

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 · 800-741-3254
Fax: 303-987-2032

NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Michael Tamblyn	President	2022/May 2022
Mark A. Waggoner	Vice President/Treasurer	2023/May 2023
VACANT		2023/May 2022
VACANT		2022/May 2022
VACANT		2022/May 2022
Ann E. Finn	Secretary	

DATE: December 1, 2021

TIME: 4:00 p.m.

LOCATION: *This meeting will be held via Zoom without any individuals (neither District representatives nor the general public) attending in person. The meeting can be joined through the directions below:*

Join Zoom Meeting

<https://us02web.zoom.us/j/81578775196?pwd=cXgxeHVzU21ERUJpNE8rendpN20vZz09>

Meeting ID: 815 7877 5196

Passcode: 565652

Dial In: 1-253-215-8782

One tap mobile

+12532158782,,81578775196#,,,,*565652# US (Tacoma)

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

B. Confirm quorum; Approve agenda; confirm location/manner of meeting and posting of meeting notices.

C. **CONSENT AGENDA** – These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board member so requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- Approve Minutes of the April 7, 2021 Special Meeting (enclosure).
 - Ratify approval of payment of claims for the period beginning April 1, 2021 through November 23, 2021 totaling \$455,475.10 (enclosure).
 - Authorize District Manager to post transparency notice on the District Website and SDA Website pursuant to Section 32-1-809, C.R.S.
-

- D. Discuss business to be conducted in 2022 and location (**virtual and/or physical**) of meetings. Schedule regular meeting dates and consider adoption of Resolution No. 2021-12-____; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices (enclosure).
-

II. PUBLIC COMMENTS

- A. Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes.
-

III. FINANCIAL MATTERS

- A. Review and accept the unaudited financial statements as of September 30, 2021 (enclosure).
-
- B. Approve engagement of Wipfli LLP to perform the 2021 Audit, in the amount of \$4,700 (enclosure).
-
- C. Conduct Public Hearing to consider Amendment to 2021 Budget and (if necessary) consider adoption of Resolution to Amend the 2021 Budget and Appropriate Expenditures.
-
- D. Conduct Public Hearing on the proposed 2022 Budget and consider adoption of Resolutions to Adopt the 2022 Budget and Appropriate Sums of Money and Set Mill Levies (for General Fund _____, Debt Service Fund _____ and Other Fund(s) _____ for a total mill levy of _____) (enclosures – preliminary assessed valuation, resolution and draft 2022 Budget).
-
- E. Consider authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.
-
- F. Consider appointment of District Accountant to prepare the 2023 budget and set the date of the 2023 budget hearing.
-

- G. Discuss and consider approval of Master Service Agreement for Accounting Services between the District and CliftonLarsonAllen LLP (to be distributed).
-

IV. LEGAL MATTERS

- A. Discuss May 3, 2022 Regular Directors' election regarding new legislative requirements and related expenses for same. Consider adoption of Resolution No. 2021-12-____; Resolution Calling a Regular Election for Directors on May 3, 2022, appointing the Designated Election Official ("DEO"), and authorizing the DEO to perform all tasks required for the conduct of mail ballot election (enclosure). Self-Nomination forms are due by February 25, 2022. Discuss the need for ballot issues and/or questions.
-

V. CAPITAL IMPROVEMENTS

- A. Construction Status Report for the Prairie Center Retail 3 Project.
-

VI. OPERATIONS

- A. Consider approval of a Service Agreement between the District and Alliance Commercial Maintenance Services, Inc. for asphalt repair work (enclosure).
-
- B. Review and consider approval of Service Agreement between the District and Pinnacle Landscaping for Detention Pond Maintenance Services (enclosure).
-
- C. Consider approval of Service Agreement between the District and Snow Pros, Inc., d/b/a Site Source CAM for 2022 snow removal services (to be distributed).
-
- D. Consider approval of Service Agreement with Colorado Lighting, Inc. for Site Lighting Services (to be distributed).
-
- E. Consider approval of Service Agreement with Vargas Property Service, Inc. for Landscape Maintenance Services (to be distributed).
-

VII. OTHER MATTERS

A. _____

VIII. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2021.**

Informational Enclosure:

- Memo regarding New Rate Structure from Special District Management Services, Inc.

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE PRAIRIE CENTER
METROPOLITAN DISTRICT NO. 3 (the “District”)
HELD
APRIL 7, 2021**

A special meeting of the Board of Directors of the Prairie Center Metropolitan District No. 3 (referred to hereafter as “Board”) was convened on Wednesday, the 7th day of April, at 4:00 P.M. Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held and properly noticed to be held via Zoom video/telephone conference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Michael Tamblyn (via Zoom)
Mark A. Waggoner (via Zoom)

Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc. (via Zoom)

Paula Williams, Esq. and Erica Montague, Esq.; McGeady Becher P.C (via Zoom)

Thuy Dam; CliftonLarsonAllen LLP (via Zoom)

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. Attorney Williams requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was further noted by Attorney Williams that all Directors’ Disclosure Statements have been filed and no additional conflicts were disclosed.

ADMINISTRATIVE MATTERS

Quorum / Meeting Location / Posting of Meeting Notices: Attorney Williams noted that a quorum was present. 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. The Board determined that, due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the

RECORD OF PROCEEDINGS

spread of the virus by limiting in-person contact, the meeting would be held via Zoom video/telephone conference without any individuals (neither District Representatives nor the General Public) attending in person. Ms. Finn reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed have been received from any taxpaying electors within the District boundaries.

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's special meeting.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Agenda was approved, as amended.

Consent Agenda: The Board considered the following actions:

- Approve Minutes of the December 2, 2020 Special Meeting.
- Ratify approval of payment of claims for the period beginning December 1, 2020 through March 31, 2021 totaling \$248,140.47.
- Ratify approval of Service Agreement for Site Lighting Services between the District and Colorado Lighting, Inc.

Following review, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above actions.

PUBLIC COMMENT There was no public comment.

FINANCIAL MATTERS

2020 Audit: Ms. Dam reviewed the 2020 Audit with the Board.

Following review and discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved the 2020 Audit and authorized execution of the Representations Letter, subject to final review by Director Tamblyn, Attorney Williams and receipt of an unmodified opinion letter from the Auditor.

RECORD OF PROCEEDINGS

LEGAL MATTERS

Operations Financing Intergovernmental Agreement between Prairie Center Metropolitan District No. 1 and Prairie Center Metropolitan District No. 3:

The Board deferred discussion.

Confidentiality Agreement between the District and the City of Brighton: The Board deferred discussion.

CAPITAL IMPROVEMENTS

Construction Status Report for Prairie Center Retail 3 Project: Director Tamblyn noted the one-year warranty period is expiring and he is currently working with the City of Brighton on final acceptance of the roads.

OPERATIONS

Utility Locate Services Agreement between the District and Diversified Underground Inc.: The Board reviewed the Utility Locate Services Agreement between the District and Diversified Underground Inc.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved the Utility Locate Services Agreement between the District and Diversified Underground Inc.

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting

Prairie Center Metropolitan District No. 3**Check List**

All Bank Accounts

April 1, 2021 - November 30, 2021

Check Number	Check Date	Payee	Amount
Vendor Checks			
1591	04/21/21	Brickimaging Inc.	375.00
1592	04/21/21	CliftonLarsonAllen LLP	9,862.81
1593	04/21/21	Colorado Lighting, Inc,	696.23
1594	04/21/21	Magic Carpet Lifts/RMCE Inc	8,137.32
1595	04/21/21	McGeady Becher, PC	1,624.35
1596	04/21/21	RCD Construction, Inc.	3,089.00
1597	04/21/21	Snow Pros, Inc	14,162.50
1598	04/21/21	Special District Mgmt. Services, Inc	3,431.68
1599	04/21/21	Utility Notification Center of CO	102.96
1600	05/25/21	CliftonLarsonAllen LLP	11,811.65
1601	05/25/21	McGeady Becher, PC	2,699.44
1602	05/25/21	Pinnacle Landscape & Xeriscape, Inc.	42,170.00
1603	05/25/21	Rocky Mountain Wildlife Services	560.10
1604	05/25/21	Snow Pros, Inc	50,113.75
1605	05/25/21	Special District Mgmt. Services, Inc	2,123.90
1606	05/25/21	Utility Notification Center of CO	133.32
1607	05/25/21	Vargas Property Service	12,805.32
1608	06/24/21	CliftonLarsonAllen LLP	7,871.27
1609	06/24/21	CNA Surety	510.00
1610	06/24/21	McGeady Becher, PC	4,388.55
1611	06/24/21	S&S Striping and Signage	1,400.00
1612	06/24/21	Snow Pros, Inc	24,896.86
1613	06/24/21	Special District Mgmt. Services, Inc	2,266.70
1615	06/24/21	Utility Notification Center of CO	145.20
1616	06/24/21	WIPFLI	5,050.00
1617	07/30/21	Alliance CMS	4,925.00
1618	07/30/21	CliftonLarsonAllen LLP	11,964.90
1619	07/30/21	Colorado Lighting, Inc,	874.08
1620	07/30/21	McGeady Becher, PC	1,268.44
1621	07/30/21	Pinnacle Landscape & Xeriscape, Inc.	1,420.00
1622	07/30/21	Prairie Management LLC	18,000.00
1623	07/30/21	Snow Pros, Inc	44,768.75
1624	07/30/21	Special District Mgmt. Services, Inc	1,411.40
1625	07/30/21	Utility Notification Center of CO	179.52
1626	07/30/21	Vargas Property Service	18,074.91
1627	08/17/21	Colorado Lighting, Inc,	15.00
1628	08/17/21	Pinnacle Landscape & Xeriscape, Inc.	1,420.00
1629	08/17/21	Prairie Management LLC	3,000.00
1630	08/17/21	Snow Pros, Inc	5,450.00
1631	08/17/21	Special District Mgmt. Services, Inc	2,047.50
1632	08/17/21	Test Gauge Inc	33.98
1633	08/17/21	Utility Notification Center of CO	132.00
1634	08/17/21	Vargas Property Service	7,571.37
1635	09/14/21	CliftonLarsonAllen LLP	9,579.46
1636	09/14/21	Colorado Lighting, Inc,	170.50
1637	09/14/21	McGeady Becher, PC	582.50
1638	09/14/21	Pinnacle Landscape & Xeriscape, Inc.	2,900.00
1639	09/14/21	Prairie Management LLC	3,000.00
1640	09/14/21	Snow Pros, Inc	5,450.00
1641	09/14/21	Special District Mgmt. Services, Inc	1,967.56
1642	09/14/21	Utility Notification Center of CO	88.44
1643	09/14/21	Vargas Property Service	8,153.25
1655	10/19/21	CliftonLarsonAllen LLP	9,701.95
1656	10/19/21	CO Special Dist. Prop & Liab Pool	2,250.00
1657	10/19/21	Colorado Lighting, Inc,	1,132.07
1658	10/19/21	McGeady Becher, PC	571.05
1659	10/19/21	Pinnacle Landscape & Xeriscape, Inc.	1,790.00

Prairie Center Metropolitan District No. 3

Check List

All Bank Accounts

April 1, 2021 - November 30, 2021

Check Number	Check Date	Payee	Amount
1660	10/19/21	Prairie Management LLC	3,000.00
1661	10/19/21	Snow Pros, Inc	3,800.00
1662	10/19/21	Special District Mgmt. Services, Inc	1,378.00
1663	10/19/21	Utility Notification Center of CO	76.56
1664	10/19/21	Vargas Property Service	9,532.55
1665	11/16/21	Alliance CMS	5,300.00
1666	11/16/21	CliftonLarsonAllen LLP	6,764.30
1667	11/16/21	Colorado Lighting, Inc,	152.00
1668	11/16/21	JR Engineering LLC	550.00
1669	11/16/21	McGeady Becher, PC	128.44
1670	11/16/21	Prairie Management LLC	3,000.00
1671	11/16/21	Redland Consulting Group	1,680.00
1672	11/16/21	Snow Pros, Inc	3,829.00
1673	11/16/21	Special District Mgmt. Services, Inc	1,408.50
ACH	06/24/21	United Power	3,746.56
ACH	11/23/21	United Power	5,169.32
ACH	10/26/21	United Power	5,186.34
ACH	07/26/21	United Power	5,094.12
ACH	04/26/21	United Power	20.60
ACH	10/26/21	United Power	121.77
ACH	09/23/21	United Power	5,296.43
ACH	08/24/21	United Power	5,163.15
ACH	04/26/21	United Power	2,362.19
ACH	04/30/21	United Power	2,393.73
Vendor Check Total			<u>455,475.10</u>
Check List Total			<u><u>455,475.10</u></u>

Check count = 81

RESOLUTION NO. 2021-12-____

**RESOLUTION OF THE BOARD OF DIRECTORS OF
THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

- A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.
- B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.
- C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.
- D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting if a special district posts the Notice of Meeting online on a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.
- E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.
- F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.
- G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Prairie Center Metropolitan District No. 3 (the “**District**”), Adams County, Colorado:

1. That the provisions of Section 32-1-903(1.5), C.R.S., be waived pursuant to the adoption of this Resolution.

2. That the Board of Directors (the “**District Board**”) has determined that conducting meetings at a physical location pursuant to Section 32-1-903(1.5), C.R.S., would be inconvenient and costly for the directors and consultants of the District in that they live and/or work outside of the twenty (20) mile radius requirement.

3. That regular meetings of the District Board for the year 2022 shall be held on _____ at _____, at _____ [indicate physical location and/or virtual location (telephonically, electronically, or by other means)].

4. That special meetings of the District Board shall be held as often as the needs of the District require, upon notice to each director.

5. That, until circumstances change, and a future resolution of the District Board so designates, the physical location and/or method or procedure for attending meetings of the District Board virtually (including the conference number or link) shall appear on the agenda(s) of said meetings.

6. That the residents and taxpaying electors of the District shall be given an opportunity to object to the meeting(s) physical location(s), and any such objections shall be considered by the District Board in setting future meetings.

7. That the District has established the following District Website, <https://prairiecentermd.colorado.gov>, and the Notice of Meeting of the District Board shall be posted on the District Website at least 24 hours prior to meetings pursuant to Section 24-6-402(2)(c)(III), C.R.S. and Section 32-1-903(2), C.R.S.

8. That, if the District is unable to post the Notice of Meeting on the District Website at least 24 hours prior to each meeting due to exigent or emergency circumstances, the Notice of Meeting shall be posted within the boundaries of the District at least 24 hours prior to each meeting, pursuant to Section 24-6-402(2)(c)(I) and (III), C.R.S., at the following Designated Public Place:

(a) At the southwest corner of 144th Avenue and South 27th Avenue

9. Special District Management Services, Inc., or his/her designee, is hereby appointed to post the above-referenced notices.

**[SIGNATURE PAGE TO RESOLUTION ESTABLISHING REGULAR MEETING
DATES, TIME, AND LOCATION, AND DESIGNATING LOCATION FOR 24-HOUR
NOTICES]**

RESOLUTION APPROVED AND ADOPTED on December 1, 2021.

