

# 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 REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Michael Tamblyn	President	2025/May 2025
<b>VACANT</b>		2023/May 2023
<b>VACANT</b>		2023/May 2023
<b>VACANT</b>		2025/May 2023
<b>VACANT</b>		2025/May 2023
Ann E. Finn	Secretary	

DATE: December 7, 2022

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/87490742020?pwd=S0s5Yjh6K3M3azRUUTNVR01Ba1p1QT09>

Meeting ID: 874 9074 2020

Passcode: 599857

Dial In: 1-719-359-4580

One tap mobile

+17193594580,,87490742020#,,,,\*599857# US

### I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

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

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C. Acknowledge the resignation of Mark Waggoner from the Board of Directors (effective August 4, 2022).

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D. Consider appointment of Officers:

President/Treasurer \_\_\_\_\_

Secretary \_\_\_\_\_

E. **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 August 3, 2022 Regular Meeting (enclosure).
  - Ratify approval of payment of claims for the period beginning August 1, 2022 through November 31, 2022 totaling \$261,366.42 (enclosure).
  - Ratify approval of Drainage and Access Easement Agreement (Lutz Parcel) between the District and Prairie Center Development, L.L.C. (enclosure).
  - Ratify Work Order No. 2 to Master Agreement for Engineering Services between the District and Redland Consulting Group, Inc. for Village V Park – Phase 2 Administrative Plat (enclosure).
  - Ratify Work Order No. 3 to Master Agreement for Engineering Services between the District and Redland Consulting Group, Inc. for Construction Management for Village V Park – Phase 2 (enclosure).
  - Ratify Work Order No. 4 to Master Agreement for Engineering Services between the District and Redland Consulting Group, Inc. for Village V Park – Phase 2 Design (enclosure).
  - Ratify Work Order No. 5 to Master Agreement for Engineering Services between the District and Redland Consulting Group, Inc. for Prairie Center Retail 2 (enclosure).
  - Ratify Change Order No. 1 to Service Agreement for Final Engineering and Construction Plans between the District and JR Engineering, L.L.C., for Interim Reservoir Storm Drainage Reconfiguration (enclosure).
  - Ratify Service Agreement for Water Engineering between the District and Ecological Resource Consultants, Inc. (enclosure).
  - Authorize District Manager to post transparency notice on the District Website and SDA Website pursuant to Section 32-1-809, C.R.S.
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F. Discuss business to be conducted in 2023 and location (**virtual and/or physical**) of meetings. Schedule regular meeting dates and consider adoption of Resolution No. 2022-12-\_\_\_\_; Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices (enclosure).

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## 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.

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III. FINANCIAL MATTERS

- A. Approve engagement of Wipfli LLP to perform the 2022 Audit, in the amount of \$5,600 (enclosure).
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- B. Conduct Public Hearing to consider Amendment to 2022 Budget and (if necessary) consider adoption of Resolution to Amend the 2022 Budget and Appropriate Expenditures.
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- C. Conduct Public Hearing on the proposed 2023 Budget and consider adoption of Resolutions to Adopt the 2023 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 2023 Budget).
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- D. Review and acknowledge/consent to terms of CliftonLarsonAllen LLP 2023 Statement of Work for Prairie Center MD Nos. 1-6, 8 and 10 (enclosures).
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- E. Authorize District Accountant to prepare, and appoint Board Member to sign, the DLG-70 Certification of Tax Levies form (“Certification”). Direct District Accountant to file the Certification with the Board of County Commissioners and other interested parties.
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- F. Consider appointment of District Accountant to prepare the 2024 budget and set the date of the 2024 budget hearing.
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IV. LEGAL MATTERS

- A. Discuss potential formation of new Prairie Center districts. Authorize any necessary actions in connection therewith.
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- B. Discuss May 2, 2023 Regular Directors’ election and consider adoption of Resolution No. 2022-12-\_\_\_\_; Resolution Calling a Regular Election for Directors on May 2, 2023, 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 24, 2023. Discuss the need for ballot issues and/or questions.
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- C. Review and consider approval of Operations Financing IGA between Prairie Center Metropolitan District No. 1 and Prairie Center Metropolitan District No. 3 (enclosure).
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V. CAPITAL IMPROVEMENTS

- A. Discuss status of the Public Road Extension Projects for Prairie Center Retail Two and Prairie Center Retail Three (“Projects”).
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- B. Discuss status of the Prairie Center Village V Park – Phase 2.
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- C. Review recommendation of Construction Committee to award the contract for the Interim Lutz Stormwater Detention Ponds Improvements Project (a/k/a Prairie Center Regional Detention Ponds and Regional Outfall Project) to Hudick Excavating, Inc. (dba HEI Civil) in the amount of \$632,552.00. Ratify approval of award of contract, issuance of Notice of Award and Notice to Proceed, and execution of Construction Agreement (enclosure).
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- D. Review and consider approval of proposal from CTL Thompson for Subgrade Investigation and Pavement Design – Retail 2 in the amount of \$3,000 (enclosure).
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- E. Discuss allocation of costs for Retail 2 District Roads project as between public and private. Authorize preparation of cost allocation by independent engineer and any other actions required in connection therewith.
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VI. OPERATIONS

- A. Consider approval of Service Agreement between the District and Snow Pros, Inc., d/b/a Site Source CAM for 2023 snow removal services (to be distributed).
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- B. Consider approval of Service Agreement with Colorado Lighting, Inc. for Site Lighting Services (to be distributed).
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- C. Consider approval of Service Agreement with Vargas Property Service, Inc. for Landscape Maintenance Services (to be distributed).
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- D. Review and consider approval of Change Order No. 1 to Service Agreement for Property Maintenance for Park on Peregrine between the District and Vargas Property Services, Inc. (to be distributed).
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- E. Review and consider approval of Service Agreement between the District and Pinnacle Landscaping for Water Feature Maintenance Services (to be distributed).
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- F. Discuss detention pond maintenance services.
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VII. OTHER MATTERS

- A. \_\_\_\_\_

VIII. ADJOURNMENT **THERE ARE NO MORE REGULAR MEETINGS SCHEDULED FOR 2022.**

Informational Enclosure:

- Memo regarding New Rate Structure from Special District Management Services, Inc.
- Memo regarding New Rate Structure from McGeady Becher P.C.

## RECORD OF PROCEEDINGS

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### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3 (the “District”) HELD AUGUST 3, 2022

A regular meeting of the Board of Directors of the Prairie Center Metropolitan District No. 3 (referred to hereafter as “Board”) was convened on Wednesday, the 3rd day of August, at 4:00 P.M. This 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)

Kathy Kanda, Esq.; McGeady Becher P.C (via Zoom for a portion of the meeting)

Cecilia Wang; 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. Ms. Finn 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 Ms. Finn that all Directors’ Disclosure Statements have been filed and no additional conflicts were disclosed.

#### ADMINISTRATIVE MATTERS

Quorum / Meeting Location / Posting of Meeting Notices: Ms. Finn 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 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

## RECORD OF PROCEEDINGS

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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 regular 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.

**May 3, 2022 Election:** Ms. Finn reported to the Board that the Election on May 3, 2022 was cancelled as permitted by statute, as there were not more candidates than seats available. Director Tamblyn was deemed elected to a 3-year term ending in May 2025. The Board discussed the vacancies on the Board.

**Appointment of Officers:** The Board entered into discussion regarding the appointment of officers.

Following discussion, upon motion duly made by Director Tamblyn seconded by Director Waggoner and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Michael Tamblyn
Secretary	Ann E. Finn

**Consent Agenda:** The Board considered the following actions:

- Approve Minutes of the April 6, 2022 Regular Meeting.
- Ratify approval of payment of claims for the period beginning April 1, 2022 through July 28, 2022 totaling \$474,394.49.
- Ratify approval of Service Agreement for Concrete and Asphalt Work between the District and Alliance Commercial Maintenance Services, Inc.
- Ratify approval of Service Agreement for Final Engineering and Construction Plans between the District and JR Engineering, LLC.

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.

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**PUBLIC COMMENT** There was no public comment.

## RECORD OF PROCEEDINGS

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### FINANCIAL MATTERS

**Cash Position Statement:** Ms. Wang reviewed with the Board the cash position statement as of June 30, 2022, updated as of July 28, 2022.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board accepted the cash position statement as of June 30, 2022, updated as of July 28, 2022.

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### LEGAL MATTERS

**Formation of New Prairie Center Districts:** Director Tamblyn reported on ongoing discussions with legal counsel regarding the possible need to organize additional districts and amend the Service Plans of existing districts to accommodate the financing of public improvements to serve additional development in Prairie Center. No action was taken by the Board.

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### CAPITAL IMPROVEMENTS

**Potential Public Road Extension Projects for Prairie Center Retail Two and Prairie Center Retail Three (“Projects”) and Available Funding for the Projects:** Director Tamblyn provided an update on the Projects.

*Work Order No. 2:*

The Board discussed Work Order No. 2 to the Master Service Agreement between the District and Redland Consulting Group, Inc., for design work for the roads and utilities for the Projects.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved Work Order No. 2 to the Master Service Agreement between the District and Redland Consulting Group, Inc., for design work for the roads and utilities for the Projects, for an amount not to exceed \$75,000 for each Project.

*Construction Committee:* The Board discussed appointing a Construction Committee to review bids and, consultation with Redland Consulting Group, Inc. to bid and award the Construction Contract for the Projects.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board appointed Director Tamblyn as the sole member of the Construction Committee and authorized him to work with Redland Consulting Group, Inc. on the bid process, review bids, and award the necessary contract(s) for the Projects, for an amount not to exceed \$1.5 million for each Project (combined total of \$3 million).



## RECORD OF PROCEEDINGS

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**Work Order #3 to Master Agreement for Engineering Services between the District and Redland Consulting Group, Inc. for Construction Management for Prairie Center Village V Park – Phase 2:** Director Tamblyn provided an update to the Board on the park project.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved Work Order #3 to the Master Agreement for Engineering Services between the District and Redland Consulting Group, Inc. for Construction Management for Prairie Center Village V Park – Phase 2.

**Service Agreement between the District and Alliance Commercial Maintenance for Annual Asphalt Repairs:** The Board reviewed the Service Agreement between the District and Alliance Commercial Maintenance for annual asphalt repairs.

Following review, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board approved the Service Agreement between the District and Alliance Commercial Maintenance for annual asphalt repairs.

**Prairie Center Regional Detention Ponds and Regional Outfall Project (the “Project”):**

*Solicitation of Bids for the Project:* The Board discussed authorizing JR Engineering LLC to solicit bids for the Project.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board authorized JR Engineering LLC to solicit bids for the Project.

*Construction Committee:* The Board discussed appointing a Construction Committee to review bids and, in consultation with JR Engineering LLC to award the Construction Contract for the Project.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board appointed Director Tamblyn as the sole member of the Construction Committee and authorized him to work with Redland Consulting Group, Inc. on the bid process, review bids, and award the necessary contract(s) for the Project.

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## RECORD OF PROCEEDINGS

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### **OPERATIONS**

**2023 Service Agreements for Operations and Maintenance Services:** The Board discussed 2023 Service Agreements for operations and maintenance services.

Following discussion, upon motion duly made by Director Tamblyn, seconded by Director Waggoner and, upon vote, unanimously carried, the Board authorized Director Tamblyn to negotiate the terms of the Service Agreements for operations and maintenance services.

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### **OTHER MATTERS**

**Resignation of Director:** The Board acknowledged the resignation of Director Waggoner, effective as of August 4, 2022 and thanked Director Waggoner for his many years of service.

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### **ADJOURNMENT**

There being no further business to come before the Board at this time, upon motion duly made by Director Tamblyn, seconded by Director Waggoner 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

July 29, 2022 - November 30, 2022

Check Number	Check Date	Payee	Amount
<b>Vendor Checks</b>			
1765	08/16/22	CliftonLarsonAllen LLP	6,452.44
1766	08/16/22	Colorado Lighting, Inc,	483.84
1767	08/16/22	JR Engineering LLC	18,362.37
1768	08/16/22	McGeady Becher, PC	4,659.56
1769	08/16/22	Pinnacle Landscape & Xeriscape, Inc.	2,980.00
1770	08/16/22	Prairie Management LLC	3,000.00
1771	08/16/22	Redland Consulting Group	400.00
1772	08/16/22	Snow Pros, Inc	5,508.00
1773	08/16/22	Special District Mgmt. Services, Inc	2,336.40
1774	08/16/22	Utility Notification Center of CO	126.10
1775	08/16/22	Vargas Property Service	11,884.23
1776	08/16/22	WIPFLI	5,950.00
1777	09/19/22	Alliance CMS	6,322.86
1778	09/19/22	CliftonLarsonAllen LLP	6,253.07
1779	09/19/22	CO Special Dist. Prop & Liab Pool	2,250.00
1780	09/19/22	Colorado Lighting, Inc,	396.75
1781	09/19/22	JR Engineering LLC	10,440.00
1782	09/19/22	McGeady Becher, PC	9,351.75
1783	09/19/22	Pinnacle Landscape & Xeriscape, Inc.	2,980.00
1784	09/19/22	Prairie Management LLC	3,000.00
1785	09/19/22	Redland Consulting Group	1,645.00
1786	09/19/22	Snow Pros, Inc	3,858.00
1787	09/19/22	Special District Mgmt. Services, Inc	2,341.20
1788	09/19/22	Utility Notification Center of CO	137.80
1789	09/19/22	Vargas Property Service	14,099.76
1790	10/17/22	CliftonLarsonAllen LLP	6,654.22
1791	10/17/22	CO Special Dist. Prop & Liab Pool	8,304.00
1792	10/17/22	Colorado Lighting, Inc,	402.07
1793	10/17/22	JR Engineering LLC	13,865.60
1794	10/17/22	McGeady Becher, PC	9,269.85
1795	10/17/22	Prairie Management LLC	3,000.00
1796	10/17/22	Redland Consulting Group	3,750.00
1797	10/17/22	Snow Pros, Inc	3,858.00
1798	10/17/22	Special District Mgmt. Services, Inc	1,871.49
1799	10/17/22	T. Charles Wilson Insurance	1,980.00
1800	10/17/22	Utility Notification Center of CO	156.00
1801	10/17/22	Vargas Property Service	11,294.76
1802	10/18/22	MUNICIPAL COURT CITY OF BRIGHTON	1,035.00
1803	11/16/22	CliftonLarsonAllen LLP	11,525.80
1804	11/16/22	Colorado Lighting, Inc,	15.00
1805	11/16/22	Ecological Resources Consultants, Inc.	374.00
1806	11/16/22	JR Engineering LLC	3,835.40
1807	11/16/22	Magic Carpet Lifts/RMCE Inc	4,505.79
1808	11/16/22	McGeady Becher, PC	6,659.61
1809	11/16/22	Pinnacle Landscape & Xeriscape, Inc.	2,980.00
1810	11/16/22	Prairie Management LLC	3,000.00
1811	11/16/22	Redland Consulting Group	200.00
1812	11/16/22	Snow Pros, Inc	3,858.00
1813	11/16/22	Special District Mgmt. Services, Inc	1,233.80
1814	11/16/22	Utility Notification Center of CO	159.90
1815	11/16/22	Vargas Property Service	10,641.36
ACH	10/17/22	United Power	5,530.91
ACH	11/16/22	United Power	5,413.90
ACH	09/19/22	United Power	5,483.43
ACH	08/16/22	United Power	5,289.40
<b>Vendor Check Total</b>			<u>261,366.42</u>

**Prairie Center Metropolitan District No. 3**

**Check List**

All Bank Accounts

July 29, 2022 - November 30, 2022

Check Number	Check Date	Payee	Amount
<b>Check List Total</b>			<u><u>261,366.42</u></u>

Check count = 55

**DRAINAGE AND ACCESS EASEMENT AGREEMENT  
(LUTZ PARCEL)**

This DRAINAGE AND ACCESS EASEMENT AGREEMENT (LUTZ PARCEL) (this "**Agreement**") is entered into as of the 11<sup>th</sup> day of October, 2022 by and between THF PRAIRIE CENTER DEVELOPMENT, L.L.C., a Colorado limited liability company ("**THF**"), and PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3, a quasi-municipal corporation and political subdivision of the State of Colorado ("**District**").

