motion duly made by Director Phifer, seconded by Director Anderson and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Hunter Thompson
Treasurer	Eric Knorr
Secretary (non-elected)	Peggy Ripko
Assistant Secretary	Nicholas Coy
Assistant Secretary	Aaron Anderson
Assistant Secretary	Jonnye Phifer

Board Resignation: The Board acknowledged the resignation of Director Phifer, effective May 26, 2023.

RECORD OF PROCEEDINGS

PUBLIC COMMENT There was no public comment.

**FINANCIAL
MATTERS**

Matters Related to Potential Refinancing of the District's 2020 Bonds: The Board discussed potentially refinancing the District's General Obligation (Limited Tax Convertible to Unlimited Tax) Bonds, Series 2020A, in the amount of \$3,220,000, and Subordinate General Obligation Limited Tax Bonds, Series 2020B, in the amount of \$736,000 (collectively, the "2020 Bonds") with a General Obligation Refunding Loan (Taxable Converting to Unlimited Tax) (the "2023 Refunding Loan").

Responses/Proposals from Potential Lenders for the 2023 Refunding Loan: Ms. McVey reviewed with the Board the responses and proposals from various potential lenders for the potential 2023 Refunding Loan.

Term Sheet for the Potential 2023 Refunding Loan: The Board discussed the term sheet for the potential 2023 Refunding Loan.

Public Comment Regarding the Potential 2023 Refunding Loan: There was no public comment.

Following discussion, upon motion duly made by Director Coy, seconded by Director Phifer and, upon vote, unanimously carried, the Board approved Zions Bancorporation, N.A. d/b/a Vectra Bank Colorado as lender for the 2023 Refunding Loan, and approved the term sheet with updates to be provided by Piper Sandler & Co.

Appointment of Loan Committee: The Board discussed appointing a Loan Committee for the 2023 Refunding Loan.

Following discussion, upon motion duly made by Director Phifer, seconded by Director Knorr and, upon vote, unanimously carried, the Board appointed Director Coy and Director Anderson as the Loan Committee for the 2023 Refunding Loan.

Loan Committee Authorization: The Board discussed authorizing the Loan Committee to work with staff to obtain, evaluate, and approve of proposals for the engagement of various consultants for the 2023 Refunding Loan, including, without limitation, a placement agent, loan counsel, and an external financial advisor.

Following discussion, upon motion duly made by Director Coy, seconded by

RECORD OF PROCEEDINGS

Director Anderson and, upon vote, unanimously carried, the Board authorized the Loan Committee to work with staff to obtain, evaluate, and approve of proposals for the engagement of various consultants for the 2023 Refunding Loan, including, without limitation, a placement agent, loan counsel, and an external financial advisor.

The Board further directed Attorney Meintzer to obtain an engagement letter from Sherman & Howard L.L.C. as loan counsel, directed Piper Sandler & Co. to provide its engagement letter as placement agent, and directed Piper Sandler & Co. to send out a Request for Proposals for External Financial Advisor with an instruction to return the responses/proposals to McGeady Becher P.C.

Ms. McVey left the meeting after discussion of the above items.

Claims: Ms. Wheeler discussed with the Board the payment of claims for the period ending May 22, 2023, in the amount of \$67,412.

Following discussion, upon motion duly made by Director Phifer, seconded by Director Knorr and, upon vote, unanimously carried, the Board ratified approval of the payment of claims for the period ending May 22, 2023, in the amount of \$67,412.

Unaudited Financial Statements: Ms. Wheeler reviewed with the Board the unaudited financial statements for the period ending March 31, 2023.

Following discussion, upon motion duly made by Director Phifer, seconded by Director Coy and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending March 31, 2023.

2022 Audit: Ms. Wheeler reviewed the 2022 Audit with the Board. Following discussion, upon motion duly made by Director Phifer, seconded by Director Coy and, upon vote, unanimously carried, the Board approved the 2022 Audit, subject to final legal review and receipt of an unmodified opinion from the auditor, and also authorized execution of the Representations Letter.

OPERATIONS AND MAINTENANCE MATTERS

Landscaping Matters:

Oak Street Update: Ms. Ripko provided an update to the Board regarding Oak Street landscaping matters.

Pearson Grove Update: Ms. Ripko provided an update to the Board regarding Pearson Grove landscaping matters. Director Phifer directed Ms. Ripko to

RECORD OF PROCEEDINGS

coordinate inspection of six (6) dead trees.

Change Order No. 1 under Service Agreement for Landscape Maintenance with Environmental Designs, Inc.: Ms. Ripko reviewed with the Board Change Order No. 1 under Service Agreement for Landscape Maintenance with Environmental Designs, Inc. (“EDI”) for mulch refreshment and tree staking.

Following discussion, upon motion duly made by Director Phifer, seconded by Director Knorr and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 1 under Service Agreement for Landscape Maintenance with EDI for mulch refreshment and tree staking.