**PRAIRIE CENTER METROPOLITAN
DISTRICT NO. 3**

By: _____
President

Attest:

Secretary

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

FINANCIAL STATEMENTS

SEPTEMBER 30, 2021

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	General	Debt Service - PPI/DPI	Debt Service - PRI	Capital Projects	Capital Projects - Stormwater	Total
ASSETS						
Cash - 1st Bank	\$ 1,812,554	\$ -	\$ -	\$ 920,875	\$ -	\$ 2,733,429
UMB - Surplus	-	690,175	-	-	-	690,175
UMB - 2007A PPI Interest	-	6	-	-	-	6
UMB - 2017A Reserve	-	3,409,738	-	-	-	3,409,738
UMB - 2017B Reserve	-	163,528	-	-	-	163,528
UMB - 2017 Non PIF Revenue	-	982,565	-	-	-	982,565
UMB - 2017A Interest	-	358,914	-	-	-	358,914
UMB - 2017B Interest	-	52,501	-	-	-	52,501
UMB - 2017 Shared Revenue - Credit PIF	-	990,797	-	-	-	990,797
UMB - 2017 Add-On PIF Revenue	-	972,800	-	-	-	972,800
UMB - 2018 Park & Rec Reserve	-	-	346,447	-	-	346,447
UMB - 2018 Park & Rec Revenue	-	-	422,291	-	-	422,291
UMB - 2018 Park & Rec Bond Interest	-	-	414	-	-	414
UMB - 2018 Park & Rec Bond Prin	-	-	14	-	-	14
UMB - 2017A Principal	-	885,010	-	-	-	885,010
UMB - 2017B Principal	-	40,001	-	-	-	40,001
Due from District No. 4	25,411	18,151	-	-	-	43,562
Due from District No. 5	629	2,518	-	-	-	3,147
Accounts receivable - Add-on PIF	-	217,835	-	-	-	217,835
Accounts receivable - Credit PIF	-	209,585	52,396	-	-	261,981
Prepaid insurance	2,250	-	-	-	-	2,250
TOTAL ASSETS	<u>\$ 1,840,844</u>	<u>\$ 8,994,124</u>	<u>\$ 821,562</u>	<u>\$ 920,875</u>	<u>\$ -</u>	<u>\$ 12,577,405</u>
LIABILITIES AND FUND BALANCES						
CURRENT LIABILITIES						
Accounts payable	\$ 30,984	\$ -	\$ -	\$ -	\$ -	\$ 30,984
Project management fee payable - DPI	-	-	-	934,213	-	934,213
Project management fee payable - PRI	-	-	-	1,826	-	1,826
Total Liabilities	<u>30,984</u>	<u>-</u>	<u>-</u>	<u>936,039</u>	<u>-</u>	<u>967,023</u>
FUND BALANCES						
Total Fund Balances	<u>1,809,860</u>	<u>8,994,124</u>	<u>821,562</u>	<u>(15,164)</u>	<u>-</u>	<u>11,610,382</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,840,844</u>	<u>\$ 8,994,124</u>	<u>\$ 821,562</u>	<u>\$ 920,875</u>	<u>\$ -</u>	<u>\$ 12,577,405</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021

GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
REVENUES			
Other revenue	\$ -	\$ 755	\$ 755
Transfer from District No. 1	2,645,000	2,300,000	(345,000)
Transfer from District No. 4	1,314,501	1,274,986	(39,515)
Transfer from District No. 5	75,590	75,330	(260)
Transfer from District No. 10	299,892	278,485	(21,407)
TOTAL REVENUES	<u>4,334,983</u>	<u>3,929,556</u>	<u>(405,427)</u>
EXPENDITURES			
Accounting - recurring	88,200	58,749	29,451
Audit	4,680	5,050	(370)
District management	38,700	16,646	22,054
Legal	54,000	13,901	40,099
Accounting - non-recurring projects	18,000	-	18,000
Accounting - PIF collection fees	20,700	18,090	2,610
District asset management	36,000	27,000	9,000
Dues and memberships	3,500	3,476	24
Insurance and bonds	40,000	40,269	(269)
Miscellaneous/Contingency	19,220	1,265	17,955
Detention pond maintenance	25,000	-	25,000
Street sweeping	15,000	8,550	6,450
Landscaping	125,000	106,482	18,518
Streets repairs and maintenance	200,000	21,226	178,774
Water feature maintenance	15,000	47,910	(32,910)
Electric - site lighting	22,000	13,726	8,274
Electric - water pump	15,000	15,002	(2)
Electric - street lights, other	20,000	6,544	13,456
Snow removal	130,000	125,435	4,565
Water and sewer	10,000	-	10,000
TOTAL EXPENDITURES	<u>900,000</u>	<u>529,321</u>	<u>370,679</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	3,434,983	3,400,235	(34,748)
OTHER FINANCING SOURCES (USES)			
Transfers to CPF	(3,470,000)	(2,300,000)	1,170,000
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,470,000)</u>	<u>(2,300,000)</u>	<u>1,170,000</u>
NET CHANGE IN FUND BALANCES	(35,017)	1,100,235	1,135,252
FUND BALANCES - BEGINNING	<u>581,067</u>	<u>709,625</u>	<u>128,558</u>
FUND BALANCES - ENDING	<u>\$ 546,050</u>	<u>\$ 1,809,860</u>	<u>\$ 1,263,810</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

SUPPLEMENTARY INFORMATION

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**

DEBT SERVICE - PPI/DPI FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Interest income	\$ 15,000	\$ 1,846	\$ (13,154)
Facilities fees	-	2,288	2,288
Other revenue	-	4,500	4,500
Credit public improvement fees - PPI	1,995,000	1,679,142	(315,858)
Add-on public improvement fees - DPI	2,050,000	1,676,718	(373,282)
Transfer from District No. 4	938,929	910,703	(28,226)
Transfer from District No. 5	302,385	301,344	(1,041)
Credit permit fees	-	5,000	5,000
Add-on permit fees	-	5,000	5,000
Shared sales tax increment	470,000	-	(470,000)
TOTAL REVENUES	<u>5,771,314</u>	<u>4,586,541</u>	<u>(1,184,773)</u>
EXPENDITURES			
Miscellaneous/Contingency	10,744	-	10,744
Bond interest - Series 2007	2,500,000	-	2,500,000
Bond interest - Series 2017	2,308,256	1,154,128	1,154,128
Bond principal - Series 2017	925,000	-	925,000
Paying agent fees	6,000	-	6,000
TOTAL EXPENDITURES	<u>5,750,000</u>	<u>1,154,128</u>	<u>4,595,872</u>
NET CHANGE IN FUND BALANCES	21,314	3,432,413	3,411,099
FUND BALANCES - BEGINNING	<u>5,433,668</u>	<u>5,561,711</u>	<u>128,043</u>
FUND BALANCES - ENDING	<u>\$ 5,454,982</u>	<u>\$ 8,994,124</u>	<u>\$ 3,539,142</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**

DEBT SERVICE - PRI FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Interest income	\$ 1,000	\$ 167	\$ (833)
Credit public improvement fees - PRI	499,000	419,785	(79,215)
Credit permit fees	-	1,250	1,250
TOTAL REVENUES	<u>500,000</u>	<u>421,202</u>	<u>(78,798)</u>
EXPENDITURES			
Paying agent fees	3,500	3,500	-
Bond interest - Series 2018	200,000	97,119	102,881
Bond principal - Series 2018	285,000	-	285,000
Contingency	11,500	-	11,500
TOTAL EXPENDITURES	<u>500,000</u>	<u>100,619</u>	<u>399,381</u>
NET CHANGE IN FUND BALANCES	-	320,583	320,583
FUND BALANCES - BEGINNING	<u>427,947</u>	<u>500,979</u>	<u>73,032</u>
FUND BALANCES - ENDING	<u>\$ 427,947</u>	<u>\$ 821,562</u>	<u>\$ 393,615</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**

CAPITAL PROJECTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
TOTAL REVENUES			
EXPENDITURES			
PPI improvements	1,025,000	-	1,025,000
PPI overhead	23,920	-	23,920
DPI overhead	92,000	25,184	66,816
PRI overhead	100	43	57
Miscellaneous/Contingency	227,980	-	227,980
TOTAL EXPENDITURES	<u>1,369,000</u>	<u>25,227</u>	<u>1,343,773</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(1,369,000)	(25,227)	1,343,773
OTHER FINANCING SOURCES (USES)			
Transfer from CPF - Stormwater	-	23,678	23,678
Transfers from GF	3,470,000	2,300,000	(1,170,000)
Repayment of Developer advance	(2,100,000)	(2,100,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	<u>1,370,000</u>	<u>223,678</u>	<u>(1,146,322)</u>
NET CHANGE IN FUND BALANCES	1,000	198,451	197,451
FUND BALANCES - BEGINNING	<u>599,590</u>	<u>(213,615)</u>	<u>(813,205)</u>
FUND BALANCES - ENDING	<u>\$ 600,590</u>	<u>\$ (15,164)</u>	<u>\$ (615,754)</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2021**

CAPITAL PROJECTS - STORMWATER FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
City reimbursement - Outfall Channel	\$ -	\$ 23,678	\$ 23,678
TOTAL REVENUES	<u>-</u>	<u>23,678</u>	<u>23,678</u>
EXPENDITURES			
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	-	23,678	23,678
OTHER FINANCING SOURCES (USES)			
Transfers to CPF	-	(23,678)	(23,678)
TOTAL OTHER FINANCING SOURCES (USES)	<u>-</u>	<u>(23,678)</u>	<u>(23,678)</u>
NET CHANGE IN FUND BALANCES	-	-	-
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prairie Center Metropolitan District No. 3 (District) is a quasi-municipal corporation located within Adams County, Colorado and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized in June 2006, concurrently with Prairie Center Metropolitan District Nos. 4 – 10, pursuant to their Service Plans, all of which were approved by the City of Brighton (City), Colorado on February 21, 2006, and by orders and decrees issued by the District Court in and for Adams County, Colorado, and as modified on November 13, 2006. Prairie Center Metropolitan Districts Nos. 1 and 2 (respectively, District No. 1 and District No. 2) were organized prior to the establishment of the District and have proceeded with development and construction of public improvements. In order to increase development flexibility and to avoid unfairly burdening existing development with the costs of public infrastructure required in future phases, District Nos. 3 – 10 were formed and several inclusions and exclusions of property were completed to generally locate properties in the Initial Planned Development planned for commercial/retail uses in District No. 4 and properties in the Initial Planned Development planned for residential uses in District No. 5. Subsequent to the formation of the District, the obligations of District No. 1 and District No. 2 were assumed by the District as were the assets constructed by those Districts.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including streets, transportation, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators and mosquito and pest control services. The District is authorized to operate and maintain any improvements not otherwise conveyed to the City or other entities.

During elections held on May 2, 2006, a majority of the District's electors authorized general obligation indebtedness of \$6,790,000,000, for the above listed facilities, intergovernmental agreements and debt refunding. Additionally, on May 2, 2006, the District's voters authorized the District to collect, retain and expend all revenues in excess of TABOR spending, revenue raising or other limitations.

The Service Plans for District Nos. 2 – 10 limit the aggregate amount of debt that they may issue together with any debt issued by District No. 1 to \$750,000,000.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Credit Public Improvement Fees (Credit PIF)

A Comprehensive Agreement, entered into with the City of Brighton and other parties, allows the District to collect 1.25% Credit PIF, for which the City grants a credit against the municipal sales and use taxes that would otherwise be payable on sales and use tax transactions, for use towards Primary Public Improvements (PPI). Primary Public Improvements include major and minor arterial streets and related landscaping and trails, traffic signals, certain potable and non-potable water distribution lines, regional/community/neighborhood parks, trails, and open spaces. The maximum amount of PPI costs ("Cap Amount") that the District can finance from the Credit PIF is approximately \$146 million.

Add-On Public Improvement Fees (Add-on PIF)

The Comprehensive Agreement also allows the District to collect 1% Add-On PIF to finance any other District Public Improvements.

Interest Income

Investment earned on the District's available funds has been estimated based on historical interest earnings.

Transfers from Prairie Center Metropolitan District Nos. 1, 4, 5, and 10

Pursuant to a Capital Pledge Agreement with Prairie Center Metropolitan District Nos. 4 and 5 (Taxing Districts), the District will receive property taxes and specific ownership taxes collected by the Taxing Districts. The debt service tax revenues to be transferred from District Nos. 4 and 5 are pledged for the payment of principal and interest on bonds issued by the District. Further, pursuant to a Facilities Funding, Construction and Operations Agreement entered into by all Prairie Center Districts, District Nos. 4, 5 and 10 are obligated to remit to the District the tax revenues derived from Operation and Maintenance mill levy they imposed on properties within their respective Districts. The Operation and Maintenance tax revenues received by the District from District Nos. 4, 5 and 10 will be used to pay administrative expenditures incurred by all Districts. District No. 1 will transfer its property and specific ownership tax revenues, net of its own administrative expenditures, to District No. 3's General Fund as consideration for the benefits derived from the public improvements constructed, operated and maintained by District No. 3 which benefit the service area of District No. 1.

City Reimbursement

Pursuant to an intergovernmental agreement with the City of Brighton, the District is to be reimbursed for Outfall Channel Improvements. According to the Agreement, the District's costs for the design, financing and construction of the stormwater improvements are to be reimbursed by the City for certain stormwater impact fees.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Shared Sales Tax Increment

Pursuant to the Cooperation Agreement between the District, the City, and Brighton Urban Renewal Authority (Authority), collectively “the Parties”, if the taxable retail sales within the District are at least equal to \$150 million (but less than \$200 million) in any given calendar year, then the City shall be obligated to transfer to the Authority the applicable allocated increment amount which would be equal to 30% of the General Fund Sales Tax Incremental Revenues received by the City in that year, after the deduction of the City’s General Fund Sales Tax Base Amount and the appropriate share of costs and expenses. The Parties agree that no later than February 20 of each calendar year, the Authority shall remit to the District the allocated increment amount received by the Authority from the City.

Expenditures

General, Administrative and Operating Expenditures

General and administrative expenditures include the estimated costs of services necessary to maintain the District’s administrative viability such as legal, management, accounting, insurance and other administrative expenses. Estimated expenditures related to street repairs and maintenance, street lights, street sweeping, landscaping, mowing, parks and open space maintenance, utilities and snow removal were also included the General Fund budget.

Capital Outlay

The District anticipates infrastructure improvements during 2021 as reflected in the Capital Projects Fund.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017A and 2017B Limited Property Tax Supported Revenue Bonds. A debt amortization schedule for Series 2018 Bonds has not been provided as additional principal is being paid, in increments of \$5,000, based on excess funds available over the current interest due. Additionally, the District anticipates to pay a portion of the accrued interest on the Series 2007 Subordinate Bonds based on the amount of funds available; therefore, a scheduled amortization has not been included in the budget.

Debt and Leases

In June 2007, the District issued Series 2007A Subordinate and Series 2007B Subordinate Bonds in the total amount of \$43,515,000. The Bonds are special limited obligations of the District secured by and payable from the pledged revenues, subject in all respects to the prior lien in favor of the Senior Bonds. The Series 2007A Subordinate Bonds, in the amount of \$40,610,000, are term bonds due on December 15, 2031, at an interest rate of 9.50%. The Series 2007B Subordinate Bonds, in the amount of \$2,905,000, are term bonds due December 15, 2031, at an interest rate of 8.75% through December 14, 2007, and 9.50% thereafter. A portion of the Series 2007A and 2007B were refunded on October 26, 2017 with the Series 2017 Bond issuance discussed below.

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases - (continued)

On October 26, 2017, the District refunded the Limited Property Tax Supported Revenue Bonds, Series 2006A & 2006B (Series 2006 Bonds) and a portion of the Subordinate Limited Property Tax Supported Revenue Bonds, Series 2007A & 2007B (Series 2007 Bonds) by the issuance of \$49,275,000 Limited Property Tax Supported Revenue Bonds, Series 2017A & 2017B (Series 2017 Bonds). The Series 2017 Bonds, bear interest rates of 4.168% - 5.000% (2017A) and 5.000% (2017B) and mature on 2041, are payable semi-annually on June 15 and December 15. The Series 2017 Bonds were issued for the purpose of providing funds to refund all of the District's Series 2006 Bonds along with a portion of its Series 2007 Bonds and additionally paying the cost of issuance and establishing a Reserve Fund for the Series 2017 Bonds. The Series 2017 Bonds have been structured such that Pledged Revenues generated from Public Improvement Fees, Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues (collectively, the "Shared Revenue") generally will be applied first, to costs of Primary Public Improvements, including payments of principal and interest due with respect to the Series 2017A Bonds and second, to payments of principal and interest due with respect to Bonds issued to finance District Public Improvements, including the Series 2017B Bonds, to the extent necessary to prevent deficiencies in amounts available to pay such Bonds.

The Series 2017 Bonds are tax supported special, limited revenue obligations of the District secured by and payable from pledged revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, revenues generated from the commercial and residential facilities fees imposed by Prairie Center Metropolitan Districts No. 4 (District No. 4), No. 5 (District No. 5) and No. 10 (District No. 10), and from the imposition by District No. 4 and District No. 5 of ad valorem property taxes not in excess of 50 mills subject to adjustment caused by changes in the method of determining assessed valuation by the State of Colorado, and the related specific ownership taxes.

On March 8, 2018, the District issued \$4,510,000 in Series 2018 Special Revenue Park and Recreation Improvements (PRI) Bonds. The Series 2018 Special Revenue PRI Bonds are term bonds due on December 15, 2042 at an interest rate of 5.125% and are payable on June 15 and December 15. The Series 2018 Bonds were issued for the purpose of providing funds to refund a portion of the Districts outstanding PRI Developer Advances and additionally paying the cost of issuance and establishing a Reserve Fund for the Series 2018 Bonds. The Series 2018 Bonds are special, limited revenue obligations of the District secured by and payable from Pledged Revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, revenues generated from the commercial and residential facilities fees imposed by Prairie Center Metropolitan Districts No. 4, No. 5, and No. 10.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

The following is an analysis of anticipated changes in the District's long-term obligations for the years ending December 31, 2020 and 2021.