**RECITALS**

This Agreement is made with respect to the following facts:

A. THF and/or its affiliates are the owners of certain real property located in the City of Brighton, Adams County, Colorado, upon which THF and/or its affiliates has developed and is continuing to further develop a commercial, retail and residential mixed-use project commonly known as Prairie Center (the "**Project**").

B. In accordance with the District's Service Plan and pursuant to that certain Facilities Acquisition and Funding Agreement and Novation of Funding and Reimbursement Agreements between THF and District dated December 26, 2006, as amended, District has certain obligations with respect to the installation and construction of, among other improvements, drainage improvements and related appurtenances necessary or desirable for the conveyance, retention and detention of drainage, stormwater discharge and flood waters (collectively, "**Drainage Improvements**") to benefit the Project.

C. To facilitate District's on-going operation, maintenance and repair of certain other Drainage Improvements, THF and District previously entered into that Certain Lutz Reservoir Drainage and Access Easement Agreement dated May 15, 2012 and recorded in the real property records of the Clerk and Recorder for Adams County, Colorado ("**Records**") on May 17, 2012 at Reception No. 2012000035544 (the "**Prior Easement Agreement**"); the Prior Easement Agreement remains in full force and effect in accordance with its terms.

D. THF and District now desire to continue to provide for District's on-going ownership, operation, maintenance and repair of the Drainage Improvements and THF now desires to grant and convey the Easement (as defined in Section 1(a)) upon, over, under, through and across the Easement Area (as defined in Section 1(a)) for the use and benefit of District in accordance with the terms and conditions set forth herein.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, THF and District (each a "**Party**" and collectively, the "**Parties**") agree as follows:

1. Grant of Easements.

(a) Subject to Section 3, THF hereby grants to District the following perpetual non-exclusive easements in gross (collectively, the "**Easement**") upon, over, under, through and across those certain parcels of real property as more particularly described in Exhibit A-1 and Exhibit A-2 attached hereto and incorporated herein by this reference (collectively, the "**Easement Area**"); for the purposes of (i) the installation, construction, operation, use, maintenance, repair, removal and replacement by District and its employees, contractors, licensees and permittees (collectively, "**Permittees**") of the Drainage Improvements (the "**Permitted Activities**"); and (ii) pedestrian and vehicular access, ingress to and egress from the Drainage Improvements in connection with the Permitted Activities.

(b) In consideration of THF's grant of the Easement as provided for herein, District covenants and agrees that District and its Permittees shall be solely responsible for and shall perform the Permitted Activities in connection with the Drainage Improvements and that THF shall have no responsibility therefor or obligations with respect thereto.

2. Reservation of Uses. THF reserves the right to use the Easement Area for any and all purposes which are not inconsistent with and do not unreasonably interfere with District's use and enjoyment of the Easement hereby granted. THF reserves the right to grant such additional non-exclusive easements or other interests in the Easement Area upon, over, under, through and across the Easement Area as may be determined necessary or desirable by THF, including, without limitation, utility and access easements; provided, however, such grants are not inconsistent with and do not unreasonably interfere with the Easement hereby granted.

3. Substitution of Easement Area. In connection with THF's continuing development of the Project, the Parties acknowledge that future design, engineering, construction and/or general development of the Project may be inconsistent with or unreasonably interfere with the Easement hereby granted. If THF determines, in its sole discretion, that it is necessary or desirable that the Easement Area be relocated for purposes of accommodating future development of the Project, the Parties acknowledge and agree that (i) THF may provide for a relocated easement area ("**New Easement Area**") for District's use and enjoyment of the Easement; (ii) such New Easement Area shall be subject to the review and approval of District, which approval shall not be unreasonably withheld, conditioned or delayed; (iii) the Parties shall execute and record an amendment to this Agreement substituting as Exhibit A-1 and/or Exhibit A-2, as applicable, the legal description of the New Easement Area; and (iv) THF shall bear the costs for such relocation.

4. Safety Measures. District shall take reasonably necessary and appropriate safety measures and shall make reasonable efforts to cause all Permittees doing work on or about the Easement Area to take reasonably necessary and appropriate safety measures with respect to all activities on or about the Easement Area. District shall require that all Permittees name THF as an additional insured on insurance policies relating to the installation, construction, maintenance, repair, replacement and removal of the Drainage Improvements.

5. Indemnification. To the maximum extent permitted by applicable law, District shall indemnify and hold THF harmless from and against any loss, cost, expense (including attorneys' fees), claims, demands, causes of action, liability, and damages arising from third-party claims against THF (collectively, "Claims") which result from or arise out of any willful misconduct or negligent act or omission of District, its Permittees or any other persons or entities occupying the Easement Area by, through or under District. Nothing contained herein will constitute a waiver of any rights afforded to District pursuant to the Colorado Governmental Immunities Act.

6. Mechanic's Liens. District shall pay or cause to be paid all costs for work done by or on behalf of District or any of its Permittees or any other person occupying the Easement Area by, through or under District, or caused to be done by any such parties on the Easement Area and District shall keep the Easement Area and THF's adjacent property free and clear of all mechanic's liens and other liens on account of work done or performed on behalf of District or any of its Permittees, or persons claiming by, through or under District. Should any liens be filed or recorded against the Easement Area or any action affecting title thereto be commenced as a result of such work (which term includes the supply of materials), District shall cause such liens to be removed of record within twenty (20) days after receiving notice thereof. The foregoing twenty (20) day cure period shall be in lieu of the notice and cure provisions of Section 8 (which provisions shall not apply with respect to the matters addressed in this Section 6). If District desires to contest any such claim or lien, District shall file a bond with the appropriate court and obtain a release of such lien pursuant to C.R.S. § 38-22-132, as amended. If a final judgment establishing the validity or existence of any lien for any amount is entered, District shall immediately pay and satisfy the same. If District shall be in default in paying any charge for which a mechanic's lien or suit to foreclose such lien has been recorded or filed and District shall not have bonded over such lien as provided above, THF may (but without being required to do so) pay such lien or claim and any costs and amounts so paid, together with reasonable attorneys' fees incurred in connection therewith, shall be immediately due and payable from District to THF.

7. Notices. All notices or other communications required or permitted to be given hereunder shall be in writing. Such items shall be deemed to have been duly delivered upon (i) personal delivery; (ii) as of the third business day after mailing by United States mail, certified, return receipt requested, postage prepaid, addressed as follows; or (iii) as of 12:00 noon on the immediately following business day after deposit with a national overnight courier service, addressed as follows or to such other address or the attention of such person(s) as hereafter designated in writing by the applicable Party in accordance with the requirements of this Section 7:

If to THF:            THF Prairie Center Development, L.L.C.  
                              c/o THF Realty, Inc.  
                              211 N. Stadium Blvd., Suite 201  
                              Columbia, Missouri 65203  
                              Attention: General Counsel

With a required copy to:

Otten, Johnson, Robinson, Neff & Ragonetti, P.C.  
950 17th Street, Suite 1600  
Denver, Colorado 80202  
Attention: Kimberly A. Martin

If to District: Prairie Center Metropolitan District No. 3  
141 Union Blvd., Suite 150  
Lakewood, Colorado 80228  
Attention: Ann Finn

With a required copy to:

McGeady Becher P.C.  
450 E. 17th Avenue, Suite 400  
Denver, Colorado 80203-1214  
Attention: Paula Williams, Esq.

8. Notice and Cure. If either Party breaches or otherwise fails to perform its obligations under this Agreement and fails to cure such breach within 30 days after such Party receives written notice thereof or, if such breach is not reasonably capable of being cured within such period, to commence and diligently continue its efforts to cure said breach within 30 days after notification by the non-breaching Party of such breach, the non-breaching Party may seek damages and appropriate injunctive relief for the uncured breach. Such remedies shall be cumulative of one another and the exercise of any one of such remedies shall not preclude the exercise of any other remedy provided herein or otherwise provided by applicable law.

9. Binding Effect. This Agreement will inure to the benefit of and be binding on the Parties and their respective successors and assigns.

10. No Third-Party Beneficiaries. It is mutually agreed that the grant contained in this Agreement is not intended and shall not be construed as a dedication of the Easement Area or any portion thereof to any third parties. It is mutually agreed that enforcement of the terms and conditions of this Agreement shall be strictly reserved to the Parties hereto, their successors and assigns, and nothing contained in this Agreement shall give or allow any claim or right of action under this Agreement by any other or third person.

11. Assignment. The District shall have the right to assign and delegate any of its rights, duties or obligations hereunder to another Prairie Center Metropolitan District organized to serve the Project, or applicable portion thereof, without the consent of THF. THF shall have the right to assign and delegate any of its rights, duties or obligations hereunder to any affiliate of THF or related entity without the consent of District. All other assignments shall require the written consent of the Parties.

12. Attorneys' Fees. In the event of any litigation, controversy, claim or dispute between the Parties hereto arising out of or relating to this Agreement, the prevailing Party in any



such action will be entitled to recover, in addition to any amounts or relief otherwise awarded, all reasonable costs and expenses incurred in connection therewith, including without limitation reasonable attorneys' fees.

13. No Oral Modification. Except as provided herein, no modification, waiver or amendment of any of the terms or conditions of this Agreement shall be binding upon a Party unless in writing and signed by such Party.

14. Severability. In the event that any one or more of the provisions of this Agreement shall for any reason be held to be invalid or unenforceable, such invalid or unenforceable provision shall be deemed severed from this Agreement and this Agreement will continue in full force and effect to the greatest extent permitted by applicable law.

15. Headings. The paragraph headings that appear in this Agreement are for the purposes of convenience of reference only and in no manner or way define, limit, amplify, change or alter any term, covenant or condition of this Agreement.

16. Recordation. This Agreement may be recorded in the Records.

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

18. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

*[ signature pages follow this page ]*

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

**THF:**

THF PRAIRIE CENTER DEVELOPMENT, L.L.C.,  
a Colorado limited liability company

By: THF Prairie Center Investors, L.L.C., a  
Missouri limited liability company,  
its Manager

By: Milan Green Management, L.L.C.,  
a Missouri limited liability company,  
its Manager

By: *Robert J. Jakubeck*  
Robert J. Jakubeck, Manager

STATE OF MISSOURI            )  
                                          ) ss.  
COUNTY OF ST. LOUIS        )

The foregoing instrument was acknowledged before me this 11th day of October, 2022, by Robert J. Jakubeck, as Manager of Milan Green Management, L.L.C., a Missouri limited liability company, as Manager of THF Prairie Center Investors, L.L.C., a Missouri limited liability company, as Manager of THF PRAIRIE CENTER DEVELOPMENT, L.L.C., a Colorado limited liability company.

Witness my hand and official seal.

*Christine Collier*  
Notary Public

My commission expires: 8/18/2025

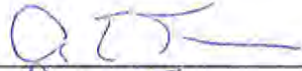


**DISTRICT:**

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

By:   
Name: Michael Tanslyn  
Title: President

Attest:

By:   
Name: Ann Fion  
Title: Secretary

**EXHIBIT A-1  
EASEMENT AREA**

[Follows This Page]

**DRAINAGE & ACCESS EASEMENT-01**

**PROPERTY DESCRIPTION**

A PARCEL OF LAND BEING A PORTION OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 SOUTH, RANGE 66 WEST OF THE 6<sup>TH</sup> PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BASIS OF BEARINGS:** THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 SOUTH, RANGE 66 WEST OF THE 6<sup>TH</sup> PRINCIPAL MERIDIAN, MONUMENTED AT THE NORTH END BY A 3.25" ALUMINUM CAP STAMPED "PLS 30096" AND AT THE SOUTH END BY A 3.25" ALUMINUM CAP "ILLEGIBLE" IN A RANGE BOX, WITH AN ASSUMED BEARING OF S00°21'34"E.

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 20, TOWNSHIP 1 SOUTH, RANGE 66 WEST OF THE 6<sup>TH</sup> PRINCIPAL MERIDIAN:

THENCE ON THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 SOUTH, RANGE 66 WEST OF THE 6<sup>TH</sup> PRINCIPAL MERIDIAN, N00°21'34"E A DISTANCE OF 1,735.88 FEET, TO THE POINT OF BEGINNING;

THENCE DEPARTING SAID EAST LINE, N89°56'36"W A DISTANCE OF 241.31 FEET, TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 208.00 FEET, A CENTRAL ANGLE OF 20°11'66" AND AN ARC LENGTH OF 73.68 FEET, TO A POINT OF TANGENT;

THENCE S69°51'29"W A DISTANCE OF 39.82 FEET, TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 166.00 FEET, A CENTRAL ANGLE OF 44°40'33" AND AN ARC LENGTH OF 126.44 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 84.00 FEET, A CENTRAL ANGLE OF 89°02'26" AND AN ARC LENGTH OF 130.54 FEET, TO A POINT OF TANGENT;

THENCE S25°29'37"W A DISTANCE OF 20.70 FEET, TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 166.00 FEET, A CENTRAL ANGLE OF 38°36'32" AND AN ARC LENGTH OF 106.08 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 60.00 FEET, A CENTRAL ANGLE OF 25°39'30" AND AN ARC LENGTH OF 26.87 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 274.00 FEET, A CENTRAL ANGLE OF 49°32'22" AND AN ARC LENGTH OF 236.81 FEET, TO A POINT OF NON-TANGENT CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT WHOSE CENTER BEARS N06°02'13"W, HAVING A RADIUS OF 131.00 FEET, A CENTRAL ANGLE OF 16°48'50" AND AN ARC LENGTH OF 36.04 FEET, TO A POINT OF TANGENT;

THENCE N80°16'23"W A DISTANCE OF 20.29 FEET, TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 44.00 FEET, A CENTRAL ANGLE OF 64°43'07" AND AN ARC LENGTH OF 42.02 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 313.00 FEET, A CENTRAL ANGLE OF 34°08'33" AND AN ARC LENGTH OF 186.33 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 49.00 FEET, A CENTRAL ANGLE OF 37°04'49" AND AN ARC LENGTH OF 31.71 FEET, TO A POINT OF TANGENT;

THENCE S42°02'14"W A DISTANCE OF 22.04 FEET, TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 76.00 FEET, A CENTRAL ANGLE OF 84°46'31" AND AN ARC LENGTH OF 112.45 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 144.00 FEET, A CENTRAL ANGLE OF 56°42'11" AND AN ARC LENGTH OF 140.00 FEET, TO A POINT OF TANGENT;