Parking Committee Update:

Motorcycle Parking: Attorney Meintzer reported that the proposed motorcycle parking spaces at the Oak Street Townhomes in front of the property located at 1098 Oak Circle are related to acceptance of the landscaping tracts, and that Ms. Ripko was in the process of scheduling landscaping walk-throughs.

Oak Circle Parking: Ms. Ripko reported concerns regarding vehicles parked in the fire lane on Oak Circle. The Board will continue to consider warning options and deferred action at this time.

Sidewalk Conditions: The Board discussed the sidewalk conditions and directed Ms. Ripko to reach out to Century regarding damage to sidewalks on District property.

LEGAL MATTERS

Intergovernmental Agreement for Oak Street Trail Connection Costs between the City of Lakewood: Attorney Meintzer provided an update on the Intergovernmental Agreement for Oak Street Trail Connection Costs between the City of Lakewood and the District (the “IGA”). It was noted that the IGA is still pending with the City.

Director Thompson questioned whether the benches near where he believes the trail connection is located could be replaced with bike racks. Ms. Ripko stated that she would check where the benches are located to see whether the District or a different entity owns the tract or parcel on which they are located.

Letter Agreement with Century at Oak Street, LLC: Attorney Meintzer provided an update on the Letter Agreement with Century at Oak Street, LLC regarding conditional acceptance of Tracts A and B of Oak Street Subdivision Filing No. 1 for motorcycle parking (“Letter Agreement”), noting that same is

RECORD OF PROCEEDINGS

related to acceptance of the landscaping tracts, and that Ms. Ripko was in the process of scheduling landscaping walk-throughs.

COVENANT
ENFORCEMENT /
DESIGN MATTERS
OTHER BUSINESS

Community Management Update – Violation Report: Ms. Ripko summarized the community management violation report for the Board.

There was no other business at this time.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Phifer, and seconded by Director Coy, and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

RESOLUTION NO. 2023-07-01

RESOLUTION TO AMEND BUDGET

**RESOLUTION OF THE INDY OAK TOD METROPOLITAN DISTRICT TO AMEND
THE 2023 BUDGET**

Pursuant to Section 29-1-109, C.R.S., the Board of Indy Oak TOD Metropolitan District (the “**District**”), hereby certifies that a regular meeting of the Board of Directors of the District, was held on October 17, 2022, at the offices of Simmons & Wheeler, P.C., 304 Inverness Way South, Suite 490, Englewood, CO 80112.

A. At such meeting, the Board of Directors of the District adopted that certain Resolution No. 2022-10-03 to Adopt Budget appropriating funds for the fiscal year 2023 as follows:

General Fund	\$593,931
Capital Projects Fund	\$349,302
Debt Service Fund	\$283,779

B. The necessity has arisen for additional Debt Service Fund appropriations requiring the expenditure of funds in excess of those appropriated for the fiscal year 2023.

C. The source and amount of revenues for such expenditures, the purposes for which such revenues are being appropriated, and the fund(s) which shall make such supplemental expenditures are described on **Exhibit A**, attached hereto and incorporated herein by this reference.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Indy Oak TOD Metropolitan District shall and hereby does amend the budget for the fiscal year 2023 as follows:

Debt Service Fund	\$4,671,282
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BE IT FURTHER RESOLVED, that such sum is hereby appropriated from unexpected revenues available to the District to the Debt Service Fund for the purpose stated.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION OF THE INDY OAK TOD METROPOLITAN DISTRICT TO AMEND THE 2023 BUDGET]

RESOLUTION APPROVED AND ADOPTED on July 18, 2023.

INDY OAK TOD METROPOLITAN DISTRICT

By: _____
President

Attest:

By: _____
Secretary

EXHIBIT A

Original and Amended Budget Appropriations

Indy Oak Tod Metropolitan District
Amended Budget
Debt Service Fund
For the Year ended December 31, 2023

	Actual <u>2021</u>	Adopted Budget <u>2022</u>	Actual <u>06/30/22</u>	Estimate <u>2022</u>	Adopted Budget <u>2023</u>	Amended Budget <u>2023</u>
Beginning fund balance	\$ 690,568	\$ 599,403	\$ 599,403	\$ 599,403	\$ 598,238	\$ 583,150
Revenues:						
Property taxes	180,645	192,298	178,424	180,645	248,793	248,793
Specific ownership taxes	10,000	15,384	5,579	10,000	19,898	19,898
Transfer from Capital Projects	-	-	-	-	-	-
Loan proceeds						3,820,000
Interest income	<u>2,000</u>	<u>-</u>	<u>111</u>	<u>2,000</u>	<u>-</u>	<u>-</u>
Total revenues	<u>192,645</u>	<u>207,682</u>	<u>184,114</u>	<u>192,645</u>	<u>268,691</u>	<u>4,088,691</u>
Total funds available	<u>883,213</u>	<u>807,085</u>	<u>783,517</u>	<u>792,048</u>	<u>866,929</u>	<u>4,671,841</u>
Expenditures:						
Bond interest expense Series A bonds	177,100	177,100	88,550	177,100	177,100	88,550
Bond interest expense Series B bonds	100,000	10,000	-	10,000	83,947	-
Bond principal	-	-	-	-	15,000	-
Loan interest						90,000
Payment to escrow agent						4,285,000
Cost of issuance						200,000
Treasurer's fees	2,710	2,884	2,676	2,710	3,732	3,732
Trustee / paying agent fees	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>	<u>4,000</u>
Total expenditures	<u>283,810</u>	<u>193,984</u>	<u>95,226</u>	<u>193,810</u>	<u>283,779</u>	<u>4,671,282</u>
Ending fund balance	<u>\$ 599,403</u>	<u>\$ 613,101</u>	<u>\$ 688,291</u>	<u>\$ 598,238</u>	<u>\$ 583,150</u>	<u>\$ 559</u>
Assessed valuation		<u>\$ 3,454,618</u>			<u>\$ 4,346,943</u>	<u>\$ 4,346,943</u>
Mill Levy		<u>55.664</u>			<u>57.234</u>	<u>57.234</u>
Total Mill Levy		<u>112.275</u>			<u>111.234</u>	<u>111.234</u>