	Balance -			Anticipated
	December 31,			Balance -
	2019	Additions	Retirements	December 31,
				2020
Bonds Payable				
Series 2007	\$ 33,905,000	\$ -	\$ -	\$ 33,905,000
Series 2017	48,350,000	-	840,000	47,510,000
Series 2018	4,050,000	-	318,000	3,732,000
Accrued Interest on Bonds				
Series 2007	27,695,238	3,220,975	2,200,000	28,716,213
Bond Issue Discount				
Series 2017	(198,568)	-	(13,190)	(185,378)
Series 2018	(41,170)	-	(6,050)	(35,120)
Developer Advance				
Operating	1,073,883	-	1,073,883	-
Debt Service	2,066,963	-	-	2,066,963
Capital	20,183,665	-	-	20,183,665
Accrued Interest on				
Operating	45,846	66,330	112,176	-
Debt Service	1,843,122	261,087	-	2,104,209
Capital	14,456,168	2,312,993	500,000	16,269,161
Funding Fee Payable	1,125,816	-	-	1,125,816
Total	\$ 154,555,963	\$ 5,861,385	\$ 5,024,819	\$ 155,392,529

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2021 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

	Anticipated			Anticipated
	Balance -			Balance -
	December 31,			December 31,
	2020	Additions	Retirements	2021
Bonds Payable				
Series 2007	\$ 33,905,000	\$ -	\$ -	\$ 33,905,000
Series 2017	47,510,000	-	925,000	46,585,000
Series 2018	3,732,000	-	285,000	3,447,000
Accrued Interest on Bonds				
Series 2007	28,716,213	3,220,975	2,500,000	29,437,188
Bond Issue Discount				
Series 2017	(185,378)	-	(13,190)	(172,188)
Series 2018	(35,120)	-	(6,050)	(29,070)
Developer Advance				
Debt Service	2,066,963	-	-	2,066,963
Capital	20,183,665	-	-	20,183,665
Accrued Interest on				
Debt Service	2,104,209	264,772	-	2,368,981
Capital	16,269,161	2,313,899	2,100,000	16,483,060
Funding Fee Payable	1,125,816	40,000	-	1,165,816
Total	\$ 155,392,529	\$ 5,839,646	\$ 5,790,760	\$ 155,441,415

The District has no outstanding operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2021 as defined under TABOR.

Debt Service Reserves

The Series 2007 Bonds are secured by funds to be held by the Trustee in the Reserves Funds of the amount equal to 3% of the outstanding principal.

The Series 2017 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$3,572,644.

The Series 2018 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$346,706.

This information is an integral part of the accompanying budget.

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 4
Property Taxes Reconciliation
2021

	Current Year								Prior Year			
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
								Monthly	Y-T-D		Monthly	Y-T-D
January	\$ 233.31	\$ -	\$ 11,048.52	\$ -	\$ (3.50)	-	\$ 11,278.33	0.01%	0.01%	\$ 11,020.50	0.00%	0.00%
February	156,645.91	(16,827.83)	14,302.16	-	(2,122.29)	-	151,997.95	7.33%	7.34%	169,599.20	8.48%	8.48%
March	121,511.87	1,098.00	12,385.44	123.62	(1,841.00)	-	133,277.93	5.69%	13.03%	370,982.79	19.43%	27.91%
April	1,593,446.51	-	15,322.22	-	(23,901.70)	-	1,584,867.03	74.60%	87.63%	681,809.59	36.32%	64.23%
May	15,542.70	-	13,395.47	266.95	(237.14)	-	28,967.98	0.73%	88.36%	93,113.10	4.20%	68.42%
June	145,438.51	-	11,206.03	401.94	(2,187.61)	-	154,858.87	6.81%	95.17%	559,021.84	29.53%	97.96%
July	42,418.92	-	11,902.02	88.98	(637.61)	-	53,772.31	1.99%	97.16%	18,591.83	0.27%	98.23%
August	8,711.10	-	14,350.24	178.31	(133.34)	-	23,106.31	0.41%	97.57%	16,629.55	0.19%	98.42%
September	27,183.52	-	15,695.61	1,107.63	(424.36)	-	43,562.40	1.27%	98.84%	13,531.64	0.03%	98.45%
October								0.00%	98.84%	12,382.35	0.00%	98.45%
November								0.00%	98.84%	-	0.00%	98.45%
December								0.00%	98.84%	32,709.41	1.41%	99.86%
	\$ 2,111,132.35	\$ (15,729.83)	\$ 119,607.71	\$ 2,167.43	\$ (31,488.55)	\$ -	\$ 2,185,689.11	98.84%	98.84%	\$ 1,979,391.80	99.86%	99.86%

Property Taxes

	Taxes Levied	% of Levied	Property Taxes Collected
General Fund	\$ 1,245,973.00	58.33%	\$ 1,222,318.55
Debt Service Fund	889,980.00	41.67%	873,083.97
	<u>\$ 2,135,953.00</u>	<u>100.00%</u>	<u>\$ 2,095,402.52</u>

Specific Ownership Taxes

General Fund	\$ 87,218.00	58.33%	\$ 69,771.19
Debt Service	62,299.00	41.67%	49,836.52
	<u>\$ 149,517.00</u>	<u>100.00%</u>	<u>\$ 119,607.71</u>

Treasurer's Fees

General Fund	\$ (18,690.00)	58.33%	\$ (18,368.33)
Debt Service	(13,350.00)	41.67%	(13,120.22)
	<u>\$ (32,040.00)</u>	<u>100.00%</u>	<u>\$ (31,488.55)</u>

Totals	
General	1,274,985.74
Debt Service	910,703.37
Total	2,185,689.11

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 5
Property Taxes Reconciliation
2021

	Current Year						Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ 0.28	\$ -	\$ 2,215.31	\$ -	\$ -	\$ 2,215.59	0.00%	0.00%	\$ 2,209.70	0.00%	0.00%
February	176,667.68	-	2,867.69	-	(2,650.02)	176,885.35	49.31%	49.31%	134,655.01	35.47%	35.47%
March	4,505.92	-	2,483.37	-	(67.59)	6,921.70	1.26%	50.57%	1,940.84	0.00%	35.47%
April	143.05	-	3,072.22	-	(2.15)	3,213.12	0.04%	50.61%	1,354.34	0.02%	35.49%
May	175,320.09	-	2,685.90	-	(2,629.80)	175,376.19	48.94%	99.54%	35,089.25	8.60%	44.09%
June	1,425.80	-	2,246.90	-	(21.39)	3,651.31	0.40%	99.94%	139,331.33	36.83%	80.92%
July	-	-	2,386.45	-	-	2,386.45	0.00%	99.94%	2,675.58	0.00%	80.92%
August	-	-	2,877.34	-	-	2,877.34	0.00%	99.94%	2,628.90	0.00%	80.92%
September	-	-	3,147.09	-	-	3,147.09	0.00%	99.94%	2,609.44	0.00%	80.92%
October							0.00%	99.94%	2,481.75	0.00%	80.92%
November							0.00%	99.94%	2,586.29	0.00%	80.92%
December							0.00%	99.94%	2,072.36	0.00%	80.92%
	\$ 358,062.82	\$ -	\$ 23,982.27	\$ -	\$ (5,370.95)	\$ 376,674.14	99.94%	99.94%	\$ 329,634.79	80.92%	80.92%

Property Tax

	Taxes Levied	% of Levied	Property Taxes Collected
General Fund	\$ 71,650.00	20.00%	\$ 71,608.37
Debt Service Fund	286,621.00	80.00%	286,454.45
	<u>\$ 358,271.00</u>	<u>100.00%</u>	<u>\$ 358,062.82</u>

Specific Ownership Tax

General Fund	\$ 5,015.00	20.00%	\$ 4,796.17
Debt Service	20,063.00	80.00%	19,186.10
	<u>\$ 25,078.00</u>	<u>100.00%</u>	<u>\$ 23,982.27</u>

Treasurer's Fees

General Fund	\$ (1,075.00)	20.00%	\$ (1,074.13)
Debt Service	(4,299.00)	80.00%	(4,296.82)
	<u>\$ (5,374.00)</u>	<u>100.00%</u>	<u>\$ (5,370.95)</u>

Totals	
General	75,330.41
Debt Service	301,343.73
Total	376,674.14

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 10
Property Taxes Reconciliation
2021

	Current Year										Prior Year		
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received		
								Monthly	Y-T-D		Monthly	Y-T-D	
B/fwd						3,265.88							
January	\$ -	\$ -	\$ 1,556.60	\$ -	\$ -	\$ (1,556.60)	\$ -	0.00%	0.00%	\$ 1,552.65	0.00%	0.00%	
February	81,381.13	-	2,015.00	-	(1,220.72)	(1,709.28)	80,466.13	28.63%	28.63%	8,657.80	30.75%	30.75%	
March	51,698.84	(10,942.87)	1,744.95	-	(643.11)	-	41,857.81	18.19%	46.82%	91,694.29	0.00%	30.75%	
April	53,446.37	-	2,158.71	-	(801.70)	-	54,803.38	18.80%	65.62%	48,061.12	31.06%	61.81%	
May	289.80	-	1,887.26	-	(4.35)	-	2,172.71	0.10%	65.72%	2,252.06	4.66%	66.47%	
June	97,390.49	-	1,578.78	-	(1,460.86)	-	97,508.41	34.26%	99.98%	118,743.07	19.64%	86.11%	
July	-	-	1,676.85	-	-	-	1,676.85	0.00%	99.98%	1,880.01	13.89%	100.00%	
August	-	(20,478.83)	2,021.77	-	263.68	18,193.38	-	0.00%	99.98%	-	0.00%	100.00%	
September	-	-	2,211.32	-	-	(2,211.32)	-	0.00%	99.98%	-	0.00%	100.00%	
October								0.00%	99.98%	-	0.00%	100.00%	
November								0.00%	99.98%	-	0.00%	100.00%	
December								0.00%	99.98%	-	0.00%	100.00%	
	\$ 284,206.63	\$ (31,421.70)	\$ 16,851.24	\$ -	\$ (3,867.06)	\$ 15,982.06	\$ 278,485.29	99.98%	99.98%	\$ 272,841.00	100.00%	100.00%	

Taxes Levied	% of Levied	Property Taxes Collected
--------------	-------------	--------------------------

Property Tax

General Fund	\$ 284,258.00	100.00%	\$ 284,206.63
	<u>\$ 284,258.00</u>	<u>100.00%</u>	<u>\$ 284,206.63</u>

Specific Ownership Tax

General Fund	\$ 19,898.00	100.00%	\$ 16,851.24
	<u>\$ 19,898.00</u>	<u>100.00%</u>	<u>\$ 16,851.24</u>

Treasurer's Fees

General Fund	\$ (4,264.00)	100.00%	\$ (3,867.06)
	<u>\$ (4,264.00)</u>	<u>100.00%</u>	<u>\$ (3,867.06)</u>

Totals	
General	297,190.81

No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures and changes in fund balances – governmental funds have been omitted.

November 5, 2021

Prairie Center Metropolitan District No. 3
c/o CliftonLarsonAllen LLP
8390 E. Crescent Pkwy, Suite 300
Greenwood Village, CO 80111

We are pleased to serve as the independent auditors for Prairie Center Metropolitan District No. 3 (“Client”) for the year ended December 31, 2021. This letter, together with the attached Terms and Conditions – Attest Engagements, confirms the terms of our engagement, and are collectively referred to herein as the “Letter” or the “Engagement Letter”.

Fees

Our fees for this engagement will be billed as work progresses, and progress billings may be submitted. Based upon our discussions with representatives of Client, the fee for this engagement will be \$4,700. Expenses for items such as travel, telephone, postage, clerical time, printing, and reproduction of financial statements are included in the fee. Our fee has been determined based on our understanding obtained through discussions with you regarding your preparation for the engagement and your current business operations. To the extent we encounter circumstances outside of our expectations that warrant additional procedures and time, we will communicate that fact and advise you of options and the additional fees necessary to complete the engagement. We expect payment of our billings within 30 days after submission.

Our fees for the services described below are based upon the value of the services performed and the time required by the individuals assigned to the engagement. Our fee estimate and completion of our work are based upon the following criteria:

1. Anticipated cooperation from Client personnel
2. Timely responses to our inquiries
3. Timely completion and delivery of client assistance requests
4. Timely communication of all significant accounting and financial reporting matters
5. The assumption that unexpected circumstances will not be encountered during the engagement.

If any of the aforementioned criteria are not met, then the fees may increase. Interim billings will be submitted as work progresses and as expenses are incurred.

Audit Scope and Objectives

We will audit Client’s financial statements, as of and for the year ended December 31, 2021, and the disclosures (collectively, the “financial statements”), and if applicable, supplementary information.

The objectives of our audit are to obtain reasonable assurance about whether Client's financial statements taken as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinion about whether Client's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America ("GAAP"). Reasonable assurance is a high level of assurance, but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America ("GAAS") will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they could influence the judgment of a reasonable user made based on the financial statements.

The supplementary information accompanying the financial statements will be subjected to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole.

The other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. As part of an audit in accordance with GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit.

An audit includes an evaluation of the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as an evaluation of the overall presentation of the financial statements, including the disclosures, to assess whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. To express an opinion, we are required to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to Client or to acts by management or employees acting on behalf of Client.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or government regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

In the conduct of our audit, we will obtain an understanding of Client and its environment, including internal control relevant to the audit, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under professional standards.

In performing our audit, we will consider and conclude whether, based on the audit evidence obtained, there are conditions or events, considered in the aggregate, which raise substantial doubt about Client's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of the physical existence of inventories, and direct confirmation of cash, receivables, loan balances, and certain assets and liabilities by correspondence with selected customers, funding sources, creditors, and financial institutions. We may also request written representations from your attorneys as part of the engagement, and they may submit an invoice for responding to this inquiry.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that management acknowledges and understands its responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with GAAP. Management is also responsible for making available to us drafts of financial statements, all financial records, and related information, and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). Management is also responsible for providing us with (1) access to all information of which it is aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within Client from whom we determine it necessary to obtain audit evidence.

Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting Client involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Management is also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting Client received in communications from employees, former employees, regulators, or others. In addition, management is responsible for identifying and ensuring that Client complies with applicable laws and regulations.

Management is responsible for the preparation of the supplementary information in conformity with GAAP. Management agrees to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. Management also agrees to include the audited financial statements with any presentation of the supplementary information that includes our report thereon.

We cannot perform management functions or make management decisions on behalf of Client. However, we may provide advice and recommendations to assist management in performing its functions and fulfilling its responsibilities. We may advise management about appropriate accounting principles and their application, but the responsibility for the financial statements remains with management.

At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters. Because of the importance of management's representations to an effective audit, Client agrees to release and indemnify Wipfli LLP ("Wipfli"), its partners, employees, agents, and assigns from any claim, liability, cost, or expense relating to our services under this Engagement Letter attributable in any respect to any knowing misrepresentation by management. The preceding sentence shall not apply and shall be of no effect in the event its application, in the judgment of any government body or regulatory agency, would impair our independence as your auditor.

Reporting

We will issue a written report upon completion of our audit of Client's financial statements. Our report will be addressed to the board of directors. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or withdraw from this engagement.

If Client intends to reproduce or publish these financial statements or any portion thereof, whether in paper or electronic form, subsequent to anticipated year-end filings, and make reference to our firm name in connection therewith, management agrees to provide us with proofs in sufficient time for our review and written approval before printing. If in our professional judgment the circumstances require, we may withhold our approval. Client agrees to compensate Wipfli for the time associated with such review.

Client acknowledges and agrees that any advice, recommendations, information, or work product provided to Client by Wipfli in connection with this engagement is for the sole use of Client and may not be relied upon by any third party. Wipfli has no liability or responsibility to any third parties as a result of this engagement.

Management Assistance

Assistance to be supplied by Client personnel, including the preparation of schedules and analysis of accounts, has been discussed with appropriate personnel. Timely completion of this work will facilitate the completion of our engagement.

Engagement Partner

Greg Livin will be your audit engagement partner.

Other Services

We may prepare (or assist in preparing) Client financial statements in conformity with GAAP based on information provided by management, but the responsibility for the financial statements remains with management.

Management agrees to assume all management responsibilities for these services; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Illegal Aliens

We certify that Wipfli LLP shall comply with the provisions of C.R.S. 8-17.5-101, et seq.