THENCE S12°57'55"W A DISTANCE OF 73.35 FEET, TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 145.00 FEET, A CENTRAL ANGLE OF 44°13'27" AND AN ARC LENGTH OF 111.92 FEET, TO A POINT OF TANGENT;

THENCE S67°11'22"W A DISTANCE OF 121.18 FEET, TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 74.00 FEET, A CENTRAL ANGLE OF 99°26'38" AND AN ARC LENGTH OF 128.44 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 116.00 FEET, A CENTRAL ANGLE OF 140°18'37" AND AN ARC LENGTH OF 284.07 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 242.00 FEET, A CENTRAL ANGLE OF 42°17'15" AND AN ARC LENGTH OF 178.61 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 206.00 FEET, A CENTRAL ANGLE OF 11°08'40" AND AN ARC LENGTH OF 40.07 FEET, TO A POINT OF NON-TANGENT;

THENCE N26°31'52"W A DISTANCE OF 73.96 FEET, TO A POINT OF NON-TANGENT CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT WHOSE CENTER BEARS S39°35'45"E, HAVING A RADIUS OF 320.11 FEET, A CENTRAL ANGLE OF 47°42'00" AND AN ARC LENGTH OF 266.60 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 37.53 FEET, A CENTRAL ANGLE OF 140°20'49" AND AN ARC LENGTH OF 91.94 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 152.61 FEET, A CENTRAL ANGLE OF 88°47'07" AND AN ARC LENGTH OF 231.16 FEET, TO A POINT OF TANGENT;

THENCE N44°32'33"E A DISTANCE OF 95.08 FEET;

THENCE N00°37'24"W A DISTANCE OF 516.10 FEET, TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 100.00 FEET, A CENTRAL ANGLE OF 47°34'54" AND AN ARC LENGTH OF 83.06 FEET, TO A POINT OF TANGENT;

THENCE N48°12'18"W A DISTANCE OF 44.74 FEET;

THENCE N14°17'44"W A DISTANCE OF 104.05 FEET;

THENCE N03°25'29"E A DISTANCE OF 41.06 FEET;

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8/6/2022

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SHEET 2 OF 5

THENCE S88°34'31"E A DISTANCE OF 99.88 FEET;

THENCE N00°37'24"W A DISTANCE OF 42.61 FEET, TO A POINT OF NON-TANGENT CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT WHOSE CENTER BEARS S11°19'41"W, HAVING A RADIUS OF 3900.00 FEET, A CENTRAL ANGLE OF 09°17'46" AND AN ARC LENGTH OF 224.36 FEET, TO A POINT OF TANGENT;

THENCE S75°22'33"E A DISTANCE OF 112.87 FEET, TO A POINT OF CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 240.00 FEET, A CENTRAL ANGLE OF 30°17'36" AND AN ARC LENGTH OF 126.89 FEET, TO A POINT OF COMPOUND CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 50.00 FEET, A CENTRAL ANGLE OF 42°54'05" AND AN ARC LENGTH OF 37.44 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 275.00 FEET, A CENTRAL ANGLE OF 88°32'50" AND AN ARC LENGTH OF 328.00 FEET, TO A POINT OF REVERSE CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 50.00 FEET, A CENTRAL ANGLE OF 41°49'58" AND AN ARC LENGTH OF 38.51 FEET, TO A POINT OF COMPOUND CURVE;

THENCE ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 20.00 FEET, A CENTRAL ANGLE OF 19°49'54" AND AN ARC LENGTH OF 6.92 FEET, TO A POINT OF NON-TANGENT;

THENCE N88°49'28"E A DISTANCE OF 18.41 FEET;

THENCE N08°55'47"E A DISTANCE OF 9.95 FEET;

THENCE N90°00'00"E A DISTANCE OF 513.76 FEET, TO A POINT ON SAID EAST LINE;

THENCE ON SAID EAST LINE, S00°21'34"E A DISTANCE OF 147.73 FEET, TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 471,488 SQUARE FEET OR 10.8239 ACRES.

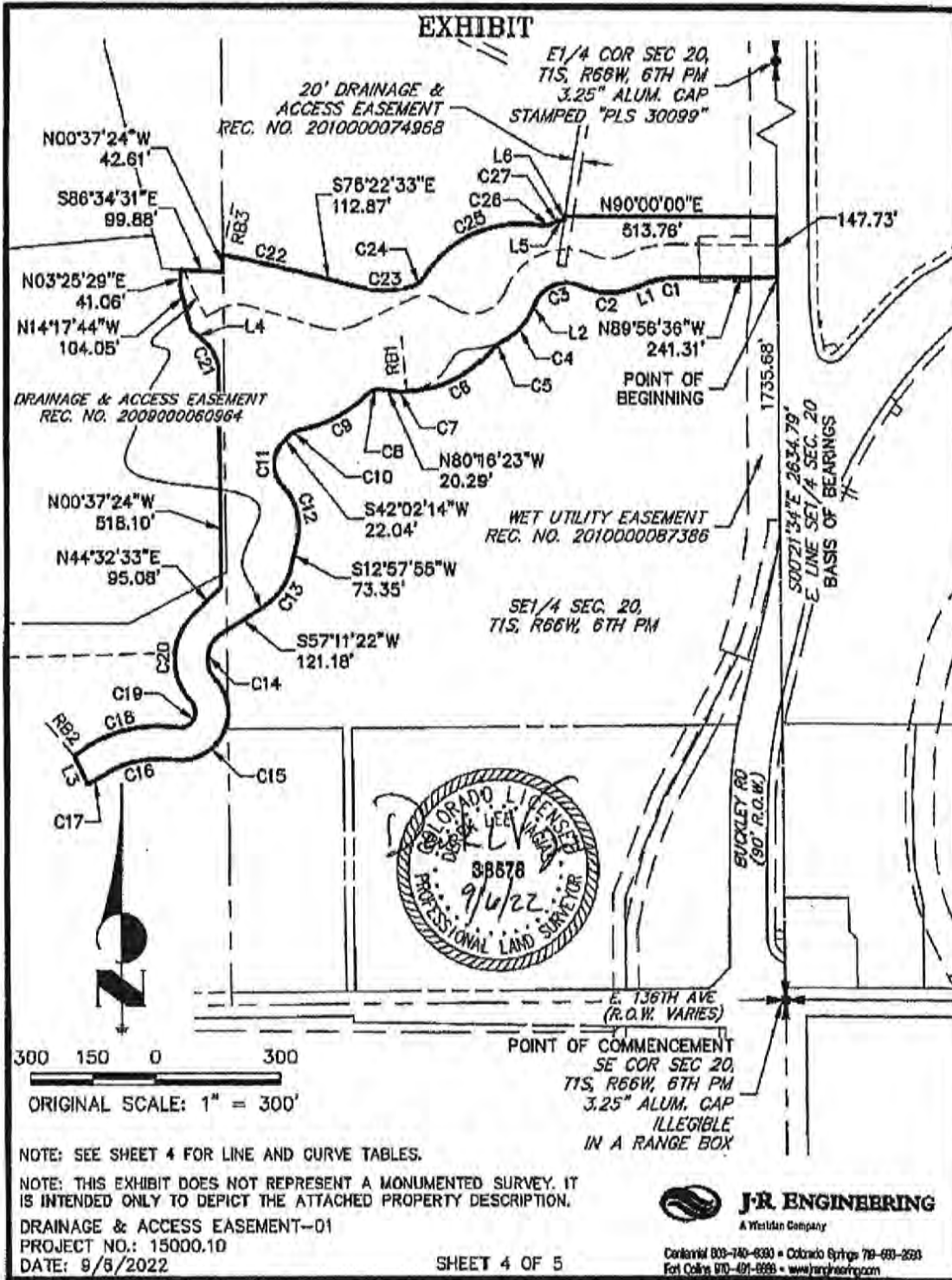
**PROPERTY DESCRIPTION STATEMENT**

I, DEREK LEE VAGIAS, A PROFESSIONAL LAND SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY STATE THAT THE ABOVE PROPERTY DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED UNDER MY RESPONSIBLE CHARGE, AND ON THE BASIS OF MY KNOWLEDGE, INFORMATION AND BELIEF, ARE CORRECT.

DEREK LEE VAGIAS, PROFESSIONAL LAND SURVEYOR  
COLORADO NO. 38578  
FOR AND ON BEHALF OF JR ENGINEERING, LLC



EXHIBIT



NOTE: SEE SHEET 4 FOR LINE AND CURVE TABLES.

NOTE: THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS INTENDED ONLY TO DEPICT THE ATTACHED PROPERTY DESCRIPTION.

DRAINAGE & ACCESS EASEMENT-01

PROJECT NO.: 15000.10

DATE: 9/8/2022

SHEET 4 OF 5

**J-R ENGINEERING**  
A Wetlan Company

Central 801-740-8300 • Colorado Springs 719-693-2693  
Fort Collins 970-491-8888 • www.jr-engineering.com



## EXHIBIT

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	20°11'55"	209.00'	73.68'
C2	44°40'33"	166.00'	129.44'
C3	89°02'25"	84.00'	130.54'
C4	38°35'32"	156.00'	105.08'
C5	25°39'30"	60.00'	26.87'
C6	49°32'22"	274.00'	236.91'
C7	15°45'50"	131.00'	36.04'
C8	54°43'07"	44.00'	42.02'
C9	34°06'33"	313.00'	186.33'
C10	37°04'49"	49.00'	31.71'
C11	84°46'31"	76.00'	112.45'
C12	55°42'11"	144.00'	140.00'
C13	44°13'27"	145.00'	111.92'
C14	99°26'38"	74.00'	126.44'
C15	140°18'37"	116.00'	284.07'
C16	42°17'15"	242.00'	178.61'
C17	11°08'40"	206.00'	40.07'
C18	47°42'00"	320.11'	266.50'
C19	140°20'49"	37.53'	91.84'
C20	86°47'07"	152.61'	231.16'

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C21	47°34'54"	100.00'	83.05'
C22	3°17'46"	3900.00'	224.36'
C23	30°17'36"	240.00'	126.89'
C24	42°54'05"	50.00'	37.44'
C25	68°32'50"	275.00'	329.00'
C26	41°49'56"	50.00'	36.51'
C27	19°49'54"	20.00'	6.92'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S69°51'29"W	39.82'
L2	S25°29'37"W	20.70'
L3	N26°31'52"W	73.96'
L4	N48°12'18"W	44.74'
L5	N88°49'28"E	16.41'
L6	N08°55'47"E	9.95'

RADIAL BEARING TABLE	
LINE	BEARING
RB1	N06°02'13"W
RB2	S39°35'45"E
RB3	S11°19'41"W



NOTE: THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS INTENDED ONLY TO DEPICT THE ATTACHED PROPERTY DESCRIPTION.  
 DRAINAGE & ACCESS EASEMENT-01  
 PROJECT NO.: 15000.10  
 DATE: 9/6/2022

SHEET 5 OF 5

**J.R. ENGINEERING**  
 A Wehrin Company

Centennial 937-740-6393 • Colorado Springs 761-683-2593  
 Fort Collins 970-491-0298 • www.jreng.com

**EXHIBIT A-2  
EASEMENT AREA**

[Follows This Page]



**DRAINAGE & ACCESS EASEMENT-02**

**PROPERTY DESCRIPTION**

A PARCEL OF LAND BEING A PORTION OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 SOUTH, RANGE 66 WEST OF THE 6<sup>TH</sup> PRINCIPAL MERIDIAN, COUNTY OF ADAMS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BASIS OF BEARINGS: THE EAST LINE OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, MONUMENTED AT THE NORTH END BY A 3.25" ALUMINUM CAP STAMPED "PLS 30098" AND AT THE SOUTH END BY A 3.25" ALUMINUM CAP "ILLEGIBLE" IN A RANGE BOX, WITH AN ASSUMED BEARING OF S00°21'34"E.

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 20, TOWNSHIP 1 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN:

THENCE N88°52'19"W A DISTANCE OF 1,030.32 FEET, TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF EAST 196TH AVENUE, AND THE POINT OF BEGINNING;

THENCE ON SAID NORTHERLY RIGHT-OF-WAY LINE, BEING THIRTY FEET NORTHERLY OF AND PARALLEL WITH THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SECTION 20, TOWNSHIP 1 SOUTH, RANGE 66 WEST OF THE 6TH PRINCIPAL MERIDIAN, S89°27'35"W A DISTANCE OF 22.00 FEET;

THENCE DEPARTING SAID RIGHT-OF-WAY LINE THE FOLLOWING FIVE (5) COURSES:

1. N00°37'24"W A DISTANCE OF 645.99 FEET, TO A POINT OF CURVE;
2. ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 53.00 FEET, A CENTRAL ANGLE OF 28°20'12" AND AN ARC LENGTH OF 26.21 FEET, TO A POINT OF TANGENT;
3. N28°57'36"W A DISTANCE OF 125.35 FEET, TO A POINT OF CURVE;
4. ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 172.00 FEET, A CENTRAL ANGLE OF 09°08'40" AND AN ARC LENGTH OF 27.45 FEET, TO A POINT OF TANGENT;
5. N19°48'56"W A DISTANCE OF 85.02 FEET, TO A POINT ON THE EASTERLY LINE OF THE DRAINAGE AND ACCESS EASEMENT DESCRIBED IN THE DOCUMENT RECORDED UNDER RECEPTION NO. 2009000080984 IN THE RECORDS OF THE ADAMS COUNTY CLERK AND RECORDER, SAID POINT BEING A POINT OF NON-TANGENT CURVE;

THENCE ON SAID EASEMENT LINE, ON THE ARC OF A CURVE TO THE LEFT WHOSE CENTER BEARS N77°43'35"W, HAVING A RADIUS OF 144.00 FEET, A CENTRAL ANGLE OF 32°05'21" AND AN ARC LENGTH OF 80.65 FEET, TO A POINT OF NON-TANGENT;

THENCE DEPARTING SAID EASEMENT LINE THE FOLLOWING FIVE (5) COURSES:

1. S19°48'56"E A DISTANCE OF 161.52 FEET, TO A POINT OF CURVE;
2. ON THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 150.00 FEET, A CENTRAL ANGLE OF 09°08'40" AND AN ARC LENGTH OF 23.94 FEET, TO A POINT OF TANGENT;

3. S28°57'36"E A DISTANCE OF 126.35 FEET, TO A POINT OF CURVE;
4. ON THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 75.00 FEET, A CENTRAL ANGLE OF 28°20'12" AND AN ARC LENGTH OF 37.09 FEET, TO A POINT OF TANGENT;
5. S00°37'24"E A DISTANCE OF 846.03 FEET, TO THE POINT OF BEGINNING.

CONTAINING A CALCULATED AREA OF 25,048 SQUARE FEET OR 0.5749 ACRES.

**PROPERTY DESCRIPTION STATEMENT**

I, DEREK LEE VAGIAS, A PROFESSIONAL LAND SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY STATE THAT THE ABOVE PROPERTY DESCRIPTION AND ATTACHED EXHIBIT WERE PREPARED UNDER MY RESPONSIBLE CHARGE, AND ON THE BASIS OF MY KNOWLEDGE, INFORMATION AND BELIEF, ARE CORRECT.