Sherman & Howard L.L.C.
675 Fifteenth Street, Suite 2300
Denver, Colorado 80202
Telephone: 303.297.2900
shermanhoward.com



Tiffany L. Leichman
Direct Dial Number: (303) 299-8104
E-mail: tleichman@shermanhoward.com

May 31, 2023

Board of Directors
Indy Oak TOD Metropolitan District
c/o McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203-1254
Attention: Suzanne Meintzer, Esq.

Re: Engagement as bond counsel

Ladies and Gentlemen:

We are pleased to confirm our engagement as your bond counsel. We appreciate your confidence in us and will do our best to continue to merit it. The purpose of this letter is to set forth in writing the elements of our mutual understanding in establishing our attorney-client relationship.

This letter sets forth the role we propose to serve and the responsibilities we propose to assume as bond counsel in connection with the issuance of one or more series of bonds, notes, or other obligations (the “Bonds”) by or on behalf of Indy Oak TOD Metropolitan District (the “Issuer”) pursuant to the terms of this engagement letter. This letter supersedes and replaces any previous engagement letters between the Issuer and us pertaining to representing the Issuer on public finance matters. We understand that the governing body of the Issuer will authorize the execution of this letter at a meeting and will delegate to the presiding officer of the Issuer’s governing body the authority to sign this letter and to represent the Issuer. Tiffany Leichman will be the member at the firm who will coordinate and oversee the services we perform on your behalf. Where appropriate, certain tasks may be performed by other attorneys or paralegals. At all times, however, Ms. Leichman will coordinate, review, and approval all work completed for the Issuer.

Scope of Employment

Bond counsel is engaged as recognized attorneys whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of bonds. As your bond counsel, we will examine applicable law; consult with the parties to the transaction prior to the issuance of any particular series of Bonds; prepare customary authorizing and operative documents, review a certified transcript of proceedings; and undertake such additional duties as

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we deem necessary to render the opinion. Subject to the completion of proceedings to our satisfaction, we will render our opinion relating to the validity of the Bonds, the lien of the Bonds on the revenues pledged to the payment thereof, and the exclusion of the interest paid on the Bonds (subject to certain limitations which may be expressed in the opinion) from gross income for federal income tax purposes.

As bond counsel, we will not assume or undertake responsibility for assisting in the preparation of the official statement or other disclosure document to be used in connection with the marketing of any Bonds (the "Official Statement"), nor are we responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of the Official Statement.

In rendering any opinion hereunder, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation. Any such opinion will be addressed to the Issuer and will be executed and delivered by us in written form on the date a series of Bonds are exchanged for their purchase price (with respect to that series, the "Closing"), and will be based on facts and law existing as of such date.

Our services hereunder are limited to those contracted for explicitly in this letter. Specifically, but without implied limitation, our responsibilities do not include any representation by Sherman & Howard L.L.C. in any IRS audit or any litigation involving the Issuer or the Bonds, or any other matter. Neither do we assume responsibility for the preparation of any collateral documents (*e.g.*, environmental impact statements) which are to be filed with any state, federal or other regulatory agency. Nor do our services include financial advice (including advice about the structure of any Bonds) or advice on the investment of funds related to any Bond issue.

Representation of the Issuer

In performing our services hereunder our client will be the Issuer. Accordingly, in any negotiations concerning the terms of the financing, we will represent the interests of the Issuer. We will work closely with the Issuer's attorney and will rely on his/her opinion with regard to specific matters, including pending litigation. We do not represent any developer or owner of property within the Issuer, nor do we represent the Board members in their individual capacity. We assume that other parties to the transaction will retain such counsel as they deem necessary and appropriate to represent their interests in this transaction. Our limited representation of the Issuer does not alter our responsibility to render an objective opinion as bond counsel.