- A. *Employment or Contracting with Illegal Aliens.* We certify that Wipfli LLP does not knowingly employ or contract with an illegal alien to perform work under this engagement letter or will enter into a contract with a subcontractor that fails to certify to Wipfli LLP that such subcontractor does not knowingly employ or contract with an illegal alien to perform work under this engagement letter.
- B. *Verification Regarding Illegal Aliens.* We certify that Wipfli LLP has verified the employment eligibility of all employees who are newly hired for employment, to perform the work under this engagement letter, through participation in either the Electronic Employment Verification Program, or Employment Verification Program which is established pursuant to Section 8-17.5-102 (5)(c), C.R.S., (collectively referred to as "Verification Programs").
- C. *Limitation Regarding Verification Programs.* We agree that Wipfli LLP will use the Verification Programs to undertake pre-employment screening of job applicants while performing professional services on behalf of the District.
- D. *Duty to Terminate Subcontractor:* If Wipfli LLP obtains actual knowledge that a subcontractor performing work pursuant to this engagement letter knowingly employs or contracts with an illegal alien, Wipfli LLP shall:
 - (i) notify the subcontractor and the District within three (3) days that Wipfli LLP has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(ii) terminate the subcontract with the subcontractor if, within three (3) days of receiving notice required pursuant to C.R.S. 8-17.5-102(2)(b)(III)(A) that Wipfli LLP has actual knowledge that the subcontractor is employing or contracting with an illegal alien, the subcontractor does not stop employing or contracting with the illegal alien.

Wipfli LLP shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

- E. *Duty to Comply with Investigation.* Wipfli LLP shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation that the Colorado Department of Labor and Employment is undertaking pursuant to the authority established by C.R.S. 8-17.5-102(5).
- F. *Notification.* The District shall notify the office of the Colorado Secretary of State if Wipfli LLP violates a provision of C.R.S. 8-17.5-102(2), and the District terminates the engagement for such breach. The District will notify the Colorado Secretary of State if a court made such a determination.
- G. *Participation in Employment Verification Program.* Wipfli LLP shall notify the District of its participation in the Employment Verification Program and shall comply with the requirements of C.R.S § 8-17.5-102(5)(c).

Conclusion and Approval to Proceed

If the terms of this Engagement Letter are acceptable to you and the services outlined are in accordance with your requirements, please return a signed copy of this Letter to us.

We look forward to our continued association with you and management and appreciate the opportunity to serve you. Please do not hesitate to call us if you have any questions about the work we are to perform or any other aspect of the services we can provide.

Wipfli LLP

Wipfli LLP

ACCEPTED: [PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3](#)

By: _____

(Print Name and Title)

Date: _____

GHL/tp
Enc.

Cc: Mike Tamblyn, Board of Directors

Wipfli LLP
Engagement Letter
Terms and Conditions – Attest Engagements

1. Entire Agreement

These Terms and Conditions, together with the engagement letter (“Engagement Letter”) to which these Terms and Conditions are attached, and the Engagement Letter’s other appendixes, if any, constitute the entire agreement between the parties on the subject matter thereof and supersede and merge all prior proposals (including prior proposals of Wipfli regarding the engagement), understandings, and agreements (oral or written) between the parties relating to the subject matter, including, without limitation, the terms of any request for proposal issued to Client or the standard printed terms on any purchase order issued by Client. No modification, amendment, supplement to, or waiver of these Terms and Conditions or Engagement Letter shall be binding upon the parties unless made in writing and duly signed by both parties. To the greatest extent reasonably possible, the provisions of the Engagement Letter, its Appendixes (including these Terms and Conditions), and any other exhibit, attachment, schedule, or other document referenced in or by the Engagement Letter shall be read together and harmonized to give effect to the parties’ intent. In the event of a direct conflict between the Terms and Conditions and the provisions of an Engagement Letter issued by Wipfli, the Engagement Letter will apply.

2. Commencement and Term

An Engagement Letter shall become effective when signed by duly authorized representatives of both parties and shall remain in full force and effect until the services to be delivered under the Engagement Letter are complete (as reasonably determined by Wipfli) unless earlier terminated by either party as provided in the Engagement Letter or these Terms and Conditions. Each person executing an Engagement Letter on behalf of a party represents and warrants to the other that he or she has all power and authority to bind the party on whose behalf he or she is executing same.

3. Fee Estimates and Change Orders

Wipfli’s Engagement Letter may set forth certain ranges for Wipfli’s fees charged on any project or work. Wipfli provides fee estimates as an accommodation to Client. Unless otherwise indicated in the Engagement Letter, fee estimates shall not be construed as or deemed to be a minimum or maximum fee quotation. Although Wipfli reasonably believes suggested fee ranges are accurate, Wipfli’s actual fees may vary from its fee estimates.

If, during the course of Wipfli’s engagement, Wipfli determines that more work will be required than initially estimated, Wipfli will discuss, as soon as possible, the reasons with Client. Work that falls outside the agreed-upon scope of Wipfli’s engagement shall be covered by a Change Order. Service completion times are estimated and subject to change. Where applicable, all such estimates assume that Client’s hardware platform/computer system will, at the commencement of the services, be fully operable as intended and designed, functioning as necessary and available to Wipfli without material restriction for the duration of the services. Such estimates also include necessary and reasonable cooperation from client personnel.

Unless otherwise agreed in the Engagement Letter, miscellaneous expenses incurred by Wipfli in the course of performing the services will be charged in addition to Wipfli’s professional fees. Miscellaneous expenses may include, but are not limited to: travel, lodging, transportation, and meals for projects requiring travel; clerical processing; telecommunications charges; delivery expenses; and all sales, use, ad valorem, excise, or other taxes or other governmental charges.

4. Fees

Unless otherwise agreed, all invoices are due and payable within thirty (30) days of the invoice date. All business or commercial accounts will be charged interest at the lesser of one percent (1%) per month or the maximum rate permitted by law, except where prohibited by law, on Client’s balance due to Wipfli that is outstanding over thirty (30) days. At our discretion, work may be suspended if Client’s account becomes overdue and will not be resumed until Client’s account is paid in full. Client acknowledges and agrees that we are not required to continue work in the event of a failure to pay on a timely basis for services rendered as required. Client further acknowledges and agrees that in the event Wipfli stops work or withdraws from this engagement as a result of

Client’s failure to pay on a timely basis for services rendered as required by this Engagement Letter, Wipfli will not be liable to Client for any damages that occur as a result of our ceasing to render services.

In the event Client requests us to, or we are required to, respond to a subpoena, court order, government regulatory inquiries, or other legal process against Client or management for the production of documents and/or testimony relative to information Wipfli obtained and/or prepared during the course of this or any prior engagements, Client agrees to compensate us for all time we expend in connection with such response, at our regular rates, and to reimburse us for all related out-of-pocket costs that we incur.

5. Independent Contractor

The relationship between Wipfli and Client is solely and exclusively that of independently contracting parties.

6. Non-Exclusivity

No right of exclusivity is granted, guaranteed, or implied by Wipfli and Client entering into any Engagement Letter. Client acknowledges that Wipfli regularly performs the same or similar services as are being provided hereunder to third parties.

7. Privacy and Engagement Staffing

Wipfli expressly reserves the right to replace, in its sole discretion upon notice to Client, any of our professional project team members, as necessary, to provide quality and timely service to Client. From time to time, and depending upon circumstances, Wipfli may use third-party service providers, such as independent contractors, specialists, or vendors to assist us in providing professional services, including tax services. We may also use personnel from affiliates of Wipfli and other Wipfli-related entities (including our wholly-owned Indian subsidiary and contractors in the Philippines) or any of their respective affiliates. These entities and their personnel may be located within or outside the United States. In addition, Wipfli may utilize third-party service providers, including cloud-based service providers, who may collect, use, transfer, transmit, store, or otherwise process Client information in connection with the delivery of certain services. Wipfli is committed to maintaining the confidentiality and security of Client’s information, and accordingly, Wipfli maintains policies, procedures and safeguards to protect the confidentiality of Client information. In addition, our agreements with all service providers appropriately maintain and protect the confidentiality of Client information, provided we may use electronic media to transmit Client information and such use in itself will not constitute a breach of any confidentiality obligation. We remain responsible to Client for the supervision of all service providers, entities, and personnel who assist us in rendering professional services hereunder and for protecting the confidentiality of Client information. Client hereby consents and authorizes us to disclose Client information to the foregoing entities and parties for the purpose of providing professional services, including tax services, to Client.

Wipfli is committed to protecting personal information that can be linked to specific individuals, including health information (“Personal Data”) and will maintain such Personal Data in confidence in accordance with professional standards and governing laws. Client will not provide any Personal Data to Wipfli unless necessary to perform professional services described in the engagement letter. When providing any Personal Data to us, Client will comply with all applicable laws (both foreign and domestic) and will anonymize, mask, obfuscate, and/or de-identify, if reasonably possible, all Personal Data that is not necessary to perform the professional services described in the engagement letter. Any Personal Data provided to us by Client will be kept confidential and not disclosed to any third party not described above (parties providing us assistance in rendering professional services) unless expressly permitted by Client or required by law, regulation, legal process, or professional standards. Client is responsible for obtaining, pursuant to law or regulation, consents from parties that provided Client with their personal information, which will be obtained, used, and disclosed by Wipfli for its required purposes.

For additional information related to client personal information, please see Wipfli’s Privacy Statement located at www.wipfli.com/privacy-statement.

Wipfli LLP
Engagement Letter
Terms and Conditions – Attest Engagements

8. Wipfli Owners

Some persons who own an interest in Wipfli may not be licensed as Certified Public Accountants and may provide services related to this engagement.

9. Intellectual Property Rights

Client acknowledges that Wipfli owns all intellectual property rights, title, and interest to all information provided or developed throughout the duration of this engagement. Any use of this material, other than for the stated purposes in this Engagement Letter, is not authorized. In addition, Client shall not alter or remove any of Wipfli's trademarks, copyright registration marks, patent, or other intellectual property notices applicable to any of Wipfli's goods, marketing material, or advertising media, and shall not in any way alter any of Wipfli's products. Client shall promptly notify Wipfli in writing of any infringement of Wipfli's intellectual property by third parties of which Client becomes aware. Neither party shall acquire any right, title, or interest in or to the other party's code, data, business processes, or other information to which such party may have access during the term of the engagement hereunder. All such code, data, business process and other information shall be solely and exclusively the property of the originating party.

10. Governing Law

All agreements between Wipfli and Client for any service shall be governed by and construed in accordance with the internal laws of the state in which the Wipfli office which issues the Engagement Letter related to the services is located.

11. Severability

In the event that any term or provision of the Engagement Letter or these Terms and Conditions shall be held to be invalid, void, or unenforceable, then the remainder shall not be affected and each remaining term or condition shall be valid and enforceable to the fullest extent permitted by law.

12. Record Retention

We will retain records related to this engagement pursuant to our record retention policy. At the end of the relevant time period, we will destroy our records related to this engagement. However, original records will be returned to Client upon the completion of the engagement. When records are returned, it is Client's responsibility to retain and protect the records for possible future use, including potential examination by governmental or regulatory agencies.

13. Termination

An Engagement Letter may be terminated as follows: (i) by either party immediately upon written notice to the other if either party hereto becomes the subject of voluntary or involuntary bankruptcy or other insolvency proceeding, (ii) by Wipfli or Client if either party defaults in the performance of any of its covenants and agreements set forth in an Engagement Letter (except when such default is due to a cause beyond the control of the party) and such default is not cured within thirty (30) days after notice from either party specifying the nature of such default, and (iii) by Wipfli or Client with or without cause upon providing thirty (30) days written notice. Termination of an Engagement Letter shall have no effect on either party's obligation to pay any amount due and owing with respect to such periods prior to the effective date of such termination.

Wipfli has the right to withdraw from this engagement, at our discretion, if Client does not provide us with the information we request in a timely manner, refuses to cooperate with our reasonable requests, or misrepresents any facts. Our withdrawal will release us from any obligation to complete the engagement and will constitute completion of our engagement. Client agrees to compensate us for our time and out-of-pocket expenses through the date of our withdrawal.

14. Assignment

The Engagement Letter to which these Terms and Conditions are attached shall be binding on the parties hereto and their respective successors and assigns. Neither party may assign this Engagement Letter without prior written consent of the other, except that Wipfli may assign its rights and obligations under this Engagement Letter without the approval of Client to an entity that acquires all or substantially all of the assets of Wipfli or to any subsidiary or affiliate or successor in a merger, acquisition, or change of control of Wipfli; provided that in no event shall such assignment relieve Wipfli of its obligations under this Engagement Letter.

CERTIFICATION OF VALUATION BY ADAMS COUNTY ASSESSOR

Name of Jurisdiction: 302 - PRAIRIE CENTER METRO NO 3

IN ADAMS COUNTY ON 8/24/2021

New Entity: No

USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATIONS (5.5% LIMIT) ONLY
--

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2021 IN ADAMS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$6,390
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *	\$9,380
3. LESS TIF DISTRICT INCREMENT, IF ANY:	\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	\$9,380
5. NEW CONSTRUCTION: **	\$0
6. INCREASED PRODUCTION OF PRODUCING MINES: #	\$0
7. ANNEXATIONS/INCLUSIONS:	\$0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: #	\$0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b) C.R.S.): ##	\$0
10. TAXES COLLECTED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1))(a) C.R.S.):	\$0.00
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a) C.R.S.) and (39-10-114(1)(a)(l)(B) C.R.S.):	\$0.00

* This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec.20(8)(b), Colo.

** New construction is defined as: Taxable real property structures and the personal property connected with the structure.

Jurisdiction must submit respective certifications (Forms DLG 52 AND 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.

Jurisdiction must apply (Forms DLG 52B) to the Division of Local Government before the value can be treated as growth in the limit calculation.

USE FOR 'TAVOR' LOCAL GROWTH CALCULATIONS ONLY

IN ACCORDANCE WITH THE PROVISION OF ARTICLE X, SECTION 20, COLO CONST, AND 39-5-121(2)(b), C.R.S. THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2021 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2021

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @	\$1,671
ADDITIONS TO TAXABLE REAL PROPERTY:	
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS: !	\$0
3. ANNEXATIONS/INCLUSIONS:	\$0
4. INCREASED MINING PRODUCTION: %	\$0
5. PREVIOUSLY EXEMPT PROPERTY:	\$0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	\$0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT:	\$0

(If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.)

DELETIONS FROM TAXABLE REAL PROPERTY:

8. DESTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	\$0
9. DISCONNECTIONS/EXCLUSION:	\$0
10. PREVIOUSLY TAXABLE PROPERTY:	\$0

@ This includes the actual value of all taxable real property plus the actual value of religious, private schools, and charitable real property.

! Construction is defined as newly constructed taxable real property structures.

% Includes production from new mines and increases in production of existing producing mines.

IN ACCORDANCE WITH 39-5-128(1), C.R.S. AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS: 1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY:----->	\$0
--	-----

NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2021

Data Date: 8/24/2021

Ken Musso
ASSESSOR



Assessor's Office
4430 South Adams County Parkway
2nd Floor, Suite C2100
Brighton, CO 80601-8201
PHONE 720.523.6038
FAX 720.523.6037
www.adcogov.org

August 25, 2021

PRAIRIE CENTER METRO NO 3
SPECIAL DISTRICT MANAGEMENT SERVICES INC
Attn: ANN E FINN
141 UNION BLVD STE 150
LAKEWOOD CO 80228-1898

AUG 30 2021

To ANN E FINN:

Enclosed is the 2021 preliminary valuation. This valuation along with all other statutory requirements is on the enclosed form. A final certification of value will be sent out on or before December 10, 2021.

This value is subject to change by the County Board of Equalization, Board of Assessment Appeals and the State Board of Equalization as provided by law.

2021 UPDATE: House Bill 21-1312, increase the exemption threshold on personal property accounts from \$7,900 to \$50,000. This means all personal property accounts that have a value of \$7,901 or more, and below \$50,000 that were previously taxable are now exempt. The state will be reimbursing the lost revenue to all taxing entities. The last line of this Certification of Valuation has not been filled in for the preliminary Certification, but the amount will be provided on the December re-Certification.

Sincerely,

A handwritten signature in black ink, appearing to read 'KM', with a long horizontal flourish extending to the right.