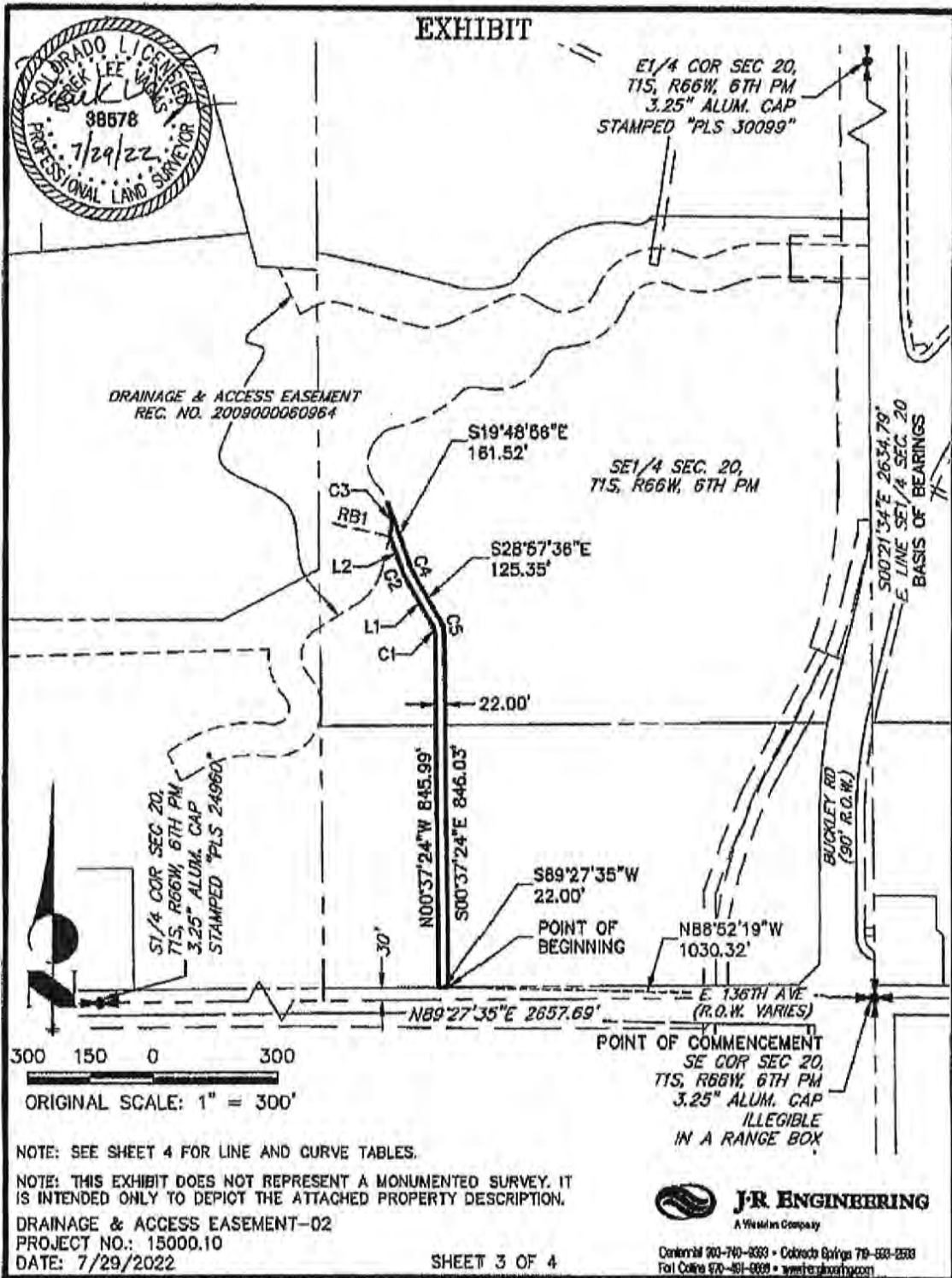
DEREK LEE VAGIAS, PROFESSIONAL LAND SURVEYOR  
COLORADO NO. 38578  
FOR AND ON BEHALF OF JR ENGINEERING, LLC



7200 S Alton Way, Suite C406, Centennial, CO 80112  
303-746-9393 • Fax: 303-721-9019 • www.jrengineering.com  
7/29/2022

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SHEET 2 OF 4



**EXHIBIT**



DRAINAGE & ACCESS EASEMENT  
REC. NO. 2009000060964

E1/4 COR SEC 20,  
T1S, R66W, 6TH PM  
3.25" ALUM. CAP  
STAMPED "PLS 30099"

SE1/4 SEC. 20,  
T1S, R66W, 6TH PM

S1/4 COR SEC 20,  
T1S, R66W, 6TH PM  
3.25" ALUM. CAP  
STAMPED "PLS 24960"

S00°21'34"E 2634.79'  
E. LINE SE1/4 SEC. 20  
BASIS OF BEARINGS

BUCKLEBY RD  
(90' R.O.W.)

POINT OF COMMENCEMENT  
SE COR SEC 20,  
T1S, R66W, 6TH PM  
3.25" ALUM. CAP  
ILLEGIBLE  
IN A RANGE BOX

300 150 0 300  
ORIGINAL SCALE: 1" = 300'

NOTE: SEE SHEET 4 FOR LINE AND CURVE TABLES.  
NOTE: THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS INTENDED ONLY TO DEPICT THE ATTACHED PROPERTY DESCRIPTION.  
DRAINAGE & ACCESS EASEMENT-02  
PROJECT NO.: 15000.10  
DATE: 7/29/2022

SHEET 3 OF 4



Central 970-740-8893 • Colorado Springs 719-593-2593  
Fort Collins 970-451-9888 • www.jrengineering.com

## EXHIBIT

LINE TABLE		
LINE	BEARING	DISTANCE
L1	N28°57'36"W	125.35'
L2	N19°48'56"W	85.02'

RADIAL BEARING TABLE	
LINE	BEARING
RB1	N77°43'35"W

CURVE TABLE			
CURVE	DELTA	RADIUS	LENGTH
C1	28°20'12"	53.00'	26.21'
C2	9°08'40"	172.00'	27.45'
C3	32°05'21"	144.00'	80.65'
C4	9°08'40"	150.00'	23.94'
C5	28°20'12"	75.00'	37.09'



NOTE: THIS EXHIBIT DOES NOT REPRESENT A MONUMENTED SURVEY. IT IS INTENDED ONLY TO DEPICT THE ATTACHED PROPERTY DESCRIPTION.  
 DRAINAGE & ACCESS EASEMENT-02  
 PROJECT NO.: 15000.10  
 DATE: 7/29/2022

SHEET 4 OF 4



**J-R ENGINEERING**  
 A Weibin Company

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 Fort Collins 970-491-8880 • [www.jreng.com](http://www.jreng.com)

**WORK ORDER  
AGREEMENT FOR  
DISTRICT ENGINEERING SERVICES**

**Work Order No:**      2  

**Date of District Approval:**      August 3, 2022  

This Work Order is executed pursuant to the Master Agreement for District Engineering Services, effective April 6, 2016 between Prairie Center Metropolitan District No. 3 and Redland Consulting Group, Inc., as the Consultant (the “**Agreement**”). This document incorporates the terms and conditions of the Agreement as noted, implemented, amended and supplemented below.

**General Description of Project and Project Components:**    **Village V Park – Phase 2**

**Administrative Plat**

Preparation of Administrative Subdivision Plat in accordance with the City of Brighton’s request for an administrative plat to combine a portion of Tract C with Tract B to clarify ownership of the Village V Park:

- Prepare a subdivision plat indicating lots, tracts and easements to be sold or deeded within the boundaries of the project.
- Set final boundary monuments identified on the plat.
- Title work, legal documents, covenants and submittal fees required for the plat shall be performed and/or supplied or caused to be supplied by the District.

**Anticipated Work Order Budget:**    **Lump Sum Fee of \$79,000**

The anticipated work order budget represents an opinion of probable cost for purposes of establishing an approximate value of the overall project which will be refined and established as described in the selected form of contract. Approval of this Work Order does not authorize payment of the anticipated work budget by the District. A limited authorization to proceed (LAP) shall be used as the instrument for authorizing the expenditure of funds.

**Schedule for the Work / Limited Authorizations to Proceed:**

<b>LAP #</b>	<b>Date</b>	<b>Scope</b>	<b>Est. Amount</b>	<b>Est. Completion Date</b>
1	TBD	See General Description	\$79,000.00	TBD
2				
3				

## **Other Project Terms/Notes:**

### LIMITATIONS

This Work Order is for design within the boundaries of the subject property, unless as otherwise noted and included herein. Should design be required outside the boundaries of the subject property, the associated services will be defined as additional services through a separate Work Order. The following items are specifically excluded from this Work Order:

1. Financial analysis or market viability study.
2. Architecture or architectural programming.
3. Project models or three-dimensional renderings.
4. Demolition Plans, Traffic Control Plans or Phasing Plans.
5. Underground Utility Potholing.
6. Material Testing or Geotechnical Engineering.
7. Construction Staking.
8. Landscape and irrigation design or record drawings.
9. Site signage or monuments.
10. Foundation, underdrain, sub-drain, or curtain drain systems, unless as otherwise provided herein.
11. Pump design for underdrains or subsurface detention facilities.
12. Potable Water system demands, hydraulic modeling analysis, or system sizing, unless as otherwise provided herein.
13. Irrigation system demands, hydraulic modeling analysis, or system sizing, unless as otherwise provided herein.
14. Corrosion Protection Design.
15. Colorado Department of Public Health and Environment, Stormwater Discharge Associated with Construction Activities Permit application.
16. Traffic Impact Analysis or traffic signal design.
17. Structural design. The Consultant will identify the top and bottom of retaining walls, headwalls and wingwalls, and monuments on the construction documents.



18. Photometric analysis for site lighting and electrical design. Location of light poles will be shown on the construction documents.
19. Dry utility (gas, electric, phone, cable) design identifying size and capacity of proposed service lines. Size and capacity typically is supplied by the local utility service provider(s).
20. Environmental Site Assessment/Impact Studies; Floodplain analysis, delineation or Studies; Vegetation or Wildlife Assessment/Studies; Section 404 (Clean Water Act) Permitting, Air Pollution Emission Notice for Land Development.
21. Full-time construction observation services.
22. On-site construction management including construction means and methods, job site authority, job site safety, schedule, and project management.
23. Inspection Services.
24. Site Safety. Site safety shall be the responsibility of the District and/or general contractor.
25. Directing contractor(s). Direction to the contractor(s) shall be given by District and any decisions affecting project cost or schedule shall be made by the District.

**Modifications to Agreement:**

Approved:		Approved:	
By:		By:	
	Prairie Center Metropolitan District No. 3		Redland Consulting Group, Inc.

**WORK ORDER  
AGREEMENT FOR  
DISTRICT ENGINEERING SERVICES**

**Work Order No:**   3  

**Date of District Approval:** August 3, 2022

This Work Order is executed pursuant to the Agreement for District Engineering Services, effective April 6, 2016, between Prairie Center Metropolitan District No. 3 (“**District**” or “**Client**”) and Redland Consulting Group, Inc., (“**Consultant**” or “**Redland**”) (the “**Agreement**”). This document incorporates the terms and conditions of the Agreement as noted, implemented, amended and supplemented below.

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**General Description of Project and Project Components: Construction Management for Prairie Center Village V Park – Phase 2**

Owner owns approximately 2 acres of real property in Brighton, Colorado located approximately at the following location: 39°57'21.7"N 104°47'04.2"W (the “**Property**”). The Property’s legal description is

**LEGAL DESCRIPTION**

A PARCEL OF LAND BEING A PORTION OF THE LANDS DESCRIBED AS TRACT B AND A PORTION OF TRACT C, PRAIRIE CENTER VILLAGE V SUBDIVISION FILING NO. 1 RECORDED AT RECEPTION NO. 2016000001264 IN THE RECORD OF THE CLERK AND RECORDERS OF ADAMS COUNTY, COLORADO, LOCATED IN THE SOUTHWEST QUARTER OF SECTION 16, NORTHWEST QUARTER OF SECTION 21 TOWNSHIP 1 SOUTH, RANGE 68 WEST OF THE SIXTH PRINCIPAL MERIDIAN, WITHIN THE CITY OF BRIGHTON, COUNTY OF ADAMS, STATE OF COLORADO.

a. Owner desires to utilize the Property for the development of the following: The program shall include one large sod oval with half-circle amphitheater, expansion of the playground, one picnic shelter and additional plaza space around the shelter. The area outside the oval to include native turf and with informal plantings. (collectively, the “**Project**”).

b. As of the Effective Date, in addition to this agreement, the Owner has contracted with the following third-party consultants and professionals with respect to the Project:

*HydroSystems and Aztec Consultants, Inc.*

c. As of the Effective Date, Owner has procured from Engineer and other third-party consultants (not including Construction Manager) the following plans, drawings, geotechnical reports, topographical surveys, traffic and utility studies, etc.:

*3<sup>rd</sup> City Submittal documents of the Landscape, Irrigation, Civil, and Planning CD sets dated 2022-07-06.*

d. Initial Project budget information (not including costs for Engineering or other design services):

*\$550,000*

e. Initial Project schedule information:

*Construction Start: September 15, 2022*  
*Construction Finish: November 15, 2022*

f. The Parties recognize that the above Project information, while helpful, is initial and may materially change during the course of the Project as the Pre-Construction and Construction Phases of the Project proceed. In such event, Owner and Construction Manager shall adjust Construction Manager's Scope of Work and compensation to reflect such material changes.

## **SCOPE OF SERVICES**

The District and Redland acknowledge that Redland provided civil engineering services for the Project under the Agreement for District Engineering Services (together with any previously issued Work Orders, the "**Master Agreement**"). The parties acknowledge that the services to be provided under this Work Order are for construction management services, which are in addition to civil engineering services related to the Project. For purposes of clarity, references this Work Order to (i) "**Engineer**" means Redland in its capacity as the District's civil engineer for the Project, (ii) "**Construction Manager**" means Redland in its capacity as construction manager for the Project and (iii) "**Owner**" means the District.

All terms and conditions of the Master Agreement shall apply to Redland in its capacity as Engineer and Construction Manager except as expressly set forth in this Work Order. To the extent that any of the terms in this Work Order amends, modifies or conflicts with the terms of the Master Agreement, such amendments, modifications or conflicts shall apply solely to the construction management services to be provided by the Construction Manager hereunder and nothing in this Word Order including, but not limited to the General Conditions, shall be interpreted or construed as amending or modifying in any manner the terms and conditions of the Master Agreement with respect to Redland's civil engineering services inclusive of the Project.

### **General Conditions**

a. Construction Manager's Scope of Work under this Work Order includes work in the Pre-Construction Phase and the Construction Phase of the Project. The Construction Phase of the Project, unless otherwise stated explicitly herein, includes the Project infrastructure only, and not vertical construction.

b. Construction Manager shall coordinate its Scope of Work with those services provided to the Project by Owner, the Engineer, and the other contractors and consultants Owner hires for the Project. Construction Manager may be entitled to rely on, and shall not be responsible for, the accuracy and completeness of services and information provided by Owner and other contractors and consultants hired by Owner. Construction Manager will provide to Owner timely written notice if Construction Manager becomes aware of any material error or omission found in such information.