Conflicts of Interest

Before accepting any new business, the Colorado Rules of Professional Conduct (the "Rules") require us to evaluate whether there are any ethical constraints to representing you in this new matter. As you are aware, our Public Finance Department practices in all areas of

public finance in Colorado and other states, and in such practice simultaneously represents many political subdivisions, investment bankers/underwriters, trustees, financial institutions, and other companies and individuals. In addition, our other departments also represent various persons or institutions which may have or will have dealings with the Issuer, and which may be adverse to the Issuer.

We have completed a conflicts check within our firm and have found no current conflict between the Issuer and our existing clients, except as described below.

Current or Anticipated Representations - We have in the past, and are currently representing or are undertaking to represent, many of the firms which may be selected to act as your underwriter, financial advisor, or placement agent, as well as many of the banks which may be selected to act as trustee or paying agent, in unrelated bond or other transactions. Technically, because the Issuer sells its bonds to an underwriter or purchaser, and because the Issuer enters into agreements with the trustee or paying agent, the Issuer's interests can be viewed as "adverse" to those of such underwriter or bank. Our past, current, and anticipated representations of the underwriter and bank are not in any way connected to any Bonds of the Issuer which are currently contemplated or planned; however, under the ethical Rules, attorneys in our firm cannot simultaneously represent such adverse parties, even though the transactions are wholly unrelated, unless we reasonably believe that our representation of the Issuer will not adversely affect our relationship with such other parties, and unless each client, after consultation, consents to the adverse representation. Please be advised that we routinely receive the consent of underwriters and other public finance clients to our representation of governmental entities in matters unrelated to our representations of such clients.

Future Representations - In addition, during the course of our engagement with you or at some future time, it is likely that we will be asked to represent such parties, or other persons or entities who have dealings with the Issuer, in other matters or transactions unrelated to any Bonds. Even though such existing and prospective engagements will be unrelated to any Bonds, we believe that good practice, and the Rules, require us to obtain the Issuer's consent thereto. With respect to our future representation of such parties in matters unrelated to any Bonds, we acknowledge that you might be concerned about confidentiality of information. The Rules prohibit the use of information obtained in our capacity as bond counsel to the disadvantage of the Issuer. Accordingly, we do not believe that our existing or former representation of the underwriter or the bank will act as a material limitation on our ability to represent the Issuer as bond counsel.

Factors Considered - We do not believe that our current, anticipated, or future engagements will materially limit or adversely affect our ability to represent the Issuer either: (i) because the potential for adversity is remote or minor and is outweighed by the consideration that it is unlikely that any advice given to other clients in unrelated transactions would be relevant to our representation of the Issuer in connection with any Bonds, or (ii) because such matters are or will be sufficiently different from this financing so as to make the representation not adverse to

our representation of the Issuer in connection with any Bonds. In reviewing our current, anticipated, and potential future representation of the parties discussed above, we have considered: whether we can represent each client with undivided loyalty; whether we can protect the confidentiality of each client; the limited duration and extent of our engagement with the parties; the likelihood that a conflict will eventuate, possibly requiring our withdrawal from the representation; and should any conflict arise, any prejudice to each client which might result therefrom.

Consent Requested - In determining whether to consent to and waive the foregoing conflicts of interest, you should understand that your waiver includes your acknowledgement and agreement: (i) that you are not entitled to information we will obtain during our representation of the underwriter, bank, or other parties, and (ii) that we have no duty to provide such information to you or to use it in representing you. We advise you to discuss with your general counsel the advantages and risks involved in such simultaneous, adverse representations. Pursuant to such consultation and the matters discussed herein, we will treat your execution of this letter as consent to our current, anticipated, and future representations of such other parties in matters unrelated to any Bonds. If at any time a question should arise about an adverse representation, please do not hesitate to contact us.

Document Retention

At or within a reasonable period after Closing, we will direct a review of the file to determine what materials should be retained as a record of the representation and those which are no longer needed. Ordinarily, we will return original legal documents to you along with the Closing transcripts, and we will retain for several years such materials as correspondence, final substantive work product, documents obtained from the client, and documents obtained from third parties. We will not retain such materials as duplicates of the above-described material, or drafts and notes that do not appear needed any longer.

As to the client file materials that we retain, ordinarily the firm will keep those for a period of seven years after the final maturity of any particular issue of Bonds. At the end of that time, unless the Issuer has advised us in writing to the contrary, we will destroy the bulk of the file. If the file is especially voluminous, we may return the client file to you sooner than the end of this period as our storage facilities are limited, however, we always reserve the right to retain a copy of the files. If the Issuer wishes to make other arrangements for retention or disposition of files, please so advise us in writing.

Electronic Communications

Although the Issuer and our firm recognize e-mail may not always be a secure method of communication, and could be intercepted and read by persons who are not the intended recipients, the Issuer and the firm agree to the use of unencrypted e-mail for communications made during the course of this engagement, including communications containing confidential

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information or advice. The Issuer may, however, at any time request us to use a specified more secure or different method of communication for confidential information or advice, including communications about a particular subject, and we will take reasonable measures to implement the request from the Issuer.