Ken Musso
Adams County Assessor
KM/rmb

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2022

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SUMMARY
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

11/23/2021

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 5,513,797	\$ 7,042,272	\$ 6,558,700	\$ 6,558,700	\$ 7,397,971
REVENUES					
Add-on public improvement fees - DPI	1,993,449	2,050,000	1,676,718	2,300,000	2,415,000
Add-on permit fees - DPI	6,150	-	5,000	5,000	10,000
City reimbursement - Outfall Channel	258,123	-	23,678	45,952	50,000
Credit public improvement fees - PPI	1,947,186	1,995,000	1,679,142	2,250,000	2,362,000
Credit public improvement fees - PRI	486,797	499,000	419,785	562,500	590,500
Credit permit fees - PPI	6,150	-	5,000	5,000	10,000
Credit permit fees - PRI	1,538	-	1,250	1,250	2,500
Facilities fees	4,529	-	2,288	2,288	7,000
Interest income	36,365	16,000	2,013	2,750	6,000
Other revenue	201,884	-	5,255	5,255	-
Shared sales tax increment	494,484	470,000	-	500,000	525,000
Transfer from District No. 1	1,580,000	2,645,000	2,300,000	3,350,000	745,000
Transfer from District No. 4	1,979,392	2,253,430	2,185,689	2,248,595	2,305,643
Transfer from District No. 5	329,635	377,975	376,674	384,547	450,787
Transfer from District No. 10	272,841	299,892	278,485	246,383	263,150
Total revenues	<u>9,598,523</u>	<u>10,606,297</u>	<u>8,960,977</u>	<u>11,909,520</u>	<u>9,742,580</u>
TRANSFERS IN	<u>945,163</u>	<u>3,470,000</u>	<u>2,323,678</u>	<u>4,345,952</u>	<u>1,600,000</u>
Total funds available	<u>16,057,483</u>	<u>21,118,569</u>	<u>17,843,355</u>	<u>22,814,172</u>	<u>18,740,551</u>
EXPENDITURES					
General Fund	2,156,119	900,000	529,321	810,695	920,000
Debt Service Fund - PPI & DPI	5,349,866	5,750,000	1,154,128	6,089,256	6,690,000
Debt Service Fund - PRI	468,116	500,000	100,619	557,738	593,000
Capital Projects Fund	579,519	3,469,000	2,125,227	3,612,560	1,511,060
Total expenditures	<u>8,553,620</u>	<u>10,619,000</u>	<u>3,909,295</u>	<u>11,070,249</u>	<u>9,714,060</u>
TRANSFERS OUT	<u>945,163</u>	<u>3,470,000</u>	<u>2,323,678</u>	<u>4,345,952</u>	<u>1,600,000</u>
Total expenditures and transfers out requiring appropriation	<u>9,498,783</u>	<u>14,089,000</u>	<u>6,232,973</u>	<u>15,416,201</u>	<u>11,314,060</u>
ENDING FUND BALANCES	<u>\$ 6,558,700</u>	<u>\$ 7,029,569</u>	<u>\$ 11,610,382</u>	<u>\$ 7,397,971</u>	<u>\$ 7,426,491</u>
EMERGENCY RESERVE	\$ 92,300	\$ 130,100	\$ 117,900	\$ 149,600	\$ 73,300
2007 SUBORDINATE BONDS - REQ DEBT SERVICE	1,017,150	1,017,150	1,017,150	1,017,150	1,017,150
2017 SENIOR BONDS - REQ DEBT SERVICE	3,572,644	3,572,644	3,572,644	3,572,644	3,572,644
2018 SENIOR RESERVE	346,706	346,706	346,706	346,706	346,706
TOTAL RESERVE	<u>\$ 5,028,800</u>	<u>\$ 5,066,600</u>	<u>\$ 5,054,400</u>	<u>\$ 5,086,100</u>	<u>\$ 5,009,800</u>

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
PROPERTY TAX SUMMARY INFORMATION
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,**

11/23/2021

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
ASSESSED VALUATION					
State assessed	\$ 160	\$ 320	\$ 320	\$ 320	\$ 470
Vacant land	20	20	20	20	20
Personal property	3,090	6,050	6,050	6,050	8,890
Certified Assessed Value	<u>\$ 3,270</u>	<u>\$ 6,390</u>	<u>\$ 6,390</u>	<u>\$ 6,390</u>	<u>\$ 9,380</u>
MILL LEVY					
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
PROPERTY TAXES					
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
BUDGETED PROPERTY TAXES					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
GENERAL FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

11/23/2021

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 277,490	\$ 581,067	\$ 709,625	\$ 709,625	\$ 584,408
REVENUES					
Transfer from District No. 1	1,580,000	2,645,000	2,300,000	3,350,000	745,000
Transfer from District No. 4	1,154,645	1,314,501	1,274,986	1,311,515	1,344,958
Transfer from District No. 5	65,924	75,590	75,330	76,825	90,153
Transfer from District No. 10	272,841	299,892	278,485	246,383	263,150
Other revenue	201,884	-	755	755	-
Total revenues	<u>3,275,294</u>	<u>4,334,983</u>	<u>3,929,556</u>	<u>4,985,478</u>	<u>2,443,261</u>
Total funds available	<u>3,552,784</u>	<u>4,916,050</u>	<u>4,639,181</u>	<u>5,695,103</u>	<u>3,027,669</u>
EXPENDITURES					
General and administrative					
Accounting - recurring	85,325	88,200	58,749	82,000	90,000
Accounting - non-recurring project	13,867	18,000	-	5,000	5,000
Accounting - PIF collection fees	20,141	20,700	18,090	25,000	28,000
Audit	4,410	4,680	5,050	5,050	5,950
District management	16,954	38,700	16,646	25,000	35,000
District asset management	36,000	36,000	27,000	36,000	36,000
Dues and memberships	2,814	3,500	3,476	3,476	3,800
Insurance and bonds	33,873	40,000	40,269	40,269	45,000
Legal	35,129	54,000	13,901	25,000	35,000
Election expense	1,109	-	-	-	10,000
Miscellaneous/Contingency	8,792	19,220	1,265	2,500	17,250
Repayment of Developer advance	1,186,059	-	-	-	-
Eagle monument maintenance					
Electric - site lighting	22,753	22,000	13,726	23,000	23,000
Water feature maintenance	9,095	15,000	47,910	55,000	30,000
Electric - water pump	15,284	15,000	15,002	18,000	18,000
Operations and maintenance					
Detention pond maintenance	4,500	25,000	-	5,000	25,000
Electric - street lights, other	12,326	20,000	6,544	12,000	15,000
Landscaping	150,866	125,000	106,482	150,000	150,000
Street sweeping	11,978	15,000	8,550	11,400	15,000
Streets repairs and maintenance	239,445	200,000	21,226	130,000	175,000
Snow removal	114,777	130,000	125,435	150,000	150,000
Water and sewer	5,745	10,000	-	7,000	8,000
Site lighting	124,877	-	-	-	-
Total expenditures	<u>2,156,119</u>	<u>900,000</u>	<u>529,321</u>	<u>810,695</u>	<u>920,000</u>
TRANSFERS OUT					
Transfers to other fund	<u>687,040</u>	<u>3,470,000</u>	<u>2,300,000</u>	<u>4,300,000</u>	<u>1,550,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,843,159</u>	<u>4,370,000</u>	<u>2,829,321</u>	<u>5,110,695</u>	<u>2,470,000</u>
ENDING FUND BALANCES	<u>\$ 709,625</u>	<u>\$ 546,050</u>	<u>\$ 1,809,860</u>	<u>\$ 584,408</u>	<u>\$ 557,669</u>
EMERGENCY RESERVE	\$ 92,300	\$ 130,100	\$ 117,900	\$ 149,600	\$ 73,300
TOTAL RESERVE	<u>\$ 92,300</u>	<u>\$ 130,100</u>	<u>\$ 117,900</u>	<u>\$ 149,600</u>	<u>\$ 73,300</u>

No assurance provided. See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PPI & DPI
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

11/23/2021

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 5,337,825	\$ 5,433,668	\$ 5,561,711	\$ 5,561,711	\$ 5,786,545
REVENUES					
Add-on public improvement fees - DPI	1,993,449	2,050,000	1,676,718	2,300,000	2,415,000
Add-on permit fees - DPI	6,150	-	5,000	5,000	10,000
Credit public improvement fees - PPI	1,947,186	1,995,000	1,679,142	2,250,000	2,362,000
Credit permit fees - PPI	6,150	-	5,000	5,000	10,000
Facilities fees	4,529	-	2,288	2,288	7,000
Other revenue	-	-	4,500	4,500	-
Interest income	33,346	15,000	1,846	2,500	5,500
Shared sales tax increment	494,484	470,000	-	500,000	525,000
Transfer from District No. 4	824,747	938,929	910,703	937,080	960,685
Transfer from District No. 5	263,711	302,385	301,344	307,722	360,634
Total revenues	<u>5,573,752</u>	<u>5,771,314</u>	<u>4,586,541</u>	<u>6,314,090</u>	<u>6,655,819</u>
Total funds available	<u>10,911,577</u>	<u>11,204,982</u>	<u>10,148,252</u>	<u>11,875,801</u>	<u>12,442,364</u>
EXPENDITURES					
Bond interest - Series 2007	2,160,610	2,500,000	-	2,850,000	3,400,000
Bond interest - Series 2017	2,343,256	2,308,256	1,154,128	2,308,256	2,269,750
Bond principal - Series 2017	840,000	925,000	-	925,000	1,000,000
Miscellaneous/Contingency	-	10,744	-	-	14,250
Paying agent fees	6,000	6,000	-	6,000	6,000
Total expenditures	<u>5,349,866</u>	<u>5,750,000</u>	<u>1,154,128</u>	<u>6,089,256</u>	<u>6,690,000</u>
Total expenditures and transfers out requiring appropriation	<u>5,349,866</u>	<u>5,750,000</u>	<u>1,154,128</u>	<u>6,089,256</u>	<u>6,690,000</u>
ENDING FUND BALANCES	<u>\$ 5,561,711</u>	<u>\$ 5,454,982</u>	<u>\$ 8,994,124</u>	<u>\$ 5,786,545</u>	<u>\$ 5,752,364</u>
2007 SUBORDINATE BONDS - REQ DEBT SERVICE	\$ 1,017,150	\$ 1,017,150	\$ 1,017,150	\$ 1,017,150	\$ 1,017,150
2017 SENIOR BONDS - REQ DEBT SERVICE	3,572,644	3,572,644	3,572,644	3,572,644	3,572,644
TOTAL RESERVE	<u>\$ 4,589,794</u>	<u>\$ 4,589,794</u>	<u>\$ 4,589,794</u>	<u>\$ 4,589,794</u>	<u>\$ 4,589,794</u>

No assurance provided. See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
DEBT SERVICE FUND - PRI
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

11/23/2021

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ 477,741	\$ 427,947	\$ 500,979	\$ 500,979	\$ 507,241
REVENUES					
Interest income	3,019	1,000	167	250	500
Credit public improvement fees - PRI	486,797	499,000	419,785	562,500	590,500
Credit permit fees - PRI	1,538	-	1,250	1,250	2,500
Total revenues	<u>491,354</u>	<u>500,000</u>	<u>421,202</u>	<u>564,000</u>	<u>593,500</u>
Total funds available	<u>969,095</u>	<u>927,947</u>	<u>922,181</u>	<u>1,064,979</u>	<u>1,100,741</u>
EXPENDITURES					
Bond principal - Series 2018	260,000	285,000	-	330,000	395,000
Bond interest - Series 2018	204,616	200,000	97,119	194,238	177,325
Contingency	-	11,500	-	30,000	17,175
Debt Service					
Paying agent fees	3,500	3,500	3,500	3,500	3,500
Total expenditures	<u>468,116</u>	<u>500,000</u>	<u>100,619</u>	<u>557,738</u>	<u>593,000</u>
Total expenditures and transfers out requiring appropriation	<u>468,116</u>	<u>500,000</u>	<u>100,619</u>	<u>557,738</u>	<u>593,000</u>
ENDING FUND BALANCES	<u>\$ 500,979</u>	<u>\$ 427,947</u>	<u>\$ 821,562</u>	<u>\$ 507,241</u>	<u>\$ 507,741</u>
2018 SENIOR RESERVE	<u>\$ 346,706</u>	<u>\$ 346,706</u>	<u>\$ 346,706</u>	<u>\$ 346,706</u>	<u>\$ 346,706</u>
TOTAL RESERVE	<u>\$ 346,706</u>	<u>\$ 346,706</u>	<u>\$ 346,706</u>	<u>\$ 346,706</u>	<u>\$ 346,706</u>

No assurance provided. See summary of significant assumptions.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CAPITAL PROJECTS FUND
2022 BUDGET
WITH 2020 ACTUAL AND 2021 ESTIMATED
For the Years Ended and Ending December 31,

11/23/2021

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ (579,259)	\$ 599,590	\$ (213,615)	\$ (213,615)	\$ 519,777
REVENUES					
Total revenues	-	-	-	-	-
TRANSFERS IN					
Transfer from CPF - Stormwater	258,123	-	23,678	45,952	50,000
Transfers from GF	687,040	3,470,000	2,300,000	4,300,000	1,550,000
Total funds available	365,904	4,069,590	2,110,063	4,132,337	2,119,777
EXPENDITURES					
General and Administrative					
Accounting - recurring	9,481	9,800	-	-	-
Accounting - non-recurring project	1,539	2,000	-	-	-
Accounting - PIF collection fees	2,238	2,300	-	-	-
Audit	490	520	-	-	-
District management	1,961	4,300	-	-	-
Legal services	3,903	5,000	-	-	-
Miscellaneous/Contingency	-	227,980	-	-	-
Repayment of Developer advance - interest	500,000	2,100,000	2,100,000	3,100,000	800,000
PPI					
Retail Three - Streets	12,104	-	-	-	-
Village 5 Collector Roads	-	575,000	-	10,000	-
Village 5 Park	-	-	-	-	400,000
Village 5 Trail	-	-	-	-	250,000
Retail Four - Road Extension	6,144	-	-	-	-
Medical Center Drive	-	450,000	-	450,000	-
DPI					
Project management	6,146	47,000	-	18,500	26,000
Project management interest	35,452	45,000	25,184	34,000	35,000
PRI					
Project management interest	61	100	43	60	60
Total expenditures	579,519	3,469,000	2,125,227	3,612,560	1,511,060
Total expenditures and transfers out requiring appropriation	579,519	3,469,000	2,125,227	3,612,560	1,511,060
ENDING FUND BALANCES	\$ (213,615)	\$ 600,590	\$ (15,164)	\$ 519,777	\$ 608,717

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
 CAPITAL PROJECTS FUND STORMWATER
 2022 BUDGET
 WITH 2020 ACTUAL AND 2021 ESTIMATED
 For the Years Ended and Ending December 31,**

11/23/2021

	ACTUAL 2020	BUDGET 2021	ACTUAL 9/30/2021	ESTIMATED 2021	BUDGET 2022
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
City reimbursement - Outfall Channel	258,123	-	23,678	45,952	50,000
Total revenues	<u>258,123</u>	<u>-</u>	<u>23,678</u>	<u>45,952</u>	<u>50,000</u>
Total funds available	<u>258,123</u>	<u>-</u>	<u>23,678</u>	<u>45,952</u>	<u>50,000</u>
EXPENDITURES					
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT					
Transfers to CPF	<u>258,123</u>	<u>-</u>	<u>23,678</u>	<u>45,952</u>	<u>50,000</u>
Total expenditures and transfers out requiring appropriation	<u>258,123</u>	<u>-</u>	<u>23,678</u>	<u>45,952</u>	<u>50,000</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

Prairie Center Metropolitan District No. 3 (District) is a quasi-municipal corporation located within Adams County, Colorado and is governed pursuant to the provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District was organized in June 2006, concurrently with Prairie Center Metropolitan District Nos. 4 – 10, pursuant to their Service Plans, all of which were approved by the City of Brighton (City), Colorado on February 21, 2006, and by orders and decrees issued by the District Court in and for Adams County, Colorado, and as modified on November 13, 2006. Prairie Center Metropolitan Districts Nos. 1 and 2 (respectively, District No. 1 and District No. 2) were organized prior to the establishment of the District and have proceeded with development and construction of public improvements. In order to increase development flexibility and to avoid unfairly burdening existing development with the costs of public infrastructure required in future phases, District Nos. 3 – 10 were formed and several inclusions and exclusions of property were completed to generally locate properties in the Initial Planned Development planned for commercial/retail uses in District No. 4 and properties in the Initial Planned Development planned for residential uses in District No. 5. Subsequent to the formation of the District, the obligations of District No. 1 and District No. 2 were assumed by the District as were the assets constructed by those Districts, with the exception of improvements related to the London Mine Water Tunnel and Extension Tunnel Facility and the rights and obligations related to the operation of such Facility. Such rights and obligations were assumed by District No. 9 on January 1, 2008 and were conveyed by District No. 9 to a private entity in 2016. District No. 9 was dissolved in 2019.