- c. Construction Manager shall be responsible for maintaining a central document management system for the Project. This central management system shall include all materially-relevant documents pertaining to Construction Manager's Scope of Work. It also shall include materially-relevant documents pertaining to the Engineer's and General Contractor's scope of work (and the work of their respective consultants and subcontractors), subject to the Engineer's and General Contractor's willingness and diligence to provide such documentation to Construction Manager in a reasonably organized condition. Such central documentation shall be available for Owner reviews and inspections during regular business hours, with 24-hour prior written notice.
- d. For purposes of this agreement, the term "**General Contractor**" shall refer to the sole general contractor for the Project (if it is decided that all Construction Phase work will be completed and contracted through one general contractor); or, alternatively, the various construction contractors with which Owner has directly contracted (if it is decided to divide the Construction Phase work between two or more contractors, each with a direct contract with Owner).
- e. Construction Manager shall review Owner's initial Project information and shall consult with Owner as to the proposed Project's viability, scope, cost, and schedule.
- f. Notwithstanding anything in this agreement to the contrary, Construction Manager shall not be deemed to be a partner, affiliate, or employee of Owner. In the circumstance where Redland is providing Construction Management and entitlement or design services for the Project, the entitlement and design services are distinct and separate from this Work Order and will be covered by a different written instrument.

#### **Task A - Pre-Construction Phase**

- a. As the Engineer progresses with the preparation of the pre-construction and construction design documents and specifications, and as Engineer provides such documents to Construction Manager, Construction Manager shall prepare and update, at appropriate intervals agreed to by the Owner and Construction Manager, an estimate of the overall Project cost (the "**Cost of the Work**"). As used in this agreement, this capitalized form of "Cost of the Work" shall include all of the Owner's Project-related costs inclusive of the Pre-Construction Phase and the Construction Phase, but it shall not include the fees and costs attributable to Construction Manager or the Engineer; or the fees and costs attributable to Owner's internal staffing and overhead; legal and accounting fees and costs; or fees and costs relating to Owner's Project-related lending/borrowing activities.
- b. Construction Manager shall include in the Cost-of-the-Work estimate such costs to reasonably allow for further development of the design and for bidding and negotiating Project-related contracts. Such periodic estimates shall be provided to Owner for Owner's review and approval.

c. It is recognized that neither Construction Manager nor Owner has control over the cost of labor, materials, services or equipment; the General Contractor's methods of determining bid prices; or competitive bidding, market, or negotiating conditions. Accordingly, Construction Manager cannot and does not warrant or represent that bids or negotiated prices will not vary from the Owner's budget for the Cost of the Work, or from any estimate of the Cost of the Work.

d. Construction Manager shall inform Owner if the Cost of the Work estimate exceeds Owner's stated budget for the Project or prior Cost-of-the-Work estimates. In such case, Construction Manager shall make reasonable recommendations to reduce the Cost of the Work to adjust the Project's size, quality, or budget for the Cost of the Work. If Owner chooses to revise the Project to reduce the Cost of the Work, or accept the increased Cost of the Work, Construction Manager shall cooperate with Owner to implement such changes. Owner shall make the final decision about whether to accept any of Construction Manager's recommendations. If the estimates for the Cost of the Work exceed, in Owner's reasonable discretion, Owner's expectations for this Project, Owner may terminate this Work Order upon providing Construction Manager with not less than seven (7) days written notice and payment in full of any amounts then owed to the Construction Manager.

e. Construction Manager shall not be responsible to coordinate the preparation of the Project's pre-construction and construction design documents and specifications. This coordination shall be the responsibility of Owner and Engineer.

f. As the Engineer progresses with the preparation of the pre-construction and construction design documents and specifications, and as Engineer provides such documents to Construction Manager, Construction Manager shall prepare and update, at appropriate intervals agreed to by Owner and Construction Manager, proposed scheduling milestones for the Project ("**Project Schedule Milestones**"). These Project Schedule Milestones shall be prepared for the purpose of, at the appropriate time, including them in the bidding documents to those participating in the bidding process for the Construction Phase of the Project. Preparing and maintaining a detailed critical path schedule, however, shall be the responsibility of the General Contractor, not Construction Manager.

g. Construction Manager shall review the Engineer's pre-construction and construction design documents and specifications and make recommendations—within reasonable practicability—to Owner for systems, materials, or equipment that may reasonably and positively impact the Cost of the Work and Project Schedule Milestones.

h. In preparation for bidding for the Construction Phase of the work, Construction Manager shall review the Engineer's construction design documents and specifications and provide recommendations to Owner with respect to (i) sequencing of the Construction Phase work and (ii) allocation of Construction Phase work between various contracts (if not all included in one general contractor's scope of work).

- i. Construction Manager, in consultation with Owner, shall develop bidders' interest in the Project and establish bidding schedules. Construction Manager shall assist Owner with the development of the bid documents, which bid documents shall include, at a minimum, the Project Schedule Milestones, the drawings and specifications of the Engineer and third-party consultants, and proposed contract documents. Such drawings, specifications and contract documents shall include all drawings, specifications, scope of work documentation and other information and documents necessary for a bidder to prepare and submit a comprehensive bid for the Project. Construction Manager shall issue bid documents to bidders and conduct pre-bid conferences with prospective bidders. Construction Manager shall address questions from bidders and coordinate with the Engineer to obtain addenda of the Engineer's construction drawings and specifications (if such are necessary).
- j. Construction Manager shall submit to Owner, for Owner's consideration and ultimate approval, a list of the bidders for the Project.
- k. Construction Manager (with, upon Construction Manager's request, the Engineer's assistance) shall review bids and make recommendations to Owner for Owner's ultimate approval.
- l. Construction Manager shall assist Owner in the preparation and execution of an enforceable contract with the General Contractor selected from the bidding process (the "**GC Contract**") and any other Construction Phase contract the Owner enters into with other persons or entities.
- m. Construction Manager shall assist Owner to obtain building permits and other governmental approvals for the Construction Phase of the Project (except for permits and approvals that are to be obtained by the General Contractor).

**Task B - Construction Phase**

- a. The Construction Phase of the Project shall commence when the General Contractor under the GC Contract commences Project-related on-site work on the Property and shall terminate upon the issuance of a Certificate of Substantial Completion (as that term is described below). As stated above, unless explicitly stated otherwise herein, the Construction Phase of Construction Manager's Scope of Work includes only work relating to Project infrastructure and not vertical construction.
- b. Owner and Construction Manager may agree that the Construction Phase of the Project commences prior to completion of the Pre-Construction Phase of the Project, in which case, both phases will proceed concurrently.
- c. Construction Manager shall act as Owner's representative with respect to Owner's dealings with the General Contractor and shall help coordinate with them the work and sequence

of the work to complete the Project. Construction Manager, however, shall not have control over, charge of, or responsibility for the means, methods, techniques, sequences or procedures, or for safety precautions and programs in connection with the Construction Phase of the work because these are solely the General Contractor's rights and responsibilities under the GC Contract. Construction Manager shall not be responsible for the General Contractor's failure to perform the Construction Phase work in accordance with the requirements of the GC Contract. Construction Manager shall be responsible for Construction Manager's negligent acts or omissions, but shall not have control over or charge of, and shall not be responsible for, acts or omissions of the General Contractor, subcontractors, or their agents or employees, or any other persons or entities performing portions of the Construction Phase work.

d. Construction manager shall schedule and preside at periodic Project meetings with the Engineer and the General Contractor to discuss matters such as procedures, schedules, and coordination, and to develop solutions to issues that are identified. Construction Manager shall promptly prepare and maintain minutes of such meetings and distribute such minutes to the meeting participants. The frequency of such Project meetings shall be determined by agreement with Owner and Construction Manager.

e. Construction Manager shall diligently endeavor to obtain satisfactory performance from the General Contractor under the requirements of the GC Contract.

f. At regular intervals agreed to between Owner and Construction Manager, Construction Manager shall update Owner, in writing, on the progress of the Construction Phase work and material issues arising therefrom. Said update shall include the following (for the period covered by the update):

- i. Construction Phase work completed;
- ii. Project schedule status;
- iii. Requests for information and change requests (and the status thereof);
- iv. Status of rejected work and remedial efforts;
- v. Status on the Cost of the Work (including payments made to, and owed to, Construction Manager);
- vi. Status of compensation to General Contractor under the GC Contract (with sufficient details to address the form of contract compensation to the General Contractor—whether it is based on cost-of-the-work, cost-of-the-work with a guaranteed maximum price, stipulated sum; etc.);
- vii. Any other issues agreed to by Owner and Construction Manager.

g. General Contractor shall arrange for the delivery, storage, protection and security of Owner-purchased materials, systems and equipment that are a part of the Construction Phase work until such items are incorporated into said work.

h. Construction Manager shall implement and develop procedures to review and process progress and final pay applications from the General Contractor.

i. Construction Manager shall prepare standard AIA Payment Applications for General Contractor's use in monthly invoicing with a schedule of values and unit pricing.

j. Not more frequently than monthly, Construction Manager shall review the General Contractor's pay applications and certify the amounts due the General Contractor. Construction Manager shall certify the amount Construction Manager determines is owed to the General Contractor under the pay application and shall prepare certificates of payment.

k. Construction Manager's certification for payment shall constitute a representation to Owner, based on Construction Manager's evaluations of the status of the Construction Phase work and on the data comprising the General Contractor's pay application, that, to the best of Construction Manager's knowledge, information and belief, such work has progressed to the point indicated, the quality of such work is in accordance with the GC Contract, and the General Contractor is entitled to payment in the amount certified. The foregoing representations are subject to (1) an evaluation of the Construction Phase work for conformance with the GC Contract upon Substantial Completion; (2) results of subsequent tests and inspections; (3) correction of minor deviations from the GC Contract prior to completion; and (4) specific qualifications expressed by Construction Manager. The issuance of a certificate for payment shall further constitute a recommendation to the Owner that the General Contractor be paid the amount certified.

l. Construction Manager's certification of a pay application shall not be a representation that Construction Manager has (1) made exhaustive or continuous on-site inspections to check the quality or quantity of the Construction Phase work; (2) reviewed construction means, methods, techniques, procedures, or sequences for the General Contractor's work; (3) confirmed the basis for requisitions received from subcontractors and suppliers and other data required by the GC Contract to substantiate the General Contractor's right to payment; or (4) ascertained how or for what purpose the General Contractor has used money previously paid under the GC Contract.

m. Construction Manager shall have the authority to reject Construction Phase work that does not conform to the GC Contract and shall notify Owner about the rejection. The failure of Construction Manager to reject work shall not constitute acceptance thereof. Construction Manager shall keep a record in its central document management system of rejected work. Upon written authorization from Owner, Construction Manager may require and make arrangements for additional inspection or testing of work in accordance with the GC Contract, whether or not the work is fabricated, installed or completed.

n. Construction Manager shall review change requests from the General Contractor and shall communicate with Owner relating to such requests and make recommendations to Owner as to whether the change should be accepted. If Owner decides to accept the change, Construction Manager shall appropriately memorialize said change in accordance with the requirements of the GC Contract.



- o. Construction Manager shall provide document control using Construction Manager’s FTP site to provide open access to the latest available plans, reports, meeting minutes, RFI’s, and material submittals.
- p. Construction Manager shall oversee and coordinate RFI’s and material submittals for Owner, General Contractor, Engineer and other design team members, government agencies, and other interested parties.
- q. Construction Manager shall coordinate Construction Document amendments between the Engineer, Owner, government agencies and General Contractor.
- r. Construction Manager shall observe the General Contractor’s final testing and start-up of utilities, operational systems and equipment and observe any commissioning required by the GC Contract.
- s. When Construction Manager considers the General Contractor’s Construction Phase work substantially complete—that is, said work is complete in that a letter of initial acceptance is issued by the applicable governmental authority (“**Substantial Completion**”)—Construction Manager shall prepare a list of incomplete or unsatisfactory items, including any incomplete or unsatisfactory items identified by the Engineer and each applicable governing authority, and a schedule for their completion (the “**Punch List**” work). It is understood that if the Construction Phase work is broken up into various phases, a Substantial Completion and Punch List process may be applicable for each such phase, as provided for in the GC Contract documents.
- t. When Substantial Completion is attained, Construction Manager (or Engineer, depending on the Project or requirement of each applicable governing authority) shall prepare and execute a “**Certificate of Substantial Completion**” and deliver same to Owner and the General Contractor. Following issuance of a Certificate of Substantial Completion, Construction Manager shall coordinate with each applicable governmental authority for an inspection to confirm completion of the Punch List work and notify Owner when all such Punch List work is complete and ready for final inspection. Construction Manager shall coordinate to schedule such final inspection with each applicable governing authority. If the GC Contract includes commissioning of equipment, final inspection shall not occur until the commissioning process is completed.
- u. Once all tasks are completed under the GC Contract, Construction Manager shall review and recommend to Owner whether the General Contractor’s final pay application should be approved and paid (“**Final Payment**”).

### **Additional Services**

- a. The services listed below are not included in Construction Manager’s Scope of Work. Construction Manager shall provide the listed “**Additional Services**” only if specifically requested by Owner and agreed to by Construction Manager. Unless this request and agreement are made, such Additional Services are not the responsibility of Construction Manager. If a

request for Additional Services is made, and agreed to by Construction Manager, Construction Manager shall be compensated for said service in an amount agreed to at that time between Owner and Construction Manager. Such agreement shall be affirmed in writing by both Owner and Construction Manager through Work Order Authorization. The list of Additional Services includes the following:

- i. Tenant-related services;
- ii. Commissioning;
- iii. Development of a commissioning plan;
- iv. Furniture, furnishings and equipment delivery, and installation coordination;
- v. Assistance with site selection;
- vi. Assistance with selection of Engineer or Third-party consultant(s);
- vii. Furnishing land survey for the Property;
- viii. Furnishing insurance advice;
- ix. Stakeholder relationships management;
- x. Owner moving coordination;
- xi. Services necessitated by the enactment or revisions of applicable governmental codes, laws, regulations, or official interpretations after the Effective Date of this Work Order;
- xii. Services arising from untimely decisions by Owner or any other failure of Owner under this agreement or failure of performance of the General Contractor or any of Owner's other consultants or contractors;
- xiii. Preparation for or appearance on Owner's behalf at any public presentation, meeting, or hearing;
- xiv. Preparation for or appearance at any court proceeding or other dispute resolution proceeding except where Construction Manager is a party thereto;
- xv. Consultation about replacing Construction Phase work damaged by fire, flood, or other cause during the Construction Phase of the Project;
- xvi. Any services requested more than 60 days after Substantial Completion unless such service is necessitated by the failure of Construction Manager under this Agreement;
- xvii. Any other work that this agreement does not expressly reference as included in Construction Manager's Scope of Work.

### **Miscellaneous**

Construction Manager shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Property. Owner agrees to fully indemnify and defend Construction Manager from and against any claim, damage, demand, or liability arising from or relating to the actual or alleged exposure of persons to hazardous or toxic materials or substances in any form on the Property.