Fee Arrangement

Currently, the Issuer is proposing the execution and delivery of a limited tax convertible to unlimited tax loan and promissory note with Vectra Bank Colorado in the approximate principal amount of \$3,805,000. Based upon: (i) our current understanding of the terms, structure, size, and schedule of this financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to this financing, and (iv) the responsibilities we assume, we estimate that our fee as bond counsel would be in the range of \$50,000. Such fees may vary: (i) if the principal amount of the financing actually issued differs significantly from the amount stated above, (ii) if material changes in the structure of the financing occur, or (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time or our responsibilities. If, at any time, we believe that circumstances require an adjustment of our original fee estimate for this financing, we will consult with you.

Our fees for acting as bond counsel, unless otherwise agreed to at the time, will be contingent upon the Issuer being legally able to proceed to Closing, to be paid at the Closing out of the Bond proceeds or other legally available moneys of the Issuer. In the event that the Issuer is able to issue a particular Bond issue as a matter of law, but chooses not to as a result of financial or other factors, our fees will not be contingent, and in such event we will bill the Issuer for the time spent on such Bond issue at our usual hourly rates, plus out-of-pocket expenses. Ms. Leichman's current hourly rate is \$620 an hour.

With respect to the provision of legal services in connection with municipal finance matters which do not result in the issuance of Bonds, our fees will be at our usual hourly rates, plus out-of-pocket expenses, and shall not be contingent.

Termination of Engagement

The above fees contemplate compensation for usual and customary services as described above. Upon delivery of the opinion or opinions referenced herein, our responsibilities hereunder will terminate with respect to a particular financing. Specifically, but without implied limitation, we do not undertake to provide continuing advice to the Issuer or to any other party to the transaction.

This engagement is terminable by either party upon 15 days' notice to the other party; provided that: (i) the foregoing shall not alter or affect our responsibilities to the Issuer under the Code of Professional Responsibility or other applicable laws, rules, and regulations; and (ii) if the Issuer terminates us without cause while we are engaged in a matter on its behalf for which

attorney or paralegal time has been expended, the Issuer will pay us our usual fees for such time spent, at our then-applicable hourly rates.

Approval

If the foregoing terms of this engagement are acceptable to you, please so indicate by returning to us a copy of this letter signed by an authorized officer.

We sometimes do not receive signed engagement letters back from clients for various reasons, but the client still wishes for us to serve as their bond counsel. Accordingly, so that we may begin work on this matter soon per your instructions, if you do not return a signed letter to us or inform us of any comments or objections to this letter, we will consider this letter and the referenced fee arrangement to govern our relationship unless you and we agree otherwise in writing.

We are pleased to have the opportunity to serve you and look forward to a mutually satisfactory and beneficial relationship. If at any time you have questions concerning our work or our fees, we hope that you will contact us immediately.

SHERMAN & HOWARD L.L.C.



By: Tiffany L. Leichman

Accepted and Approved:

**INDY OAK TOD METROPOLITAN
DISTRICT**

By:  _____

Its: President

Date: 06 / 18 / 2023

EXTERNAL FINANCIAL ADVISOR ENGAGEMENT LETTER

INDY OAK TOD METROPOLITAN DISTRICT
c/o Jay Morse, District Counsel
McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203-1254

LEWIS YOUNG ROBERTSON & BURNINGHAM, INC. (the “External Financial Advisor”) has been engaged to serve as the External Financial Advisor to INDY OAK TOD METROPOLITAN DISTRICT, City of Lakewood, Jefferson County, Colorado (the “Issuer”). This document serves as the written engagement between the External Financial Advisor and the Issuer and sets forth the duties and responsibilities of the External Financial Advisor in connection with the issuance of the Issuer’s Limited Tax General Obligation Refunding Loan, Series 2023, (the Series 2023 Loan) in the estimated principal amount of \$3,000,000 - \$3,500,000.

Section 1: External Financial Advisor Role and Scope of Services. The External Financial Advisor is engaged as a recognized independent expert whose primary responsibility is to give objective advice on the structure and issuance of municipal securities. The External Financial Advisor for INDY OAK TOD METROPOLITAN DISTRICT, City of Lakewood, Jefferson County, Colorado, is a consultant who: (i) advises local governmental entities on matters related to the issuance of securities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings (if applicable), credit enhancement and insurance with respect to such securities, (ii) is a Municipal Advisor duly recognized and included in the Bond Buyer’s Municipal Market Place, and (iii) is not an officer or employee of the Issuer and has not been otherwise engaged to provide services in connection with the transaction related to the Series 2023 Loan.

During the course of this engagement, the Municipal Advisor will provide some, or all, of the following services to determine the fair and reasonable pricing and structuring of the Series 2023 Loan:

- A. Evaluate and consider financing and legal options/alternatives for the issuance of the Series 2023 Loan, taking into account the Issuer’s objectives, revenue availability and other factors;
- B. Research and determine appropriate comparables to use in evaluating the pricing and structuring of the Series 2023 Loan;
- C. Prepare tax-exempt and taxable market pricing comparables for the Issuer’s review and consideration (Pricing Report and Analysis).
- D. Review and ensure that the Series 2023 Loan is in compliance with the Issuer’s Service Plan;
- E. Work with the Issuer, Issuer’s Counsel, Bond Counsel and Private Placement Counsel to develop necessary documentation to finalize and close the Series 2023 Loan;

- F. Provide a Certificate of Financial Advisor with respect to the fairness of pricing and structuring the Series 2023 Loan;
- G. Provide assistance in coordinating the closing and transfer of funds; and
- H. Work with members of the finance team to provide a Closing Memorandum that summarizes the transaction and provides guidance for the delivery and utilization of bond proceeds.