The District was established to provide financing for the design, acquisition, installation, construction and completion of public improvements and services, including streets, transportation, drainage improvements, traffic and safety controls, park and recreation facilities, water, sewer, television relay and translators and mosquito and pest control services. The District is authorized to operate and maintain any improvements not otherwise conveyed to the City or other entities.

During elections held on May 2, 2006, a majority of the District's electors authorized general obligation indebtedness of \$6,790,000,000, for the above listed facilities, intergovernmental agreements and debt refunding. Additionally, on May 2, 2006, the District's voters authorized the District to collect, retain and expend all revenues in excess of TABOR spending, revenue raising or other limitations.

The Service Plans for District Nos. 2 – 10 limit the aggregate amount of debt that they may issue together with any debt issued by District No. 1 to \$750,000,000.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Credit Public Improvement Fees (Credit PIF)

A Comprehensive Agreement, entered into with the City of Brighton and other parties, allows the District to collect 1.25% Credit PIF, for which the City grants a credit against the municipal sales and use taxes that would otherwise be payable on sales and use tax transactions, for use towards Primary Public Improvements (PPI). Primary Public Improvements include major and minor arterial streets and related landscaping and trails, traffic signals, certain potable and non-potable water distribution lines, regional/community/neighborhood parks, trails, and open spaces. The maximum amount of PPI costs (“Cap Amount”) that the District can finance from the Credit PIF is approximately \$146 million.

Add-On Public Improvement Fees (Add-on PIF)

The Comprehensive Agreement also allows the District to collect 1% Add-On PIF to finance any other District Public Improvements.

Interest Income

Investment earned on the District’s available funds has been estimated based on historical interest earnings.

Transfers from Prairie Center Metropolitan District Nos. 1, 4, 5, and 10

Pursuant to a Capital Pledge Agreement with Prairie Center Metropolitan District Nos. 4 and 5 (Taxing Districts), the District will receive property taxes and specific ownership taxes collected by the Taxing Districts. The debt service tax revenues to be transferred from District Nos. 4 and 5 are pledged for the payment of principal and interest on bonds issued by the District. Further, pursuant to a Facilities Funding, Construction and Operations Agreement entered into by all Prairie Center Districts, District Nos. 4, 5 and 10 are obligated to remit to the District the tax revenues derived from Operation and Maintenance mill levy they imposed on properties within their respective Districts. The Operation and Maintenance tax revenues received by the District from District Nos. 4, 5 and 10 will be used to pay administrative expenditures incurred by all Districts. District No. 1 will transfer its property and specific ownership tax revenues, net of its own administrative expenditures, to District No. 3’s General Fund as consideration for the benefits derived from the public improvements constructed, operated and maintained by District No. 3 which benefit the service area of District No. 1.

City Reimbursement

Pursuant to an intergovernmental agreement with the City of Brighton, the District is to be reimbursed for Outfall Channel Improvements. According to the Agreement, the District’s costs for the design, financing and construction of the stormwater improvements are to be reimbursed by the City for certain stormwater impact fees.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Shared Sales Tax Increment

Pursuant to the Cooperation Agreement between the District, the City, and Brighton Urban Renewal Authority (Authority), collectively “the Parties”, if the taxable retail sales within the District are at least equal to \$150 million (but less than \$200 million) in any given calendar year, then the City shall be obligated to transfer to the Authority the applicable allocated increment amount which would be equal to 30% of the General Fund Sales Tax Incremental Revenues received by the City in that year, after the deduction of the City’s General Fund Sales Tax Base Amount and the appropriate share of costs and expenses. The Parties agree that no later than February 20 of each calendar year, the Authority shall remit to the District the allocated increment amount received by the Authority from the City.

Expenditures

General, Administrative and Operating Expenditures

General and administrative expenditures include the estimated costs of services necessary to maintain the District’s administrative viability such as legal, management, accounting, insurance and other administrative expenses. Estimated expenditures related to street repairs and maintenance, street lights, street sweeping, landscaping, mowing, parks and open space maintenance, utilities and snow removal were also included the General Fund budget.

Capital Outlay

The District anticipates infrastructure improvements during 2022 as reflected in the Capital Projects Fund.

Debt Service

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017A and 2017B Limited Property Tax Supported Revenue Bonds. A debt amortization schedule for Series 2018 Bonds has not been provided as additional principal is being paid, in increments of \$5,000, based on excess funds available over the current interest due. Additionally, the District anticipates to pay a portion of the accrued interest on the Series 2007 Subordinate Bonds based on the amount of funds available; therefore, a scheduled amortization has not been included in the budget.

Debt and Leases

In June 2007, the District issued Series 2007A Subordinate and Series 2007B Subordinate Bonds in the total amount of \$43,515,000. The Bonds are special limited obligations of the District secured by and payable from the pledged revenues, subject in all respects to the prior lien in favor of the Senior Bonds. The Series 2007A Subordinate Bonds, in the amount of \$40,610,000, are term bonds due on December 15, 2031, at an interest rate of 9.50%. The Series 2007B Subordinate Bonds, in the amount of \$2,905,000, are term bonds due December 15, 2031, at an interest rate of 8.75% through December 14, 2007, and 9.50% thereafter. A portion of the Series 2007A and 2007B were refunded on October 26, 2017 with the Series 2017 Bond issuance discussed below.

PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS

Debt and Leases - (continued)

On October 26, 2017, the District refunded the Limited Property Tax Supported Revenue Bonds, Series 2006A & 2006B (Series 2006 Bonds) and a portion of the Subordinate Limited Property Tax Supported Revenue Bonds, Series 2007A & 2007B (Series 2007 Bonds) by the issuance of \$49,275,000 Limited Property Tax Supported Revenue Bonds, Series 2017A & 2017B (Series 2017 Bonds). The Series 2017 Bonds, bear interest rates of 4.168% - 5.000% (2017A) and 5.000% (2017B) and mature on 2041, are payable semi-annually on June 15 and December 15. The Series 2017 Bonds were issued for the purpose of providing funds to refund all of the District's Series 2006 Bonds along with a portion of its Series 2007 Bonds and additionally paying the cost of issuance and establishing a Reserve Fund for the Series 2017 Bonds. The Series 2017 Bonds have been structured such that Pledged Revenues generated from Public Improvement Fees, Shared Sales Tax Incremental Revenues and the Shared General Fund Sales Tax Revenues (collectively, the "Shared Revenue") generally will be applied first, to costs of Primary Public Improvements, including payments of principal and interest due with respect to the Series 2017A Bonds and second, to payments of principal and interest due with respect to Bonds issued to finance District Public Improvements, including the Series 2017B Bonds, to the extent necessary to prevent deficiencies in amounts available to pay such Bonds.

The Series 2017 Bonds are tax supported special, limited revenue obligations of the District secured by and payable from pledged revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, revenues generated from the commercial and residential facilities fees imposed by Prairie Center Metropolitan Districts No. 4 (District No. 4), No. 5 (District No. 5) and No. 10 (District No. 10), and from the imposition by District No. 4 and District No. 5 of ad valorem property taxes not in excess of 50 mills subject to adjustment caused by changes in the method of determining assessed valuation by the State of Colorado, and the related specific ownership taxes.

On March 8, 2018, the District issued \$4,510,000 in Series 2018 Special Revenue Park and Recreation Improvements (PRI) Bonds. The Series 2018 Special Revenue PRI Bonds are term bonds due on December 15, 2042 at an interest rate of 5.125% and are payable on June 15 and December 15. The Series 2018 Bonds were issued for the purpose of providing funds to refund a portion of the Districts outstanding PRI Developer Advances and additionally paying the cost of issuance and establishing a Reserve Fund for the Series 2018 Bonds. The Series 2018 Bonds are special, limited revenue obligations of the District secured by and payable from Pledged Revenues, consisting of revenues attributable to privately imposed public improvement fees payable with respect to certain retail sales transactions and construction activities occurring within the development, revenues generated from the commercial and residential facilities fees imposed by Prairie Center Metropolitan Districts No. 4, No. 5, and No. 10.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

The following is an analysis of anticipated changes in the District's long-term obligations for the years ending December 31, 2021 and 2022.

	Balance - December 31,			Anticipated Balance - December 31,
	2020	Additions	Retirements	2021
Bonds Payable				
Series 2007	\$ 33,905,000	\$ -	\$ -	\$ 33,905,000
Series 2017	47,510,000	-	925,000	46,585,000
Series 2018	3,790,000	-	330,000	3,460,000
Accrued Interest on Bonds				
Series 2007	28,896,796	3,220,975	2,850,000	29,267,771
Bond Issue Discount				
Series 2017	(185,544)	-	(12,829)	(172,715)
Series 2018	(37,923)	-	(3,236)	(34,687)
Developer Advance				
Debt Service	2,066,963	-	-	2,066,963
Capital	21,183,665	-	-	21,183,665
Accrued Interest on				
Debt Service	2,104,209	264,772	-	2,368,981
Capital	20,183,665	2,238,473	3,100,000	19,322,138
Funding Fee Payable	1,116,692	212,000	-	1,328,692
Total	\$ 160,533,523	\$ 5,936,220	\$ 7,188,935	\$ 159,280,808

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
2022 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases - (continued)

	Anticipated			Anticipated
	Balance -			Balance -
	December 31,			December 31,
	2021	Additions	Retirements	2022
Bonds Payable				
Series 2007	\$ 33,905,000	\$ -	\$ -	\$ 33,905,000
Series 2017	46,585,000	-	1,000,000	45,585,000
Series 2018	3,460,000	-	395,000	3,065,000
Accrued Interest on Bonds				
Series 2007	29,267,771	3,220,975	3,400,000	29,088,746
Bond Issue Discount				
Series 2017	(172,715)	-	(12,615)	(160,100)
Series 2018	(34,687)	-	(3,224)	(31,463)
Developer Advance				
Debt Service	2,066,963	-	-	2,066,963
Capital	21,183,665	-	-	21,183,665
Accrued Interest on				
Debt Service	2,368,981	281,578	-	2,650,559
Capital	19,322,138	2,234,517	800,000	20,756,655
Funding Fee Payable	1,328,692	212,000	-	1,540,692
Total	<u>\$ 159,280,808</u>	<u>\$ 5,949,070</u>	<u>\$ 5,579,161</u>	<u>\$ 159,650,717</u>

The District has no outstanding operating or capital leases.

Reserves

Emergency Reserve

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022 as defined under TABOR.

Debt Service Reserves

The Series 2007 Bonds are secured by funds to be held by the Trustee in the Reserves Funds of the amount equal to 3% of the outstanding principal.

The Series 2017 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$3,572,644.

The Series 2018 Bonds are also secured by funds to be held by the Trustee in the Reserve Funds, in the required amount of \$346,706.

This information is an integral part of the accompanying budget.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$47,095,000			\$2,215,000			Totals		
	Limited Property Tax Supported Revenue Bonds, Series 2017A Dated October 26, 2017 Interest Rates: 4.168% - 5.000% Interest Payable June 15 and December 15 Principal Due December 15			Limited Property Tax Supported Revenue Bonds, Series 2017B Dated October 26, 2017 Interest Rate: 5.000% Interest Payable June 15 and December 15 Principal Due December 15					
	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 955,000	\$ 2,166,750	\$ 3,121,750	\$ 45,000	\$ 103,000	\$ 148,000	\$ 1,000,000	\$ 2,269,750	\$ 3,269,750
2023	1,015,000	2,127,356	3,142,356	50,000	100,750	150,750	1,065,000	2,228,106	3,293,106
2024	1,090,000	2,085,488	3,175,488	55,000	98,250	153,250	1,145,000	2,183,738	3,328,738
2025	1,165,000	2,040,525	3,205,525	55,000	95,500	150,500	1,220,000	2,136,025	3,356,025
2026	1,250,000	1,992,469	3,242,469	60,000	92,750	152,750	1,310,000	2,085,219	3,395,219
2027	1,325,000	1,940,906	3,265,906	65,000	89,750	154,750	1,390,000	2,030,656	3,420,656
2028	1,415,000	1,886,250	3,301,250	70,000	86,500	156,500	1,485,000	1,972,750	3,457,750
2029	1,515,000	1,815,500	3,330,500	75,000	83,000	158,000	1,590,000	1,898,500	3,488,500
2030	1,625,000	1,739,750	3,364,750	80,000	79,250	159,250	1,705,000	1,819,000	3,524,000
2031	1,735,000	1,658,500	3,393,500	85,000	75,250	160,250	1,820,000	1,733,750	3,553,750
2032	1,860,000	1,571,750	3,431,750	90,000	71,000	161,000	1,950,000	1,642,750	3,592,750
2033	1,975,000	1,478,750	3,453,750	100,000	66,500	166,500	2,075,000	1,545,250	3,620,250
2034	2,115,000	1,380,000	3,495,000	105,000	61,500	166,500	2,220,000	1,441,500	3,661,500
2035	2,250,000	1,274,250	3,524,250	110,000	56,250	166,250	2,360,000	1,330,500	3,690,500
2036	2,615,000	1,161,750	3,776,750	130,000	50,750	180,750	2,745,000	1,212,500	3,957,500
2037	2,780,000	1,031,000	3,811,000	140,000	44,250	184,250	2,920,000	1,075,250	3,995,250
2038	3,305,000	892,000	4,197,000	165,000	37,250	202,250	3,470,000	929,250	4,399,250
2039	3,675,000	726,750	4,401,750	180,000	29,000	209,000	3,855,000	755,750	4,610,750
2040	3,910,000	543,000	4,453,000	190,000	20,000	210,000	4,100,000	563,000	4,663,000
2041	6,950,000	347,500	7,297,500	210,000	10,500	220,500	7,160,000	358,000	7,518,000
	<u>\$ 44,525,000</u>	<u>\$ 29,860,244</u>	<u>\$ 74,385,244</u>	<u>\$ 2,060,000</u>	<u>\$ 1,351,000</u>	<u>\$ 3,411,000</u>	<u>\$ 46,585,000</u>	<u>\$ 31,211,244</u>	<u>\$ 77,796,244</u>

RESOLUTION NO. 2021 - 12 - ____
A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
TO ADOPT THE 2022 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Prairie Center Metropolitan District No. 3 (“District”) has appointed the District Accountant to prepare and submit a proposed 2022 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2021, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on December 1, 2021, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the District has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any interfund transfers listed therein, so as not to impair the operations of the District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Prairie Center Metropolitan District No. 3:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Prairie Center Metropolitan District No. 3 for the 2022 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 1nd day of December, 2021.

Secretary

(SEAL)

EXHIBIT A
(Budget)

I, Ann E. Finn, hereby certify that I am the duly appointed Secretary of the Prairie Center Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2022, duly adopted at a meeting of the Board of Directors of the Prairie Center Metropolitan District No. 3 held on December 1, 2021.

By: _____
Secretary

RESOLUTION NO. 2021-12-_____

**A RESOLUTION OF THE BOARD OF DIRECTORS OF
PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3
CALLING A REGULAR ELECTION FOR DIRECTORS
ON MAY 3, 2022**

A. The term of the office of Director Michael Tamblyn shall expire upon the election of his successor at the regular election, to be held on May 3, 2022 (“**Election**”), and upon such successor taking office.

B. Three (3) vacancies currently exist on the Board of Directors of the District.

C. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect one (1) Director to serve until the next regular election, to occur May 2, 2023, and three (3) Directors to serve until the second regular election, to occur May 6, 2025.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Prairie Center Metropolitan District No. 3 (the “**District**”) of the City of Brighton, Adams County, Colorado:

1. Date and Time of Election. The Election shall be held on May 3, 2022, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, one (1) Director shall be elected to serve until the next regular election, to occur May 2, 2023, and three (3) Directors shall be elected to serve until the second regular election, to occur May 6, 2025.

2. Precinct. The District shall consist of one (1) election precinct for the convenience of the eligible electors of the District.

3. Conduct of Election. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Designated Election Official. Ann E. Finn shall be the Designated Election Official and is hereby authorized and directed to proceed with any action necessary or appropriate to effectuate the provisions of this Resolution and of the Act, Code or other applicable laws. The Election shall be conducted in accordance with the Act, Code and other applicable laws. Among other matters, the Designated Election Official shall appoint election judges as necessary, arrange for the required notices of election (either by mail or publication) and printing of ballots, and direct that all other appropriate actions be accomplished.