## **Owner Representations**

- a. Owner shall provide to Construction Manager timely and accurate information about the Project and shall provide timely and complete responses to Construction Manager's inquiries relating to the Project.
- b. Owner shall establish Owner's budget for the Project, including (1) the budget for the Cost of the Work; and (2) reasonable contingencies related thereto. Owner shall update the Owner's budget for the Project as necessary throughout the duration of the Project until Final Payment is made. If Owner significantly increases or decreases Owner's budget for the Cost of the Work, Owner shall notify Construction Manager. Owner and Construction Manager shall thereafter agree to a corresponding change in the Project's scope and quality and Construction Manager's compensation relating thereto.
- c. Owner acknowledges that accelerated, phased, or fast-track design and construction provides a benefit, but also carries with it the risk of additional costs. If Owner selects accelerated, phased or fast-track scheduling, Owner agrees to include in the budget for the Project sufficient contingencies to cover such costs.
- d. Owner shall provide prompt written notice to Construction Manager if Owner becomes aware of any fault or defect in the Project, including errors, omissions or inconsistencies relating to the Engineer's or any fault or defect in Construction Manager's work.
- e. Owner may perform Project-related work with Owner's own forces, and award contracts in connection with the Project to perform work outside of Construction Manager's Scope of Work under this agreement. Construction Manager shall notify the Owner if any such independent action will interfere with Construction Manager's ability to perform its Scope of Work under this Agreement. When performing construction or operations related to the Project, Owner agrees to be subject to the same obligations of sequencing and cooperation as the General Contractor or any other consultant or professional contracting directly with Owner.
- f. Owner shall communicate with the General Contractor only through Construction Manager. This same line of communication also shall apply to other consultants or professionals who have contracted directly with Owner.
- g. Owner shall provide Construction Manager with each and every Project-related contract with any consultant, General Contractor, or other professional that has contracted directly with Owner.

**Anticipated Work Order Budget: \$41,500 (based on 9-week Construction Phase plus 5% of Certified Payment Application Amounts)**

The anticipated work order budget represents an opinion of probable cost for purposes of establishing an approximate value of the overall project which will be refined and established as described in the selected form of contract. Approval of this Work Order does not authorize payment of the anticipated work budget by the District. A limited authorization to proceed (LAP) shall be used as the instrument for authorizing the expenditure of funds.

**Schedule for the Work / Limited Authorizations to Proceed:**

LAP #	Date	Scope	Est. Amount	Est. Completion Date
1	8/3/22	Task A: Pre-Construction Phase	\$10,000	September 15, 2022
1	8/3/22	Task B: Construction Phase	\$3,500/week Plus 5% of each certified Payment Application	November 15, 2022

**Other Project Terms/Notes:**

**Reimbursable Expenses**

In addition to the compensation set forth above, Owner shall reimburse Construction Manager for the following expenses (“**Reimbursable Expenses**”):

- viii. Transportation and authorized out-of-town travel and subsistence;
- ix. Long distance services, dedicated data and communication services, teleconferences, Project web sites, and extranets;
- x. Permitting and other fees required by governmental authorities;
- xi. Printing and reproductions;
- xii. Postage, handling, and delivery;
- xiii. Expense of overtime work requiring higher than regular rates, if authorized in advance by Owner;
- xiv. All taxes levied on Construction Manager for professional services and on reimbursable expenses;
- xv. Insurance costs if the type of insurance required under this agreement exceeds the insurance Construction Manager carries normally;
- xvi. Site office, storage, signage, sanitation and waste expenses; and
- xvii. Other typical Project-related out-of-pocket expenses.

For Reimbursable Expenses, the compensation shall be actual amount of the expenses incurred by the Construction Manager plus 5%. Reimbursable Expenses shall be timely included in Construction Manager’s monthly invoices.

**Modifications to Agreement:** None except as expressly set forth herein. In the event of any conflicts between the Master Agreement and this Work Order, the terms of the Work Order shall prevail only with respect to construction management services provided by the Construction Manager.

Approved:		Approved:	
By:		By:	
	Prairie Center Metropolitan District No. 3		Redland Consulting Group, Inc.

<b>WORK ORDER  AGREEMENT FOR  DISTRICT ENGINEERING SERVICES</b>			
<b>Work Order No:</b>	4	<b>Date of District Approval:</b>	<u>August 3, 2022</u>
<p>This Work Order is executed pursuant to the Master Agreement for District Engineering Services, effective April 6, 2016 between Prairie Center Metropolitan District No. 3 (“<b>CLIENT</b>” or “<b>District</b>”) and Redland Consulting Group, Inc., as the Consultant (or “<b>REDLAND</b>”) (the “<b>Agreement</b>”). This document incorporates the terms and conditions of the Agreement as noted, implemented, amended and supplemented below</p>			
<p><b>General Description of Project and Project Components:</b> <u>Village V Park – Phase 2 Design</u></p> <p><b>BASIS OF UNDERSTANDING</b></p> <p>The CLIENT requests landscape construction plans for Phase 2 of the Prairie Center Village V neighborhood park (aka Village V Park – Phase 2). The phase two area contains approximately 2 acres and is located in Prairie Center Village V in Brighton, Colorado.</p> <p>The design approach will align with the Park Plans dated 7-28-2021 and the Phase 1 Park Construction Documents (PDF). The program shall include one large sod oval with half-circle amphitheater, expansion of the playground, one picnic shelter and additional plaza space around the shelter. The area outside the oval to include native turf and with informal plantings. This proposal assumes the irrigation design will tie into the existing phase one system.</p>			
<p><b>SCOPE OF SERVICES</b></p> <p>REDLAND will provide the following professional services:</p> <p><b>Project Meetings, Coordination &amp; Entitlement Support Services</b>  Prepare for and attend meetings for the project including, but not limited to, those with the CLIENT, project team, sub-consultants, City staff, and referral agencies. Provide coordination with CLIENT, consulting team and review agencies during the project design and entitlement phase of the project.</p>			
<p><b>Construction Document Phase Services</b></p> <p>I. Civil Engineering</p> <p style="padding-left: 40px;">a. Prepare general construction notes for site improvements to be included on the construction documents</p>			

- b. Prepare a Grading Plan for the remaining Village V neighborhood park area defining the hardscape improvements and vegetated areas with 1-foot contour interval and key spot elevations.
- c. Prepare an earthwork quantity estimate for the park based on the grading design and plan. Earthwork quantities will be based on shrink/swell percentages and topsoil depth parameters provided by CLIENT's geotechnical engineering consultant.
- d. Prepare an Erosion and Sedimentation Control Plan and report indicating details for the initial, interim, and final construction stages of the project.
- e. Prepare an Overall Utility Plan to indicate existing and proposed water mains, sanitary sewer mains, and storm sewers. This plan will show the storm sewer improvements necessary for the park. No sanitary sewer or water main extensions are anticipated for the design/development of the park.
- f. Prepare a Final Drainage Conformance Letter for the project. Water quality and detention is provided regionally for the project, therefore, no design for pond facilities are anticipated.
- g. Prepare project detail sheet(s).
- h. Respond to agency comments and assist CLIENT in obtaining construction document and report approvals.

I. Landscape Architecture

- a. Prepare a final Landscape Construction Plan consisting of landscape planting plans and species quantities, including trees, shrubs, ground covers and perennials, plans, elevations, sections and other information, as appropriate, for the landscape elements. It is anticipated that project drainage related plans will be generally complete before starting this item.
- b. Prepare an Opinion of Probable Cost based on the final Landscape Construction Plan.
- c. Respond to agency comments and assist CLIENT in obtaining final Landscape Construction Plan approvals, if applicable.

## **Construction Phase Services**

I. The Construction Services Phase will commence following the approval of engineering construction documents or general completion and acceptance of landscape and irrigation documents where provided herein, or at the time of project bidding, whichever occurs first.

The following services are anticipated:

- a. Provide site visits at appropriate intervals during the land development construction to answer contractor questions and assist with construction issues. It is not anticipated that attendance at every weekly construction meeting will be required. The CLIENT shall require the contractor to provide REDLAND with meeting minutes, which identify any issues or concerns, no later than the business day immediately following the construction meeting.
- b. Provide construction stage assistance as requested. These services may include preparation, attendance, and follow-up for pre-construction meetings and periodic construction meetings. Services may also include answering Requests for Information (RFI), providing shop drawing reviews, and giving design clarifications/interpretations. Assistance with contractor selection and acceptance of constructed improvements can be provided if requested, but fees for these services have not been included in the budgeted amount herein.
- c. Prepare a punchlist of the sitework items upon completion of the construction.
- d. Prepare record drawings for roadway, sanitary sewer, potable water main, and storm sewer improvements. The record drawings will be prepared following receipt of record survey data from the CLIENT's contractor and/or the project construction surveyor. Record data may need to be collected during construction. It is the responsibility of the CLIENT, the project construction surveyor, and/or the contractor to collect the data in accordance with agency requirements and at the appropriate time, during or following construction.

## **Supporting Services**

I. Irrigation Design

- a. Preliminary Irrigation Plan
  - i. Provide a preliminary Irrigation Plan to indicate size, type and location of the point of connection, lateral lines, sprinkler heads, and drip irrigation equipment.
  - ii. Prepare an Opinion of Probable Cost based on the preliminary Irrigation Plan.
- b. Final Irrigation Construction Documents



- i. Provide final irrigation construction documents to indicate size, type and location of the following: point of connection, lateral lines, sprinkler heads, and drip irrigation equipment.
- ii. Prepare an Opinion of Probable Cost based on the final Irrigation Plan.

**Anticipated Work Order Budget: \$**

The anticipated work order budget represents an opinion of probable cost for purposes of establishing an approximate value of the overall project which will be refined and established as described in the selected form of contract. Approval of this Work Order does not authorize payment of the anticipated work budget by the District. A limited authorization to proceed (LAP) shall be used as the instrument for authorizing the expenditure of funds. See Other Project Terms/Notes below regarding Limitation on Payment

**COMPENSATION**

**Project Meetings, Coordination & Entitlement Support Services**

- I. An hourly based fee for Project Meetings, Coordination & Entitlement Support Services [Do we have/need schedule of fees? If yes, we may want to include the current schedule of fees for all work under the Master Agreement, not just this WO?]

**Construction Document Phase Services**

- II. A lump sum fee of \$15,000 for Civil Engineering
- III. A lump sum fee of \$28,000 for Landscape Architecture

**Construction Phase Services**

- I. An hourly based fee. [I deleted "Construction Management Services" so the services provided by Redland in its capacity as design engineer don't get confused with WO #3 under which Redland is service as CM.]

**Supporting Services**

- I. A lump sum fee of \$7,300 for Irrigation Design

**Schedule for the Work / Limited Authorizations to Proceed:**

LAP #	Date	Scope	Est. Amount	Est Completion Date
1		Construction Document Phase Services	\$43,000	
2		Construction Phase Services	Hourly Basis	
3		Supporting Services	\$7,300	

**Other Project Terms/Notes:**

**LIMITATIONS**

This Work Order is for design within the boundaries of the subject property, unless as otherwise noted and included herein. Should design be required outside the boundaries of the subject property, the associated services will be defined as additional services. The following items are specifically excluded from this Work Order:

1. Financial analysis or market viability study.
2. Architecture or architectural programming.
3. Project models or three-dimensional renderings.
4. Demolition Plans, Traffic Control Plans or Phasing Plans.
5. Geotechnical Engineering.
6. Landscape and irrigation record drawings.
7. Site signage or monuments.
8. Potable Water system demands, hydraulic modeling analysis, or system sizing, unless as otherwise provided herein.
9. Irrigation system demands, hydraulic modeling analysis, or system sizing, unless as otherwise provided herein.
10. Traffic Impact Analysis or traffic signal design.
11. Structural design. REDLAND will identify the top and bottom of retaining walls, headwalls and wingwalls, and monuments on the construction documents provided herein. REDLAND will coordinate with CLIENT's structural engineer for design requirements, if applicable.
12. Photometric analysis for site lighting and electrical design. Location of light poles will be shown on the construction documents.
13. Environmental Site Assessment/Impact Studies; Floodplain analysis, delineation or Studies; Vegetation or Wildlife Assessment/Studies; Section 404 (Clean Water Act) Permitting, Air Pollution Emission Notice for Land Development.
14. Full-time construction observation services.

<b>Modifications to Agreement:</b>			
Approved:		Approved:	
By:		By:	
	Prairie Center Metropolitan District No. 3		Redland Consulting Group, Inc.

**WORK ORDER  
AGREEMENT FOR  
DISTRICT ENGINEERING SERVICES**

<b>Work Order No:</b>	5	<b>Date of District Approval:</b>	<u>August 3, 2022</u>
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This Work Order is executed pursuant to the Master Agreement for District Engineering Services, effective April 6, 2016 between Prairie Center Metropolitan District No. 3 (“CLIENT” or “District”) and Redland Consulting Group, Inc., as the Consultant (or “REDLAND”) (the “Agreement”). This document incorporates the terms and conditions of the Agreement as noted, implemented, amended and supplemented below

**General Description of Project and Project Components: Prairie Center Retail 2**

**SCOPE OF SERVICES**

REDLAND will provide the following professional services:

**Design Development Phase Services**

- I. Civil Engineering
  - a. Prepare a Preliminary Site Plan indicating property lines, setbacks, building, parking area, trash enclosure, walks, driveways, easements, accessible routes, bike racks, traffic signage & striping, light poles, and landscape areas.
  - b. Prepare a Preliminary Grading Plan to define overall site drainage patterns and to establish approximate lot and roadway elevations.
  - c. Prepare a Preliminary Grading Plan to define overall site drainage patterns, the building(s) finish floor elevation and the elevations of walks, parking areas and driveways (1-foot contour interval, typical).
  - d. Prepare a Preliminary Utility Plan indicating sanitary sewer, water supply, fire service, and storm drain systems and their points of connection with existing utilities. Offsite utilities, if required, will also be identified on the plan. This task includes the collection of available utility maps from city, county, state, and/or utility companies serving the site.

**Construction Document Phase Services**

- I. Civil Engineering
  - a. Prepare general construction notes for site improvements to be included on the construction documents.

- b. Prepare a Site Demolition Plan indicating the extent of existing improvements that will be removed.
- c. Prepare a Site Plan (Horizontal Control Plan) indicating property lines, easements, setbacks, dimensions and horizontal locations of the building, walks, parking areas, driveways and landscape areas.
- d. Prepare typical street sections for the project.
- e. Prepare an Overlot Grading Plan indicating proposed and existing contours for lots and tracts and proposed grades at front and rear lot corners. Lot grading templates and notes will be included to detail specific requirements for the overlot grading.
- f. Prepare an Erosion and Sedimentation Control Plan and report indicating details for the initial, interim, and final construction stages of the project.
- g. Prepare a Stormwater Management Plan (SWMP).
- h. Prepare an Overall Utility Plan to indicate existing and proposed water mains, sanitary sewer mains, and storm sewers. This plan will show the water and sanitary sewer service line locations. Detailed construction information for the water main will be provided on the overall utility plan.
- i. Prepare plan and profile drawings for the proposed roadways, water mains (16-inch in diameter or larger), sanitary sewer, and storm sewer.
- j. Prepare a plan for the project's storm drainage detention and water quality basin(s). Details will be included for the pond outlet structure, emergency overflow spillways, and water quality features (forebays, micro-pools, etc.) where applicable.
- k. Prepare a signage and striping plan.
- l. Prepare project detail sheet(s).
- m. Respond to agency comments and assist CLIENT in obtaining construction document and report approvals.