Section 2: Disclosure of Conflicts of Interest. Rules established by the Municipal Securities Rulemaking Board (MSRB) and the Securities and Exchange Commission (SEC) require the registered External Financial Advisor to provide a written description of any material conflicts of interest, including any plans to mitigate any such conflicts of interest. This means several important things:

- A. the External Financial Advisor has a duty to exercise due care in performing municipal advisory activities;
- B. the External Financial Advisor has a duty of loyalty, requiring advice to be rendered in the best interest of the Issuer, without regard to the financial interests of the Municipal Advisor;
- C. the External Financial Advisor must have the knowledge and expertise needed to provide the Issuer with informed advice;
- D. the External Financial Advisor has a duty to understand the Issuer’s specific financial circumstances so that any advice may be deemed suitable to the Issuer’s situation; and
- E. the External Financial Advisor has a duty to discuss material risks and benefits with the Issuer so as to best serve the Issuer’s needs.

Specific conflicts of interest related to the form of compensation contemplated in this Engagement Letter include:

- A. **Fixed Fees or “Lump Sum”.** This form of compensation represents a potential conflict of interest because if the Series 2023 Loan requires more work than originally contemplated, the External Financial Advisor may suffer a loss. Thus, the External Financial Advisor may recommend less time-consuming alternatives or fail to do a complete analysis of alternatives.
- B. **Fee Based upon Principal Amount of Series 2023 Loan.** This form of compensation presents a conflict of interest because the External Financial Advisor may have an incentive to advise the Issuer to increase the size of the securities’ issue for the purpose of increasing the External Financial Advisory’s compensation.
- C. **Contingent Fee.** This form of compensation presents a potential conflict of interest because the External Financial Advisor may have an incentive to recommend unnecessary financings or financings that are disadvantageous to the Issuer. When facts or circumstances arise that could cause the issuance of the Series 2023 Loan to be

delayed or fail to close, the External Financial Advisor may have an incentive to discourage a full consideration of such facts and circumstances.

Other than the potential compensation conflicts of interest, the External Financial Advisor has no other conflicts of interest that would impair its ability to serve the Issuer as the External Financial Advisor.

- D. Section 3: Term of Engagement. The External Financial Advisor shall be engaged as of the date of this Engagement Letter and shall remain until the closing and delivery of the Series 2023 Loan or similar instruments by the Issuer.
- E. Section 4: Extern Financial Advisor Compensation. The Issuer agrees to pay to the External Financial Advisor for the services described in Section 1 above in an amount of Seven Thousand Five Hundred Dollars (\$7,500) for work performed in connection with the issuance of the Series 2023 Loan. The External Financial Advisor's fee for services is a contingent fee predicated upon the successful closing and delivery of the Series 2023 Loan or similar instruments of the Issuer.

This engagement shall take effect upon action by a duly authorized representative of the Issuer and External Financial Advisor to approve this engagement.

INDY OAK TOD METROPOLITAN DISTRICT
Jefferson County, Colorado



Representative of the Issuer

Date: 06 / 27 / 2023

LEWIS YOUNG ROBERTSON & BURNINGHAM, INC.



Representative of the External Financial Advisor

Date: 06 / 26 / 2023

Indy Oak TOD Metropolitan District
c/o Suzanne Meintzer
McGeady Becher, P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203
smeintzer@specialdistrictlaw.com

May 23, 2023

Re: Underwriter/Placement Agent Engagement Letter
Taxable Converting to Tax-Exempt Refunding Loan, Series 2023 (the “Securities”)

Dear Suzanne:

This letter confirms the agreement (the “Agreement”) between Piper Sandler & Co. (“Piper Sandler” or “we” or “us”) and **Indy Oak TOD Metropolitan District** (the “Issuer” or “you”) as follows:

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

As an Underwriter:

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

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

As a Placement Agent:

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

3. **Fees and Expenses.**

For our services, you agree to pay us an underwriting discount as described below of the total par amount of the Securities payable as a discount to the purchase price or by wire transfer of immediately available funds at closing. All transactions are subject to a \$30,000 minimum fee. For avoidance of doubt, the fee shall not be payable in the event a closing of the Securities does not occur.