5. Call for Nominations. The Designated Election Official shall provide Call for Nominations as required under Section 1-13.5-501, C.R.S., as applicable.

6. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, at 141 Union Blvd., Suite 150, Lakewood, Colorado 80228 between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 26, 2022).

7. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from the Designated Election Official for the District at 141 Union Blvd., Suite 150, Lakewood, Colorado 80228, 303-987-0835.

8. Cancellation of Election. If the only matter before the electors is the election of Directors of the District and if, at 5:00 P.M. on March 1, 2022, the sixty-third day prior to the regular election, there are not more candidates than offices to be filled at the Election, including candidates timely filing affidavits of intent, the Designated Election Official shall cancel the Election and declare the candidates elected. Notice of such cancellation shall be published and posted in accordance with law.

9. Severability. If any part or provision of this Resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this Resolution, it being the Board of Director's intention that the various provisions hereof are severable.

10. Repealer. All acts, orders and resolutions, or parts thereof, of the Board of Directors which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

11. Effective Date. The provisions of this Resolution shall take effect as of the date adopted and approved by the Board of Directors of the District.

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO RESOLUTION
CALLING A REGULAR ELECTION FOR DIRECTORS
ON MAY 3, 2022]**

RESOLUTION APPROVED AND ADOPTED on December 1, 2021.

**PRAIRIE CENTER METROPOLITAN
DISTRICT NO. 3**

By: _____
President

Attest:

Secretary

SERVICE AGREEMENT FOR ASPHALT WORK

THIS SERVICE AGREEMENT FOR ASPHALT WORK (“**Agreement**”) is entered into and effective as of the _____ day of _____, 2021, by and between **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **ALLIANCE COMMERCIAL MAINTENANCE SERVICES, INC.**, a Colorado corporation (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. The District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities and improvements in accordance with its service plan.

B. Pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District.

C. The Consultant has experience in providing the services, as set forth in **Exhibit A** hereto, attached and incorporated herein (the “**Services**”), and is willing to provide such Services to the District for reasonable consideration.

D. The Parties desire to enter into this Agreement to establish the terms by which the Consultant will provide the Services to the District.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

(a) Perform the Services, safely and in accordance with the highest standard of care, skill, and diligence provided by a professional consultant in performance of work similar to the Services.

(b) Be properly qualified to perform the Services. The Consultant does hereby warrant that the quality of the Services shall be as specified in this Agreement, shall conform in all respects to the requirements of this Agreement and shall be free of defects and deficiencies.

(c) Take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required under Section 4.2 hereof.

(d) Advise the District of the status of the Services required by this Agreement on a regular basis and work in coordination with the District's consultants to assure that the District has the most complete information available for the exercise of the District's powers and discretionary authority.

(e) Refrain from entering into any contract, oral or written, in the name of the District, and from incurring any debt, liability or obligation for or on behalf of the District. All obligations incurred by the Consultant shall be obligations of the Consultant and the Consultant shall hold the District harmless therefrom.

1.2 Limitations on Authority.

(a) The Consultant shall have no right or authority, expressed or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement or specifically authorized or ratified by the board of directors of the District as reflected in the minutes of the District board meetings. The Consultant shall at all times conform to the stated policies established and approved by the District.

(b) Independent Contractor Status. The Consultant is an independent contractor, as provided in Section 8-40-202(2)(b)(I)-(IV), C.R.S., as amended, and nothing herein contained shall constitute or designate the Consultant or any of its employees, agents, subcontractors or suppliers as employees of the District. The Services to be performed by the Consultant shall be at its sole cost, risk and expense, and no part of the cost thereof shall be charged to the District, except the payments to be made by the District to the Consultant for the Services performed as provided herein. The District shall not be responsible for the Consultant's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. **The Consultant is not entitled to workers' compensation benefits and the Consultant is obligated to pay federal and state income taxes on moneys earned pursuant to this Agreement.**

1.3 Compliance with Applicable Law. The Consultant shall provide the Services set forth herein in full compliance with all applicable laws, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction over the activities of the District.

1.4 No Right or Interest in District Assets. The Consultant shall have no right or interest in any of the District's assets, nor any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated herein.

1.5 Certification of Compliance with Illegal Alien Statute. By its execution hereof, the Consultant confirms and ratifies all of the certifications, statements, representations and warranties set forth in **Exhibit C** attached hereto and made a part hereof by this reference.

1.6 Work Product. "**Work Product**" shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain

reproducible copies of any test results and logs which it obtains and shall make them available for the District's use, and shall provide such copies to the District upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the District. If requested by the District, Consultant shall execute and deliver such documents as shall be necessary in the District's sole discretion, to assign, transfer and convey all rights in the Work Product to the District or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the District its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the District immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto on a time and materials basis, unless otherwise approved in advance by the District through a written change order in form substantially as attached hereto as **Exhibit D** ("Change Order").

2.2 Monthly Invoices and Payments. The Consultant shall submit to the District a monthly invoice, in a form acceptable to the District. Invoices shall be submitted and paid no more frequently than once a month.

2.3 Expenses. The Consultant is responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as set forth in **Exhibit B**, unless otherwise approved in advance by the District in writing.

2.4 Subject to Annual Budget and Appropriation; District Debt. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds is subject to annual budgeting and appropriation. Nothing herein constitutes or creates an indebtedness or debt of the District within the meaning of any Colorado constitutional provision or statutory limitation.

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on satisfactory completion of the Services. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

3.2 Termination. The District may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Consultant at least thirty (30) days prior to the effective date of such termination. The Consultant may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the District at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

The District shall pay the Consultant for all Services satisfactorily performed through the termination date.

IV. INDEMNIFICATION AND INSURANCE

4.1 Indemnification. The Consultant hereby agrees to indemnify, defend and hold the District and its affiliated entities or other persons or entities designated by the District, and their respective directors, trustees, officers, members, managers, agents and employees (collectively, the “**Indemnitees**”), harmless from any and all liability for damage, including, but not limited to, the reimbursement of attorneys’ fees and costs, arising out of death or bodily injury to persons or damage to property, in such amount that is represented by the degree or percentage of negligence or fault attributable to the Consultant and/or its agents, representatives, subcontractors, or suppliers.

4.2 Insurance Requirements. The Consultant shall procure, at its sole cost and expense, the insurance coverages set forth below, which insurance shall be placed with insurance companies rated at least “A:XIII” by A.M. Best Company. The Consultant shall give notice to the District at least thirty (30) days prior to the cancellation or nonrenewal of such policies. The Consultant shall give notice to the District within five (5) business days, or as soon as practicable, of any modification of any such policies. Consultant’s cost of maintaining the insurances required hereunder shall not be considered a reimbursable expense of the Consultant. The Consultant shall, upon request, promptly furnish the District with copies of policies obtained pursuant to this Section 4.2. Prior to commencing the Services, the Consultant shall furnish the District with certificates evidencing such insurance and provided further, however, with respect to the Workers’ Compensation Insurance required below, the Consultant must furnish to the District, prior to the commencement of any Services, duly executed and validated forms as prescribed by the state authority having jurisdiction evidencing that such insurance is in full force and effect. The District shall not pay any invoices until Consultant provides the certificates evidencing such insurance and Workers’ Compensation coverage.

(a) Liability Insurance Coverage.

(i) Workers’ Compensation Insurance. A Workers’ Compensation Insurance Policy in form and substance reasonably acceptable to the District and in an amount not less than the statutory benefits, including Employer’s Liability Insurance with limits of liability of not less than (i) \$500,000 for bodily injury by accident, each accident; (ii) \$500,000 for bodily injury by disease, each employee; and (iii) \$500,000 aggregate liability for disease. The Workers’ Compensation Insurance Policy, or an endorsement to such policy, must include a waiver of subrogation in favor of the District.

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the District, which policy shall include, without limitation, the District as an additional insured, a waiver of subrogation endorsement in favor of the District, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the

insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the District, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the District; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

(iii) Automobile Liability Insurance. An Automobile Liability Insurance Policy written on a per accident basis, in form and substance reasonably acceptable to the District. The Automobile Liability Insurance Policy must provide coverage for all owned, hired, rented and nonowned automobiles, and must include uninsured motorist coverages. The Automobile Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each accident for bodily injury and/or property damage.

(iv) Excess Liability Insurance. An Excess Liability Insurance Policy written in excess of the coverages provided by the insurance policies described in the preceding Subsections 4.2(a)(i) - (iii), in form and substance reasonably acceptable to the District, which policy will include the District as additional insured. The Excess Liability Insurance Policy must be written with a combined single limit of not less than \$1,000,000 for each occurrence of bodily injury/or property damage and annual aggregate.

(b) Failure to Obtain and Obligation to Maintain Insurance. If the Consultant fails to furnish and maintain insurance as required by this Section 4.2, the District may purchase such insurance on behalf of the Consultant and deduct the cost of such insurance premium(s) from the compensation otherwise owed to the Consultant, and the Consultant shall furnish to the District any information needed to obtain such insurance. Except as otherwise expressly provided herein, all insurance policies required by the terms of this section shall be kept in full force and effect until the date of final payment to the Consultant for the Services specified in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the foregoing insurance requirements are in no way intended to, and will not in any manner, limit or qualify the liabilities and/or indemnities assumed by the Consultant under or pursuant to this Agreement.

(c) Effect of Approval or Acceptance of Insurance. District acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

5.1 Assignment. The Consultant shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and of no effect.

5.2 Modification; Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Consultant unless the same is in writing and duly executed by the Parties.

5.3 Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

5.4 Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

5.5 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of Adams, Colorado.

5.6 Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

5.7 Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Consultant any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Consultant shall be for the sole and exclusive benefit of the District and the Consultant.

5.8 Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via FedEx or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Prairie Center Metropolitan District No. 3
c/o Special District Management Services, Inc.
141 Union Blvd., Suite 150
Lakewood, CO 80228
Phone: 303-987-0835
Email: afinn@sdmsi.com
Attn: Ann Finn

With a Copy To: McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203
Phone: (303) 592-4380
Email: legalnotices@specialdistrictlaw.com

To Consultant: Alliance Commercial Maintenance Services, Inc.
1385 S. Huron St.
Denver, CO 80223
Phone: 844-462-5542
Email: _____
Attn: James Cunningham

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with FedEx or other nationally recognized overnight air courier service, upon electronic confirmation of email transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

5.9 Default/Remedies. If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Agreement, and if such failure of performance continues for a period of thirty (30) days following written notice of default from the other Party (or such additional period of time as may reasonably be required to cure such default; provided that the curative action is commenced within such thirty (30) day period and is diligently and continuously pursued to completion), then the non-defaulting Party, at its option, may elect (i) to treat this Agreement as remaining in full force and effect; or (ii) terminate this Agreement as of any specified date. The non-defaulting Party shall additionally be entitled to exercise all remedies available at law or in equity. In the event of any litigation or other proceeding to enforce the terms, covenants or conditions hereof, the non-defaulting Party in any such litigation or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.10 Instruments of Further Assurance. Each Party covenants it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

5.12 Non-Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. Notwithstanding any provision to the contrary in this Agreement, no term or condition of this Agreement shall be construed or interpreted as a waiver, either expressed or implied, of any of the immunities, rights, benefits or protection provided to the District under the Colorado Governmental Immunity Act.

5.13 Inurement. This Agreement shall inure to and be binding on the heirs, executors, administrator, successors, and permitted assigns of the Parties hereto.

5.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

5.15 Conflicts. If any term or provision(s) in any Exhibit attached as part of this Agreement conflicts with any term or provision(s) in the body of this Agreement, the term or provision(s) contained in the body of this Agreement shall control.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT FOR ASPHALT WORK]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Consultant:
**ALLIANCE COMMERCIAL
MAINTENANCE SERVICES, INC.**
By: _____
Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by _____, as _____ of Alliance Commercial Maintenance Services, Inc.

Witness my hand and official seal.

My commission expires: _____

Notary Public

District:
**PRAIRIE CENTER METROPOLITAN
DISTRICT NO. 3**
By: _____
President

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Mike Tamblyn, as President of Prairie Center Metropolitan District No. 3.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A/B
SCOPE OF SERVICES/COMPENSATION

Parking Lot Maintenance		
Asphalt 2" Milling & Repaving, Concrete Removal & Asphalt Repave, Crack Sealing		
Scope of Work	Total	Estimate
<p>Remove and Replace Asphalt - Milling of estimated amount of asphalt (approximately 2") includes removal of 2" of asphalt, hauling material off site, and broom clean-up. Includes (1) mobilization/phases with additional phasing to be charged at Owners expense. Asphalt Overlay (2" depth) includes cleaning existing asphalt thoroughly and apply CSS-IH tack coat to ensure bonding. Haul, place and compact total estimated amount of new hot Grade SX asphalt with 20% RAP. Includes two (2) phases with additional phasing to be charged at Owners expense. Includes 8475 SF of full depth (up to 6") removal & replacement of asphalt. Includes all permitting, traffic control plans, and bonding per city requirements.</p>	2" Mill & Repave	
	63013	\$ 119,190.00
	6" Remove & Replace	
	8475	\$ 38,040.00
<p>Concrete Drainpan Installation- Full depth removal of 6" of estimated amount of Concrete includes removal of 6" of concrete, hauling material off site, and broom clean-up. Prep and grade subgrade to resolve any previously existing issues. Includes (1) mobilization/phases with additional phasing to be charged at Owners expense. Haul, place and compact total estimated amount of new hot Grade SX asphalt with 20% RAP. Includes one (1) phase with additional phasing to be charged at Owners expense.</p>		\$ 9,865.00
<p>Crack Sealing Parking Areas - Blow out all cracks 1/4" or larger with compressed air. Apply hot asphalt emulsion to all cracks 1/4" or larger. Settling of hot rubberized asphalt emulsion may occur, however it doesn't affect performance. the quantity described above does not include alligatored areas. Includes (5) Mobilizations, each additional mobilization \$1500.00</p> <p><i>Estimate is not to exceed total with a minimum usage amount of \$1500.00. If contractor sealant usage is below estimated amount customer will be credited that amount of unit price per pound. If additional sealant is needed contractor must obtain written approval from customer to be billed additional material usage at unit price per pound.</i></p>	Lbs 12000 Price per Lb. \$ 1.90	\$ 22,800.00
Total \$		189,895.00

Scope Map
Asphalt 2" Milling & Repave Locations



Concrete Installation

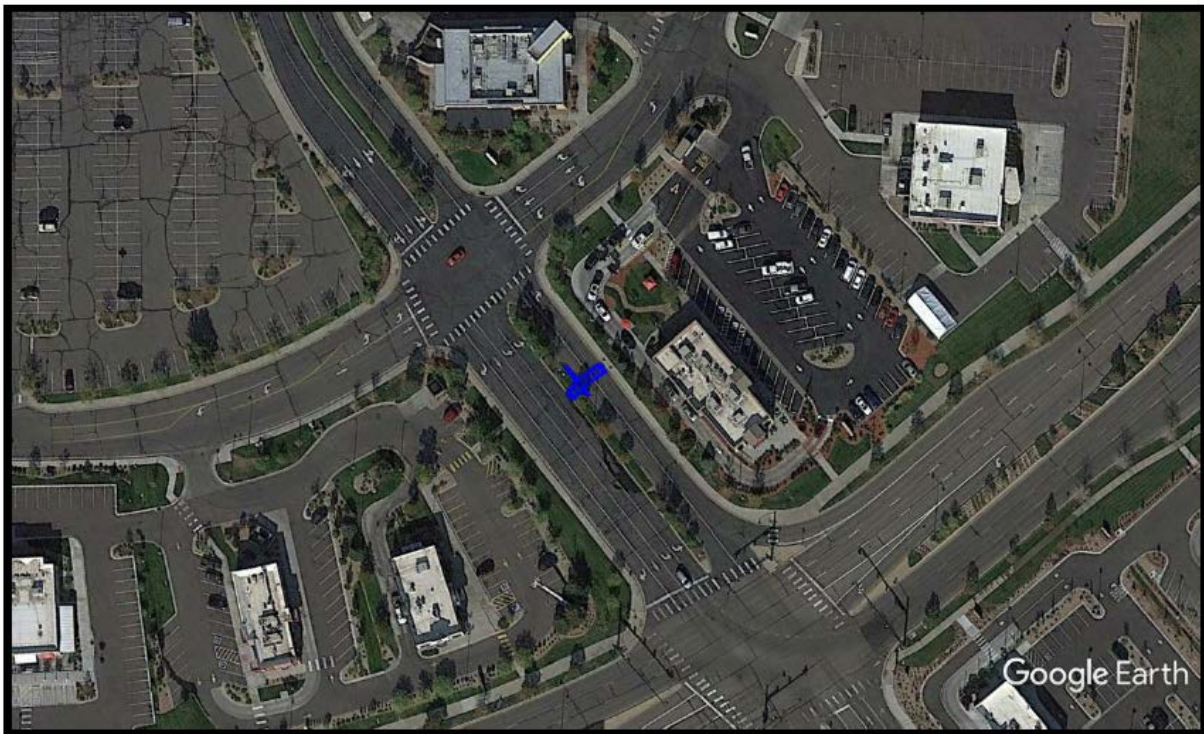


EXHIBIT C
CERTIFICATION OF CONSULTANT

1. Pursuant to the requirements of Section 8-17.5-102(1), C.R.S., the Consultant hereby certifies to the District that the Consultant does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that it will participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of the Consultant who are newly hired to perform work under the Agreement.