## II. Construction Management

- a. Prepare an earthwork estimate based on the approved Construction Documents (if available) using AGTEK earthwork software with considerations for topsoil, shrink-swell (if available from Geotechnical Consultant), cut-fill, sub-excavation, "hold down" to accommodate for utility spoils and paving sections, import-export, and project phasing.

- b. Prepare a quantity takeoff from the approved Construction Documents for the items being bid, typically including, site preparation, erosion control, earthwork, wet utilities, concrete and asphalt, landscape, irrigation and hardscape.
- c. Prepare an Opinion of Probable Construction Cost for the final designed improvements included in the quantity takeoff.

### **Construction Meetings, Administration, and On-Call Services**

The following services will commence following the approval of engineering construction documents or general completion and acceptance of landscape and irrigation documents where provided herein, or at the time of project bidding, whichever occurs first. The following services are anticipated:

- I. Prepare, attend, and provide meeting follow-up with the CLIENT (Owner), government agencies, project team, contractor(s), and other interested parties.
- II. Provide site visits at appropriate intervals during the land development construction to answer contractor questions and assist with construction issues.
- III. Provide construction stage assistance to answer Requests for Information (RFI's), respond to material Submittals, provide shop drawing reviews, and provide design clarifications/interpretations.
- IV. Prepare a punchlist of the sitework items upon completion of the construction.

### **Pre-Construction Phase Services**

#### **I. Construction Management**

The Pre-Construction Services Phase will generally commence following the approval of engineering construction documents, the general completion and acceptance of landscape and irrigation documents where provided herein, or at the time the CLIENT determines the documents are available and complete for bidding, whichever one occurs first. The following services are anticipated:

- a. Visit and walk the property to photograph and make note of existing improvements, access locations, topography, watercourses, project boundaries, and general site constraints.
- b. Review existing documents, surveys, due diligence reports, geotechnical reports, entitlement documents, Grading and Erosion Control Plans and approved Construction Documents (if available).
- c. Prepare a bid tabulation of quantities being bid.

- d. Prepare a Scope of Work with Special Provisions describing the construction project scope and the CLIENT expectations and schedule.
- e. Prepare Special Conditions, Project Specifications, Contractor Selection Criteria, Bidding Schedule, and Interview Criteria for inclusion within the CLIENT provided Contract Document template.
- f. Prepare Bid Documents for distribution to CLIENT and contractors.
- g. Manage and log bid questions from contractors during the bidding process.
- h. Manage and log addendums from contractors and the design team during the bidding process addressing construction plan revisions or clarifications.
- i. Review bids received and prepare a Bid Tabulation form.
- j. Prepare a Contract Schedule of Values based on the anticipated CLIENT awarded bid.

### **Construction Phase Services**

#### **I. Civil Engineering**

- a. Prepare record drawings for roadway, sanitary sewer, potable water main, and storm sewer improvements. The record drawings will be prepared following receipt of record survey data from the CLIENT's contractor and/or the project construction surveyor. Record data may need to be collected during construction. It is the responsibility of the CLIENT, the project construction surveyor, and/or the contractor to collect the data in accordance with agency requirements and at the appropriate time, during or following construction.

### **Supporting Services**

#### **I. ALTA/NSPS Land Title Survey w/ 1-foot Topography & Utility Locates**

- a. Research and obtain existing Subdivision Plats and Land Survey Plats relevant to the site.
- b. Locate known underground wet and dry utilities. Utilities not observable from the surface will be located via electronic detection methods. Lines without "tracer" lines may not be locatable via electronic detection and may not be found.
- c. Perform a field survey to locate section corners, range points and property corners to establish the parcel boundary. Survey limits will be to the opposite right-of-way line of the surrounding streets.

- d. Prepare ALTA/NSPS Land Title Survey with 1-foot topography to 2021 ALTA/NSPS Standards, including Table A items: 1-5, 8, 11(a) & (b), 13, 16, 17 and 18.
- e. CLIENT will be responsible for providing a current Title Commitment including copies of all exceptions.

II. Subdivision Plat

- a. Prepare a subdivision plat indicating rights-of-way, lots, tracts, and easements to be sold or deeded within the boundaries of the project.
- b. Set final boundary monuments identified on the plat.
- c. Title work, legal documents, covenants, and submittal fees required for the plat shall be performed and/or supplied by the CLIENT.

III. Subdivision Minor Re-plat

- a. Prepare a subdivision plat to replat 2 lots into 4 lots.
- b. Set final boundary monuments identified on the plat.
- c. Title work, legal documents, covenants, and submittal fees required for the plat shall be performed and/or supplied by the CLIENT.

IV. Legal Descriptions and Exhibits

- a. Prepare legal descriptions certified by a Colorado Licensed Professional Land Surveyor for the acquisition of temporary construction and permanent use easements and/or Rights-of-Way.

V. Address Plat

- a. Prepare an address map for the project indicating street names and an address for each lot.

VI. Traffic Impact Analysis

- a. Coordinate with City staff as necessary to ensure that their requirements are met.
- b. Review and summarize trip generation assumptions for this parcel that were used in the "master" traffic impact study finalized by URS in 2010.
- c. Estimate "new" trips for this site based on the current land use proposal using current ITE rates for the most applicable land use.



- d. Provide a comparison of the previously assumed general retail and currently proposed trip rates, if different. This analysis will confirm that the project will generate no additional traffic beyond what was previously assumed, and thus no new operational analyses are required beyond what was already completed for the "master" traffic study.
- e. Summarize all data, analyses and findings in a Traffic Conformance Letter.
- f. Respond to any City comments and revise memo, as needed.

**Anticipated Work Order Budget: \$87,1500\***

The anticipated work order budget represents an opinion of probable cost for purposes of establishing an approximate value of the overall project which will be refined and established as described in the selected form of contract.

\* **The DISTRICT and REDLAND expressly acknowledge and agree that the Scope of Work includes work for both public improvements and private improvements and that the District's payment obligation under this Work Order is limited to costs related to public improvements as be determined by an independent engineer.**

**Schedule for the Work / Limited Authorizations to Proceed:**

LAP #	Date	Scope	Est. Amount	Est Completion Date
N/A	10/14/22	Design Development Phase: Civil Engineering	\$5,000.00	12/31/23
		Construction Document Phase:		
		• Civil Engineering	\$25,000.00	
		• Construction Management	\$3,000.00	
		Construction Meetings, Administration & On-Call Services	Hourly Fee	
		Pre-Construction Phase: Construction Management	\$10,000.00	
		Construction Phase: Civil Engineering	\$3,000.00	
		Supporting Services:		
		• ALTA/NSPS Land Title Survey w/ 1-foot Topography & Utility Locates	\$20,500.00	
		• Subdivision Plat	\$9,600.00	
		• Subdivision Minor Re-Plat	\$5,100.00	
		• Legal Descriptions & Exhibits	\$950.00	
		• Address Plat	\$2,000.00	
• Traffic Impact Analysis	\$3,000.00			

## **Other Project Terms/Notes:**

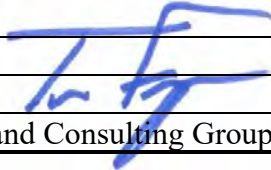

### **LIMITATIONS**

This Work Order is for design within the boundaries of the subject property, unless as otherwise noted and included herein. Should design be required outside the boundaries of the subject property, the associated services will be defined as additional services through a separate Work Order. The following items are specifically excluded from this Work Order:

1. Financial analysis or market viability study.
2. Architecture or architectural programming.
3. Project models or three-dimensional renderings.
4. Demolition Plans, Traffic Control Plans or Phasing Plans.
5. Underground Utility Potholing.
6. Material Testing or Geotechnical Engineering.
7. Construction Staking.
8. Landscape and irrigation design or record drawings.
9. Site Monument signage or monuments.
10. Foundation, underdrain, sub-drain, or curtain drain systems, unless as otherwise provided herein.
11. Pump design for underdrains or subsurface detention facilities.
12. Potable Water system demands, hydraulic modeling analysis, or system sizing, unless as otherwise provided herein.
13. Irrigation system demands, hydraulic modeling analysis, or system sizing, unless as otherwise provided herein.
14. Corrosion Protection Design.
15. Colorado Department of Public Health and Environment, Stormwater Discharge Associated with Construction Activities Permit application.
16. Traffic signal design.
17. Structural design. REDLAND will identify the top and bottom of retaining walls, headwalls and wingwalls, and monuments on the construction documents provided herein. REDLAND will coordinate with CLIENT's structural engineer for design requirements, if applicable.

18. Photometric analysis for site lighting and electrical design. Location of light poles will be shown on the construction documents.
19. Dry utility (gas, electric, phone, cable) design identifying size and capacity of proposed service lines. Size and capacity typically is supplied by the local utility service provider(s).
20. Environmental Site Assessment/Impact Studies; Floodplain analysis, delineation or Studies; Vegetation or Wildlife Assessment/Studies; Section 404 (Clean Water Act) Permitting, Air Pollution Emission Notice for Land Development.
21. Full-time construction observation services.
22. On-site construction management including construction means and methods, job site authority, job site safety, schedule, and project management.
23. Inspection Services.
24. Site Safety. Site safety shall be the responsibility of CLIENT and/or general contractor.
25. Directing contractor(s). Direction to the contractor(s) shall be given by CLIENT and any decisions affecting project cost or schedule shall be made by the CLIENT.

**Modifications to Agreement:** Effective as of January 1, 2022, services authorized to be paid to REDLAND on an hourly fee basis under the Agreement and any Work Orders, including this Work Order No. 5, shall be at the rates set forth on the Hourly Billing Rate Schedule attached hereto as **Exhibit A**.

Approved:	Mike Tamblyn	Approved:	
By:	<i>Mike Tamblyn</i>	By:	
	Prairie Center Metropolitan District No. 3		Redland Consulting Group, Inc.

**EXHIBIT A**  
**HOURLY BILLING RATE SCHEDULE**

**(Rates effective through December 31,  
2022)**

<b>Description</b>	<b>Rate</b>
Principal	\$225.00
Associate Principal	\$200.00
Sr. Project Manager (Engineering)	185.00
Sr. Project Manager (Planning / L.A.)	175.00
Project Manager (Engineering/Construction)	165.00
Sr. Project Engineer	150.00
Sr. Planner	130.00
Sr. Landscape Architect	130.00
Project Engineer	130.00
Sr. Designer	130.00
Project Manager (Planning / L.A.)	125.00
Planner IV	120.00
Landscape Architect	110.00
Landscape Designer IV	110.00
Engineer III	110.00
Planner III	100.00
Landscape Designer III	100.00
Engineer II	100.00
Designer	95.00
Planner II	90.00
Landscape Designer II	90.00
Engineer I	90.00
Planner I	80.00
Landscape Designer I	80.00
Administrative	75.00

Redland's Hourly Billing Rate Schedule is subject to change annually.

## FORM OF CHANGE ORDER

<b>Change Order No:</b> 1	<b>Date Issued:</b> September 29, 2022
<b>Name of Agreement:</b> Service Agreement for Final Engineering and Construction Plans	
<b>Date of Agreement:</b> May 16, 2022	<b>District(s):</b> Prairie Center Metropolitan District No. 3
<b>Other Party/Parties:</b> JR Engineering, LLC	

**CHANGE IN SCOPE OF SERVICES (describe):**

See attached regarding Interim Reservoir Storm Drainage Reconfiguration.

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$94,545.00	Original Term: Expires upon satisfactory completion of services.
Increase of this Change Order: Not to exceed \$61,325.00	New Term: N/A
Price with all Approved Change Orders: Not to exceed \$155,870.00	Agreement Time with all Approved Change Orders:

**APPROVED:** PCMD#3 - President

By: *Mike Tamblyn*  
District

**APPROVED:**

By: *Ram S. Clouth*  
Consultant JR Engineering

## Scope of Services

**Construction Administration, Observation, Inspection and Close-Out Services:** JR Engineering will assist [The Prairie Center Metropolitan District #3](#) during the construction phase of the Interim Reservoir Storm Drainage Reconfiguration. For the following scope of services we have estimated the proposed improvements will take approximately 2-2.5 months to complete. Specific services to be performed by JR are as follows:

**Pre-Construction Meetings:** JR personnel will attend/conduct the pre-construction meetings with the Engineers, Contractors, surveyor, and the geotechnical engineer for this project. JR shall prepare an agenda for the meetings, and record, prepare and distribute meeting minutes. The pre-construction meeting shall include discussion of the following:

- Clarification of any items in the plans or specifications;
- Exchange names and phone numbers of contact personnel;
- Establish a time and place for weekly progress meetings;
- Request and review the construction schedule provided by the Contractor;
- Request and review all work safety and construction traffic control plans;
- Establish with the contractor the process and dates for submitting pay requests;
- Establish a process for requesting information and responding to such requests; and
- Any other special construction conditions will be clarified.

JR will ensure that all permits, safety plans, easements, or other required information are in place prior to construction.

**Construction Progress Meetings:** JR personnel will attend weekly progress meetings with the Contractor, geotechnical engineer, and the surveyor. JR will schedule, prepare and distribute written meeting minutes and conduct the progress meetings as needed. These meetings shall address:

- Project Coordination;
- Construction issues that need resolved;
- Work completed since last meeting;
- Problems encountered and recommended solutions;
- Review of alternatives;
- Anticipated delays and late activities;
- Activities required by the next progress meeting; and
- Discuss and update the schedule and revise as necessary.

**Construction Scheduling:** JR will review the Contractor's construction schedules, activity sequence, and construction procedures.

**Pay Request Review:** JR personnel will assist [The Prairie Center Metropolitan District #3](#) with review and approval of pay requests forwarded from the Contractor. JR's review shall be for the purpose of providing a general review of the payment request. JR will also review and verify quantities of work performed during the pay request period.

**Change Order Request Review:** JR will provide documentation and assist with administering and processing of change orders, including pay applications for extension of construction time. Evaluate the cost and scheduling aspects of all change orders and, where necessary, negotiate with the Contractor to obtain a fair price for the work. Said negotiation shall be subject to the approval of [The Prairie Center Metropolitan District #3](#).

**Review of Inspections, Reports, Cut Sheets, and Tests:** JR will receive certifications of inspection, field tests, and observation reports, survey cut sheets, and approvals. Review the QA/QC documentation reports for general conformance with applicable specifications. JR will also prepare and distribute monthly progress reports to [The Prairie Center Metropolitan District #3](#) District of the general construction progress.



**Shop Drawing Review/Respond to RFI's:** JR personnel will review any necessary shop drawings, material submittals, or traffic control plans submitted by the contractor for general compliance with the design concept. JR will also coordinate with applicable parties and prepare a written response to the Contractor's Request for Information. We will maintain a shop drawing and RFI log during construction.

**Construction Observation and Inspections:** JR shall visit the project at appropriate intervals to observe progress of the work and field check for general conformance to the construction documents.

**Construction Design and Field Change Notices:** JR shall serve as liaison between the Contractor and the District in providing interpretation of the construction documents, transmitting clarifications and resolving field conflicts. As needed, JR personnel will prepare and issue Notice of Change, Design Change Notices or Field Change Notices during construction. We will also maintain an updated plan set at all times.

**Coordination with the City and the District:** JR personnel will coordinate with the City, and adjacent property owners if necessary to ensure work is coordinated accordingly.