Private Placement to the Developer
0.5%

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

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

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

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

- (c) you agree to be responsible for the accuracy and completeness of any Transaction Materials to the extent of federal securities laws applicable to the transaction. You agree to notify us promptly, at any time prior to the Closing Date, of any material adverse changes, or development that may lead to any material adverse change, in your business, properties, operations, financial condition or prospects and concerning any statement contained in any Transaction Materials, or in any other information provided to us, which is not accurate or which is incomplete or misleading in any material respect;
- (d) all financial projections that have or will be made available to Piper Sandler by you or any of your representatives in connection with the Transaction (the "Projections") have been and will be prepared in good faith and will be based upon assumptions believed by you to be reasonable (it being understood that projections by their nature are inherently uncertain and no assurances are being given that the results reflected in the Projections will be achieved);
- (e) On the Closing Date, you will deliver or cause to be delivered to us an Opinion of Bond Counsel to you, dated the Closing Date relating to: the validity of the Securities; exemption from registration and qualification under federal and state securities law; and if applicable the tax-exempt status of the Securities, together with a reliance letter from such counsel, dated the Closing Date and addressed to us and in a form acceptable to us.

5. **Other Matters Relating to Our Engagement.** The parties agree that we are not making a final commitment to underwrite or place securities until certain events have occurred including among other things, a successful authorizing bond election, satisfactory completion and execution of all final documentation for an offering including all terms and conditions and credit approval by Piper Sandler's internal credit approval process. This Agreement is therefore not a final commitment by us express or implied, to underwrite, place or purchase any securities. If you elect to conduct a public offering of the Securities, you and Piper Sandler will enter into a definitive bond purchase agreement which shall supersede the provisions of this agreement in any conflicting respects, except that the parties agree that the fee provisions set forth in Section 3 will continue to apply.

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

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

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

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

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

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

Sincerely,



Zach Bishop, Managing Director
Piper Sandler & Co.

Acknowledgement and Approval of Engagement
and Receipt of Appendix A Disclosures



Authorized Signor
Indy Oak TOD Metropolitan District

Date: 06 / 01 / 2023

Appendix A – G-17 Disclosure

Thank you for engaging Piper Sandler & Co. to serve as your underwriter or placement agent. We are writing to provide you with certain disclosures relating to the captioned bond issue (Bonds), as required by Municipal Securities Rulemaking Board (MSRB) Rule G-17 as set forth in MSRB Notice 2019-20 (Nov. 8, 2019).¹

Piper Sandler & Co. intends to serve as an underwriter or placement agent, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds. 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 G-17 conflict of interest disclosures are now broken down into three types, including: 1) dealer-specific conflicts of interest disclosures (if applicable); 2) transaction-specific disclosures (if applicable); and 3) standard disclosures.

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

Dealer-Specific Conflicts of Interest Disclosures

Piper Sandler has not identified any actual or potential material conflicts of interest.

Transaction-Specific Disclosures

- Disclosures Concerning Complex Municipal Securities Financing:
 - Since we have recommended to the Issuer/Obligor a financing structure that may be a “complex municipal securities financing” for purposes of MSRB Rule G-17, attached is a description of the material financial characteristics of that financing structure as well as the material financial risks of the financing that are known to us and reasonably foreseeable at this time.

Standard Disclosures

- Disclosures Concerning the Underwriters’ Role:
 - MSRB Rule G-17 requires an underwriter to deal fairly at all times with both issuers and investors.
 - The underwriters’ primary role is to purchase the Bonds with a view to distribution in an arm’s-length commercial transaction with the Issuer. The underwriters have financial and other interests that differ from those of the Issuer.
 - Unlike a municipal advisor, an underwriter does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests.
 - The Issuer may choose to engage the services of a municipal advisor with a fiduciary obligation to represent the Issuer’s interest in this transaction.
 - The underwriters have a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.

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

- The underwriters 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.²
- Disclosures Concerning the Placement Agent Role:
 - MSRB Rule G-17 requires us to deal fairly at all times with both municipal issuers and investors.
 - Our primary role in this transaction is to facilitate the sale and purchase of municipal securities between you and one or more investors for which we will receive compensation.
 - Unlike a municipal advisor, a placement agent does not have a fiduciary duty to the Issuer under the federal securities laws and is, therefore, not required by federal law to act in the best interests of the Issuer without regard to its own financial or other interests.
 - The placement agent has a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.
 - In the event an official statement is prepared, the placement agent 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.³
- Disclosures Concerning the Underwriters' Compensation:
 - The underwriters 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 underwriters may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.
- Disclosures Concerning the Placement Agent's Compensation:
 - The placement agent will be compensated by a fee that was negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the placement agent fee will be contingent on the closing of the transaction and the amount of the fee 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 placement agent may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

If you or any other Issuer officials have any questions or concerns about these disclosures, please make those questions or concerns known immediately to the undersigned. In addition, you should consult with

² 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.

³ 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.

the Issuer's own financial and/or municipal, legal, accounting, tax and other advisors, as applicable, to the extent you deem appropriate.

Please note that nothing in this letter should be viewed as a commitment by the underwriters or placement agent 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's 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. We are required to seek your acknowledgement that you have received this letter. Accordingly, please send me an email to that effect, or sign and return the enclosed copy of this letter to me at the address set forth above. Otherwise, an email read receipt from you or automatic response confirming that our email was opened by you will serve as an acknowledgment that you received these disclosures.