2. In accordance with Section 8-17.5-102(2)(a), C.R.S., the Consultant shall not:

(a) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or

(b) Enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

3. The Consultant represents and warrants it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

4. The Consultant is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

5. If the Consultant obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Consultant shall:

(a) Notify the subcontractor and the District within three (3) days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

6. The Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment (“**Department**”) made in the course of an investigation that the Department is undertaking, pursuant to the law.

7. If the Consultant violates any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Agreement immediately and the Consultant shall be liable to the District for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Consultant to the Colorado Secretary of State, as required by law.

EXHIBIT D

FORM OF CHANGE ORDER

Change Order No:	Date Issued:
Name of Agreement: Service Agreement for Asphalt Work	
Date of Agreement:	District(s): Prairie Center Metropolitan District No. 3
Other Party/Parties:	

CHANGE IN SCOPE OF SERVICES (describe):

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$ _____	Original Term: Expires _____, 20__
Increase of this Change Order: \$ _____	New Term: Expires _____, 20__
Price with all Approved Change Orders: \$ _____	Agreement Time with all Approved Change Orders:

APPROVED:
By: _____
District

APPROVED:
By: _____
Consultant

**SERVICE AGREEMENT FOR
DETENTION POND MAINTENANCE SERVICES**

THIS SERVICE AGREEMENT FOR DETENTION POND MAINTENANCE SERVICES (“**Agreement**”) is effective as of the ____ day of May, 2021, by and between **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **PINNACLE LANDSCAPING** a _____ (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. The District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities and improvements in accordance with its service plan.

B. Pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District.

C. The Consultant has experience in providing the services, as set forth in **Exhibit A** hereto, attached and incorporated herein (the “**Services**”), and is willing to provide such Services to the District for reasonable consideration.

D. The Parties desire to enter into this Agreement to establish the terms by which the Consultant will provide the Services to the District.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

(a) Perform the Services, safely and in accordance with the highest standard of care, skill, and diligence provided by a professional consultant in performance of work similar to the Services.

(b) Be properly qualified to perform the Services. The Consultant does hereby warrant that the quality of the Services shall be as specified in this Agreement, shall conform in all respects to the requirements of this Agreement and shall be free of defects and deficiencies.

(c) Take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required under Section 4.2 hereof.

(d) Advise the District of the status of the Services required by this Agreement on a regular basis and work in coordination with the District's consultants to assure that the District has the most complete information available for the exercise of the District's powers and discretionary authority.

(e) Refrain from entering into any contract, oral or written, in the name of the District, and from incurring any debt, liability or obligation for or on behalf of the District. All obligations incurred by the Consultant shall be obligations of the Consultant and the Consultant shall hold the District harmless therefrom.

1.2 Limitations on Authority.

(a) The Consultant shall have no right or authority, expressed or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement or specifically authorized or ratified by the board of directors of the District as reflected in the minutes of the District board meetings. The Consultant shall at all times conform to the stated policies established and approved by the District.

(b) Independent Contractor Status. The Consultant is an independent contractor, as provided in Section 8-40-202(2)(b)(I)-(IV), C.R.S., as amended, and nothing herein contained shall constitute or designate the Consultant or any of its employees, agents, subcontractors or suppliers as employees of the District. The Services to be performed by the Consultant shall be at its sole cost, risk and expense, and no part of the cost thereof shall be charged to the District, except the payments to be made by the District to the Consultant for the Services performed as provided herein. The District shall not be responsible for the Consultant's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. **The Consultant is not entitled to workers' compensation benefits and the Consultant is obligated to pay federal and state income taxes on moneys earned pursuant to this Agreement.**

1.3 Compliance with Applicable Law. The Consultant shall provide the Services set forth herein in full compliance with all applicable laws, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction over the activities of the District.

1.4 No Right or Interest in District Assets. The Consultant shall have no right or interest in any of the District's assets, nor any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated herein.

1.5 Certification of Compliance with Illegal Alien Statute. By its execution hereof, the Consultant confirms and ratifies all of the certifications, statements, representations and warranties set forth in **Exhibit C** attached hereto and made a part hereof by this reference.

1.6 Work Product. "**Work Product**" shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain reproducible copies of any test results and logs which it obtains and shall make them available

for the District's use, and shall provide such copies to the District upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the District. If requested by the District, Consultant shall execute and deliver such documents as shall be necessary in the District's sole discretion, to assign, transfer and convey all rights in the Work Product to the District or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the District its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the District immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto on a time and materials basis, unless otherwise approved in advance by the District through a written change order in form substantially as attached hereto as **Exhibit D** ("Change Order").

2.2 Monthly Invoices and Payments. The Consultant shall submit to the District a monthly invoice, in a form acceptable to the District. Invoices shall be submitted and paid no more frequently than once a month.

2.3 Expenses. The Consultant is responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as set forth in **Exhibit B**, unless otherwise approved in advance by the District in writing.

2.4 Subject to Annual Budget and Appropriation; District Debt. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds is subject to annual budgeting and appropriation. Nothing herein constitutes or creates an indebtedness or debt of the District within the meaning of any Colorado constitutional provision or statutory limitation.

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on upon completion of the work. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

3.2 Termination. The District may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Consultant at least thirty (30) days prior to the effective date of such termination. The Consultant may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the District at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

The District shall pay the Consultant for all Services satisfactorily performed through the termination date.

IV. INDEMNIFICATION AND INSURANCE

4.1 Indemnification. The Consultant hereby agrees to indemnify, defend and hold the District and its affiliated entities or other persons or entities designated by the District, and their respective directors, trustees, officers, members, managers, agents and employees (collectively, the “**Indemnitees**”), harmless from any and all liability for damage, including, but not limited to, the reimbursement of attorneys’ fees and costs, arising out of death or bodily injury to persons or damage to property, in such amount that is represented by the degree or percentage of negligence or fault attributable to the Consultant and/or its agents, representatives, subcontractors, or suppliers.

4.2 Insurance Requirements. The Consultant shall procure, at its sole cost and expense, the insurance coverages set forth below, which insurance shall be placed with insurance companies rated at least “AXIII” by A.M. Best Company. The Consultant shall give notice to the District at least thirty (30) days prior to the cancellation or nonrenewal of such policies. The Consultant shall give notice to the District within five (5) business days, or as soon as practicable, of any modification of any such policies. Consultant’s cost of maintaining the insurances required hereunder shall not be considered a reimbursable expense of the Consultant. The Consultant shall, upon request, promptly furnish the District with copies of policies obtained pursuant to this Section 4.2. Prior to commencing the Services, the Consultant shall furnish the District with certificates evidencing such insurance and provided further, however, with respect to the Workers’ Compensation Insurance required below, the Consultant must furnish to the District, prior to the commencement of any Services, duly executed and validated forms as prescribed by the state authority having jurisdiction evidencing that such insurance is in full force and effect. The District shall not pay any invoices until Consultant provides the certificates evidencing such insurance and Workers’ Compensation coverage.

(a) Liability Insurance Coverage.

(i) Workers’ Compensation Insurance. A Workers’ Compensation Insurance Policy in form and substance reasonably acceptable to the District and in an amount not less than the statutory benefits, including Employer’s Liability Insurance with limits of liability of not less than (i) \$500,000 for bodily injury by accident, each accident; (ii) \$500,000 for bodily injury by disease, each employee; and (iii) \$500,000 aggregate liability for disease. The Workers’ Compensation Insurance Policy, or an endorsement to such policy, must include a waiver of subrogation in favor of the District.

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the District, which policy shall include, without limitation, the District as an additional insured, a waiver of subrogation endorsement in favor of the District, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other

insurance maintained by or available to the District, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the District; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

(iii) Automobile Liability Insurance. An Automobile Liability Insurance Policy written on a per accident basis, in form and substance reasonably acceptable to the District. The Automobile Liability Insurance Policy must provide coverage for all owned, hired, rented and non-owned automobiles, and must include uninsured motorist coverages. The Automobile Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each accident for bodily injury and/or property damage.

(iv) Excess Liability Insurance. An Excess Liability Insurance Policy written in excess of the coverages provided by the insurance policies described in the preceding Subsections 4.2(a)(i) - (iii), in form and substance reasonably acceptable to the District, which policy will include the District as additional insured. The Excess Liability Insurance Policy must be written with a combined single limit of not less than \$1,000,000 for each occurrence of bodily injury/or property damage and annual aggregate.

(b) Failure to Obtain and Obligation to Maintain Insurance. If the Consultant fails to furnish and maintain insurance as required by this Section 4.2, the District may purchase such insurance on behalf of the Consultant and deduct the cost of such insurance premium(s) from the compensation otherwise owed to the Consultant, and the Consultant shall furnish to the District any information needed to obtain such insurance. Except as otherwise expressly provided herein, all insurance policies required by the terms of this section shall be kept in full force and effect until the date of final payment to the Consultant for the Services specified in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the foregoing insurance requirements are in no way intended to, and will not in any manner, limit or qualify the liabilities and/or indemnities assumed by the Consultant under or pursuant to this Agreement.

(c) Effect of Approval or Acceptance of Insurance. District acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

5.1 Assignment. The Consultant shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and of no effect.

5.2 Modification; Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the Consultant unless the same is in writing and duly executed by the Parties.

5.3 Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

5.4 Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

5.5 Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of Adams, Colorado.

5.6 Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

5.7 Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the Consultant any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the Consultant shall be for the sole and exclusive benefit of the District and the Consultant.

5.8 Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via Federal Express or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Prairie Center Metropolitan District No. 3
c/o Special District Management Service, Inc.
141 Union Blvd., Suite 150
Lakewood, CO 80228
Phone: 303-987-0835
Fax: 303-987-2032
Email: afinn@sdmsi.com
Attn: Ann Finn

With a Copy To: McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Phone: (303) 592-4380
Fax: (303) 592-4385
Email: mmcgeady@specialdistrictlaw.com
Attn: MaryAnn M. McGeady

To Consultant: Pinnacle Landscaping
13431 Sable Blvd.
Brighton, CO 80601
Phone: 303-287-1010
Fax: _____
Email: _____
Attn: _____

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with Federal Express or other nationally recognized overnight air courier service, upon electronic confirmation of email transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

5.9 Default/Remedies. If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Agreement, and if such failure of performance continues for a period of thirty (30) days following written notice of default from the other Party (or such additional period of time as may reasonably be required to cure such default; provided that the curative action is commenced within such thirty (30) day period and is diligently and continuously pursued to completion), then the non-defaulting Party, at its option, may elect (i) to treat this Agreement as remaining in full force and effect; or (ii) terminate this Agreement as of any specified date. The non-defaulting Party shall additionally be entitled to exercise all remedies available at law or in equity. In the event of any litigation or other proceeding to enforce the terms, covenants or conditions hereof, the non-defaulting Party in any such litigation or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.10 Instruments of Further Assurance. Each Party covenants it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts,

instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

5.12 Non-Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. Notwithstanding any provision to the contrary in this Agreement, no term or condition of this Agreement shall be construed or interpreted as a waiver, either expressed or implied, of any of the immunities, rights, benefits or protection provided to the District under the Colorado Governmental Immunity Act.

5.13 Inurement. This Agreement shall inure to and be binding on the heirs, executors, administrator, successors, and permitted assigns of the Parties hereto.

5.14 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

5.15 Conflicts. If any term or provision(s) in any Exhibit attached as part of this Agreement conflicts with any term or provision(s) in the body of this Agreement, the term or provision(s) contained in the body of this Agreement shall control.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first above written.

Consultant:
PINNACLE LANDSCAPING

By: _____
Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by _____, as _____ of _____.

Witness my hand and official seal.

My commission expires: _____

Notary Public

District:
PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

By: _____
President

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Michael Tamblyn, as President of Prairie Center Metropolitan District No. 3.

Witness my hand and official seal.

My commission expires: _____

Notary Public

**EXHIBIT A AND B
SCOPE OF SERVICES/ COMPENSATION**



13431 SABLE BLVD. BRIGHTON, CO 80601
 OFFICE: 303-287-1010 FAX: 303-655-8630

BID/CONTRACT

Date: May-11-2021

Estimate is good for 30 Days

Name / Address
Prairie Center Metropolitan Dist #3 c/o T.H.F. Realty 16888 E. 144th Ave. Brighton, Colorado 80601 ATTN: Mike Tamblyn

Description	Qty	Cost	Total
Drain (2) ponds and all wiers, remove cattails and debris, remove (6) submersible pumps from pump vault sand blast, re-paint and re-install, replace all anchor bolts and nuts, concrete exposed membrane on weirs to direct water flow thru proper chanals, remove pond grate sand blast and paint, Replace pea gravel and cobble stone where needed. Power wash and paint walls as needed, refill and treat water.			\$ 39,500.00

TOTAL: \$ 39,500.00



13431 SABLE BLVD. BRIGHTON, CO 80601
OFFICE: 303-287-1010 FAX: 303-655-8630

BID/CONTRACT

Date: May-11-2021

Estimate is good for 30 Days

Down payment at acceptance of contract. \$.00. Balance due at completion of job. \$39,500.00.

All material is guaranteed to be as specified. All work to be completed in a workman like manner according to standard practices. Any alterations or deviation from the above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner is to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance. Sod, trees, and plants are priced to include a one-year warranty/one-time replacement, unless otherwise stated in the contract. One-year warranty included with the installation of the irrigation system. Pinnacle landscaping and xeriscaping is not responsible for compaction failure and/or sinkage pertaining to soils throughout landscaped areas and and foundation back fill areas.

Authorized Signature: _____ Date _____

Acceptance of proposal - the above parts, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Authorized Signature: _____ Date _____

EXHIBIT C
CERTIFICATION OF CONSULTANT

1. Pursuant to the requirements of Section 8-17.5-102(1), C.R.S., the Consultant hereby certifies to the District that the Consultant does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that it will participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of the Consultant who are newly hired to perform work under the Agreement.

2. In accordance with Section 8-17.5-102(2)(a), C.R.S., the Consultant shall not:

(a) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or

(b) Enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

3. The Consultant represents and warrants it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

4. The Consultant is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

5. If the Consultant obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Consultant shall:

(a) Notify the subcontractor and the District within three (3) days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

6. The Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment (“**Department**”) made in the course of an investigation that the Department is undertaking, pursuant to the law.

7. If the Consultant violates any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Agreement immediately and the Consultant shall be liable to the District for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Consultant to the Colorado Secretary of State, as required by law.

EXHIBIT D

FORM OF CHANGE ORDER

Change Order No:	Date Issued:
Name of Agreement:	
Date of Agreement:	District(s):
Other Party/Parties:	

CHANGE IN SCOPE OF SERVICES (describe):

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$	Original Term: Expires , 20
Increase of this Change Order: \$	New Term: Expires , 20
Price with all Approved Change Orders: \$	Agreement Time with all Approved Change Orders:

APPROVED:

By: _____

District

APPROVED:

By: _____

Consultant



141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898
303-987-0835 • Fax: 303-987-2032

MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski
Executive Vice-President

DATE: August 31, 2021

RE: Notice of 2022 Rate Increase

A handwritten signature in blue ink that reads "Christel Gemski".

In accordance with the Management Agreement (“Agreement”) between the District and Special District Management Services, Inc. (“SDMS”), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by the CPI (5.28%) per hour.

We hope you will understand that it is necessary to increase our rates due to increasing gas and operating costs along with new laws and rules implemented by our legislature.