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.

Appendix B – Fixed Rate Bonds

The following is a general description of the financial characteristics and security structures of fixed rate municipal bonds (“Fixed Rate Bonds”), as well as a general description of certain financial risks that are known to us and reasonably foreseeable at this time and that you should consider before deciding whether to issue Fixed Rate Bonds. If you have any questions or concerns about these disclosures, please make those questions or concerns known immediately to us. In addition, you should consult with your financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent you deem appropriate.

Financial Characteristics

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

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

Security

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

General Obligation Bonds. “General obligation (GO) bonds” are debt securities to which your full faith and credit is pledged to pay principal and interest. If you have taxing power, generally you will pledge to use your ad valorem (property) taxing power to pay principal and interest. The debt service on “unlimited tax” GO bonds are paid from ad valorem taxes which are not subject to state constitutional property tax millage limits, whereas “limited tax” GO Bonds are subject to such limits.

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

Revenue Bonds. “Revenue bonds” are debt securities that are payable only from a specific source or sources of revenues. Revenue bonds are not a pledge of your full faith and credit, and you (or, if you are a conduit issuer, the obligor, as described in the following paragraph) are obligated to pay principal and interest on your revenue bonds only from the revenue source(s) specifically pledged to the bonds. Revenue bonds do not permit the bondholders to compel you to impose a tax levy for payment of debt service. Pledged revenues may be derived from operation of the financed project or system, grants or excise or other specified taxes. Generally, subject to state law or local charter requirements, you are not required to obtain voter approval prior to issuance of revenue bonds. If the specified source(s) of revenue become inadequate, a default in payment of principal or interest may occur. Various types of pledges of revenue may be used to secure interest and principal payments on revenue bonds. The nature of these pledges may differ widely based on state law, the type of issuer, the type of revenue stream and other factors.

Some revenue bonds (conduit revenue bonds) may be issued by a governmental issuer acting as a conduit for the benefit of a private sector entity or a 501(c)(3) organization (the obligor). Conduit revenue bonds commonly are issued for not-for-profit hospitals, educational institutions, single and multi-family housing, airports, industrial or economic development projects, and student loan programs, among other obligors. Principal and interest on conduit revenue bonds normally are paid exclusively from revenues pledged by the obligor. Unless otherwise specified under the terms of the bonds, you are not required to make payments of principal or interest if the obligor defaults.

The description above regarding “Security” is only a summary of certain possible security provisions for the bonds and is not intended as legal advice. You should consult with your bond counsel for further information regarding the security for the bonds.

Financial Risk Considerations

Certain risks may arise in connection with your issuance of Fixed Rate Bonds, including some or all the following (generally, the obligor, rather than the issuer, will bear these risks for conduit revenue bonds):

Issuer Default Risk. You may be in default if the funds pledged to secure your bonds are not enough to pay debt service on the bonds when due. The consequences of a default may be serious for you and, depending on applicable state law and the terms of the authorizing documents, the holders of the bonds, the trustee and any credit support provider may be able to exercise a range of available remedies against you. For example, if the bonds are secured by a general obligation pledge, you may be ordered by a court to raise taxes. Other budgetary adjustments also may be necessary to enable you to provide sufficient funds to pay debt service on the bonds. If the bonds are revenue bonds, you may be required to take steps to increase the available revenues that are pledged as security for the bonds. A default may negatively impact your credit ratings and may effectively limit your ability to publicly offer bonds or other securities at market interest rate levels. Further, if you are unable to provide sufficient funds to remedy the default, subject to applicable state law and the terms of the authorizing documents, you may find it necessary to consider available alternatives under state law, including (for some issuers) state-mandated receivership or bankruptcy. A default also may occur if you are unable to comply with covenants or other provisions agreed to in connection with the issuance of the bonds.

This description is only a summary of issues relating to defaults and is not intended as legal advice. You should consult with your bond counsel for further information regarding defaults and remedies.

Bonds payable from the general fund, particularly bonds without a defined revenue stream identified to pay debt service, reduce your flexibility to balance the general fund. Because a fixed debt service payment is required to be paid regardless of how your general fund is impacted by

revenue losses or by increased expenses, you have less flexibility in the options available to you in assuring a balanced budget for your general fund.

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

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

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

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

Refinancing Risk. If your financing plan contemplates refinancing some or all the bonds at maturity (for example, if you have term maturities or if you choose a shorter final maturity than might otherwise be permitted under the applicable federal tax rules), market conditions or changes in law may limit or prevent you from refinancing those bonds when required.

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

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

“Cash Flow” Structure of the Bonds and the Risk of Compounding Interest. The Bonds are expected to possess a “cash flow” structure, meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Pledged Revenue is available for payment. To the extent your cash flow is insufficient to pay interest when due on the Bonds, the unpaid interest will compound. Compounding could substantially increase your overall debt burden.

This description of tax compliance risks is not intended as legal advice and you should consult with your bond counsel regarding tax implications of issuing the bonds.