**Project Closeout, Record Drawings, and Cost Certifications:** Upon satisfactory completion of all punch list items, JR will submit to **The Prairie Center Metropolitan District #3** as-built records. JR will close-out the project and will turn over all daily journals, documentation, red-lined construction drawings, all pay requests, change orders, design change notifications, and other information requested by the District.

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Below is our anticipated scope of services for providing Materials Testing and Construction Staking Services.

**Material Testing Services:** JR Engineering will solicit a bid from AG Wassenaar during the construction bidding process to provide Material Testing Services during construction. Based on previous history the testing services typically range from 1.0%- 2.5% of construction costs depending on the total amount of construction and production. Within the cost of services summary we have included a budget for providing testing services.

**Construction Staking Services:** JR Engineering will provide construction staking services for **The Prairie Center Metropolitan District #3** Reservoir Improvements to service **Interim Lutz Reservoir Reconfiguration**. By having JR Engineering provide the staking for the project we will ensure that the project is constructed in conformance with the design intent. Our surveyor's will be able to transfer electronic data quickly and directly from our electronic files to their data collectors, and will be able to resolve questions quickly with the design engineers. Also by having one surveyor we will minimize and confusion on horizontal and vertical control and we will be able to ensure the various contractors have stakes that match together from the various work elements of the project. Below we have included the anticipated scope of services we would provide for the Project.

**Horizontal and Vertical Control:** Set horizontal and vertical control points. Points will be set at strategic locations throughout the project site. The area around the control points should remain as undisturbed as possible.

**Silt Fence and Fence:** Provide stakes online at 50-foot intervals and angle points as designated on plans.

**Disturbance Areas/Limits of Construction:** Provide stakes to indicate the Limits of Construction and areas of disturbance. We will also provide paint markings for sawcutting and removal areas.

**Overlot Grading:** Provide grading stakes at appropriate intervals for the overlot and other grading.



**Storm Sewer:** Provide offset stakes with line and grade at 25-foot intervals for the first 100 feet out of each manhole or inlet, then at 50-foot intervals. Grades will be marked to flow line of storm sewer pipe. Provide offset stakes for line and grade at each manhole and finished rim elevations.

**Storm Sewer Structure Staking (Structures including inlets, manholes, and vaults):** Provide 10' offsets to outside edge of inlet box or structure at flow line and grade stakes to top of box at each inlet or structure.

**Trickle Channel:** Provide offset stakes set with line and grade offset to the top back of curb at 25-foot intervals, PCR's, PC's, PT's and vertical angle points. Provide radius point stakes at each radius.

**Trail Staking:** Provide offset stakes set with line and grade to the back of trail in all areas. Stake at 25-foot intervals PC's, PT's and vertical angle points.

**Monumentation of ROW/Property Corners:** Provide monumentation per the "Colorado Statutes on the Practice of Land Surveying" at all angle points, PC's and PT's, and Property Corners.

**Office Calculations and Construction Coordination:** Office support for field calculations as required for construction staking and as-builts. Construction coordination for scheduling of crews with the contractor.

**As-Built Survey:** Provide as-built survey information to the Design Engineer to complete Record Drawings.

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**SERVICE AGREEMENT FOR  
WATER ENGINEERING**

THIS SERVICE AGREEMENT FOR WATER ENGINEERING (“Agreement”) is entered into and effective as of the 29<sup>th</sup> day of September, 2022, by and between PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and , a ECOLOGICAL RESOURCE CORPORATION, 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 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 1.5, 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 1.5. 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 C ("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, which the District shall pay within thirty (30) days of submittal; provided, however, 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 date satisfactory completion of the Services. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

3.2 Termination.

(a) 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) calendar 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) calendar 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.

(b) Notwithstanding any provision herein to the contrary, the Agreement shall terminate automatically and be of no further force or effect upon the occurrence of (a) the Consultant's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; or (b) administrative dissolution (or other legal process not initiated by the Consultant dissolving the Consultant as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process.

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.

(v) Professional Liability Insurance Coverage. The Consultant shall obtain and, continuously thereafter for eight (8) years from the date of substantial completion of the design, maintain in full force and effect a claims made policy covering errors, omissions and negligent acts in the performance of its Services hereunder, in an amount of \$1,000,000 per claim and annual aggregate. The Consultant shall be solely responsible for the payment of all deductibles. Consultant's deductibles or Consultant's self-insured retentions shall be approved by the District.

(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. 3 141 Union Blvd., Suite 150 Lakewood, CO 80228 Phone: 303-987-0835 Email: <a href="mailto:afinn@sdmsi.com">afinn@sdmsi.com</a> Attn: Ann Finn
With a Copy To:	McGeady Becher P.C. 450 E. 17 <sup>th</sup> Avenue, Suite 400 Denver, CO 80203 Phone: (303) 592-4380 Email: <a href="mailto:legalnotices@specialdistrictlaw.com">legalnotices@specialdistrictlaw.com</a>
To Consultant:	Ecological Resource Consultants, Inc. 225 Union Boulevard, Suite 325 Lakewood, CO 80228 Phone: (303) 679-4820 Email: <a href="mailto:Heather@erccolorado.net">Heather@erccolorado.net</a> Attn: Heather Thompson

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]

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

Consultant:  
ECOLOGICAL RESOURCE  
CONSULTANTS, INC.

By: [Signature]  
Its: President

STATE OF COLORADO )  
 ) ss.  
COUNTY OF JEFFERSON )

SHELLEY ANN FIEDLER  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20154048770  
MY COMMISSION EXPIRES DECEMBER 22, 2023

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of September, 2022, by TROY THOMPSON, as PRESIDENT of Ecological Resource Consultants, Inc.

Witness my hand and official seal.

My commission expires: 12-22-2023

[Signature]  
Notary Public

District:  
PRAIRIE CENTER METROPOLITAN  
DISTRICT NO. 3

By: [Signature]  
President

STATE OF COLORADO )  
 ) ss.  
COUNTY OF JEFFERSON )

The foregoing instrument was acknowledged before me this 28<sup>th</sup> day of September, 2022, by Michael Tamblyn, as President of Prairie Center Metropolitan District No. 3.

Witness my hand and official seal.

My commission expires: 08/03/2026

YASMEEN ESCALERA  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 20224030228  
MY COMMISSION EXPIRES 08/03/2026

[Signature]  
Notary Public

**EXHIBIT A  
SCOPE OF SERVICES**

**DUTIES:**

Consultant shall complete an evaluation of the average monthly and annual irrigation water requirements for Phase 2 of the Prairie Center Village V located within the City of Brighton. Consultant will rely on the landscape planning set provided by Redland to determine the quantities of plant materials including trees, shrubs, and turf areas. Consultant will also rely on information provided by HydroSystems KDI on the irrigation system to estimate the projected monthly and annual water use. Consultant will consider climate data including monthly average temperature and precipitation for the project location, the efficiency of the irrigation method, and water needs for the various plants included in the design. Consultant will utilize the Modified Blandey-Criddle method to calculate the potential consumptive use and irrigation water requirements for blue grass turf. The results of the evaluation will be summarized in a table and technical memorandum that will be submitted to the City of Brighton.

**COMPENSATION:**

Consultant will submit monthly billing covering work efforts for the previous month. Compensation shall be at the Consultant's standard billing rates, as attached hereto and incorporated herein by this reference, including reimbursable expenses as described therein.

**EXHIBIT B  
COMPENSATION**

**Ecological Resource Consultants, Inc.  
2022 Rate Sheet**

**Professional Services**

Senior Project Manager/Technical Specialist.....	\$187 per hour
Project Manager.....	\$169 per hour
Senior Engineer.....	\$157 per hour
Project Engineer.....	\$141 per hour
Engineer.....	\$117 per hour
Senior Ecologist.....	\$146 per hour
Project Ecologist.....	\$133 per hour
Ecologist.....	\$107 per hour
Clerical Services.....	\$60 per hour

**Expenses**

GPS rental.....	\$250 per day
Mileage.....	IRS Rate
Subconsultant.....	Cost + 10%
Plots (B&W or Color, 24"x36").....	\$10 per sheet

\*Additional direct project expenses billed at cost

Trial and trial preparation time billed at 125% of regular hourly rates

Rates listed on this sheet are valid from January 1, 2022 through December 31, 2022.

ERC reserves the right to increase rates effective January 1, 2023.

**EXHIBIT C**  
**FORM OF CHANGE ORDER**

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

**CHANGE IN SCOPE OF SERVICES (describe):**

<b>CHANGE IN AGREEMENT PRICE:</b>	<b>CHANGE IN TERM OF AGREEMENT:</b>
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

**RESOLUTION NO. 2022-12-\_\_\_\_\_**

**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 2023 shall be held on April \_\_, 2023, August \_\_, 2023 and December \_\_, 2023 at 4:00 pm, via Zoom.

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) \_\_\_\_\_

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 7, 2022.

**PRAIRIE CENTER METROPOLITAN  
DISTRICT NO. 3**

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

Attest:

\_\_\_\_\_  
Secretary



November 7, 2022

Prairie Center Metropolitan District No. 3  
c/o CliftonLarsonAllen LP  
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, 2022. This letter, together with the attached Professional Services 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 \$5,600. 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, 2022, 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.

### Workers without Authorization

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 Workers without Authorization.* We certify that Wipfli LLP does not knowingly employ or contract with a worker without authorization 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 a worker without authorization to perform work under this engagement letter.
- B. *Verification Regarding Workers without Authorization.* 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 a worker without authorization, 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 a worker without authorization; 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 a worker without authorization, the subcontractor does not stop employing or contracting with the worker without authorization.

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 a worker without authorization.

- 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: \_\_\_\_\_

GL/tp

Enc.

Cc: Mike Tamblyn, Board of Directors

**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 and applicable Change Orders, 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 and any non-disclosure or confidentiality agreement between Wipfli and Client dated prior to the date of the Engagement Letter. 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), Implementation Plan, Change Orders, 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 among the express provisions of the foregoing, the Engagement Letter shall be given controlling effect. No provision of these terms and conditions will apply to any attest services that may be performed by Wipfli for Client if such provision would impair Wipfli’s independence from Client requiring pursuant to applicable professional standards, such services being governed exclusively by the Engagement Letters issued with respect thereto. Wipfli may be referred to herein as “we” or “us” or in a similar manner, and Client may be referred to as “you” or in a similar manner, and such references shall be read in context.

**2. Commencement and Term**

The 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. Termination of Agreement**

The 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 the Engagement Letter or Change Order (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 the 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 with immediate effect 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.

**4. Fee Estimates and Change Orders**

Wipfli’s Engagement Letter may set forth certain ranges for Wipfli’s fees charged on any project or services. Wipfli provides fee estimates as an accommodation to Client. These estimates depend on certain assumptions, including: (a) anticipated cooperation from Client personnel, (b) timely responses to our inquiries, (c) timely completion and delivery of Client assistance requests, (d) timely communication of all significant accounting and financial reporting matters, (e) the assumption that unexpected circumstances will not be encountered during the engagement, and (f) where applicable, the assumption 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. 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.

Services that fall outside the agreed-upon scope of Wipfli’s engagement shall be covered by a Change Order, or, if the nature and amount of such services are not material to the overall engagement, shall be delineated and included on Wipfli’s invoice for such services. A “Change Order” means a mutually agreed-upon change in the schedule or the time for Wipfli’s performance of the services on a project, the scope of specifications of a project, and/or the fees chargeable by Wipfli to Client, which is reduced to writing using an agreed-upon form that is executed by an authorized representative of each for Wipfli and Client.

Unless otherwise agreed in the Engagement Letter, miscellaneous expenses incurred by Wipfli in the course of performing the service 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; technology fees; delivery expenses; and all sales, use, ad valorem, excise, or other taxes or other governmental charges.

**5. Payment of 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, services 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 services 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 services 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 shall not be liable to Client for any damages that occur whether direct or indirect, foreseen or unforeseen, and whether or not the parties have been advised of the possibility of such damages.

In the event Wipfli is required to respond to a subpoena, court order, government regulatory inquiries, or other legal process related to Client or its management (other than a matter in which Wipfli is named as a party) for the production of documents and/or testimony relative to information we 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, including attorney’s fees, that we incur. Any services under this paragraph will be deemed a separate engagement and, to the extent permitted by law and applicable professional standards, we will promptly notify you of the matter.

**6. Privacy and Engagement Staffing**

Wipfli expressly reserves the right to replace, in its sole discretion, 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. These parties and their personnel may be located within or outside the United States. We may also use personnel from affiliates of Wipfli and other Wipfli-related entities (including our wholly-owned subsidiary based in India and contractors in the Philippines) or any of their respective affiliates. 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 to comply with professional standards applicable to Wipfli. 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, and Wipfli may rely on the representation that Client has obtained such consents.

Please see Wipfli's Privacy Statement located at [www.wipfli.com/privacy-statement](http://www.wipfli.com/privacy-statement) for further information.

Applicable rules in some states require that we advise you that some persons who own an interest in Wipfli may not be licensed as Certified Public Accountants and may provide services related to this engagement.

**7. Intellectual Property Rights**

Client acknowledges that Wipfli owns all intellectual property rights, title, and interest to all materials and information produced or developed by Wipfli throughout the duration of this engagement, excluding any pre-existing ownership right of Client and without implying any ownership interest in any Client materials, data or other information, all of which shall remain the property of Client. Upon completion of the services contemplated by the Engagement Letter, Wipfli grants to Client a perpetual paid-up license to use or modify, for internal purposes only, any deliverable produced by Wipfli and actually delivered to Client, provided that any use or modification of such deliverable, other

than for the stated purposes in the 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.

**8. Mutual Confidentiality**

During the course of performing services, the parties may have access to information that is confidential to one another, including, without limitation, source code, documentation, specifications, databases, system design, file layouts, tool combinations, development methods, or business or financial affairs, which may incorporate business methods, marketing strategies, pricing, competitor information, product development strategies and methods, customer lists, customer information, and financial results (collectively "Confidential Information"). Confidential Information may include information received from third parties, both written and oral, that each party is obligated to treat as confidential.

Confidential Information shall not include any information that (i) is already known by the recipient party or its affiliates, free of any obligation to keep it confidential, (ii) is or becomes publicly known through no wrongful act of the receiving party or its affiliates, (iii) is received by the receiving party from a third party without any restriction on confidentiality, (iv) is independently developed by the receiving party or its affiliates, (v) is disclosed to third parties by the disclosing party without any obligation of confidentiality, or (vi) is approved for release by prior written authorization of the disclosing party.

Without the advance written consent of the other party, except as required by law, regulation, or to comply with professional standards applicable to a party or for the performance of the services, neither party shall disclose to a third party Confidential Information of the other party. Each party agrees to maintain at least the same procedures regarding Confidential Information that it maintains with respect to its own Confidential Information. Each party may use the Confidential Information received from the other party only in connection with fulfilling its obligations under this Agreement. The parties further agree that expiration or termination of this Agreement, for any reason, shall not relieve either party, nor minimize their obligations with respect to Confidential Information, as set forth herein.

**9. Independent Contractor**

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

**10. 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.

**11. Dispute Resolution**

If any dispute arises among the parties regarding the subject matter hereof and such dispute cannot be resolved through informal negotiations and discussion, the parties agree to try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its applicable rules for resolving professional accounting and related services disputes before resorting to arbitration or litigation. Costs of any mediation proceeding shall be shared equally by all parties. Except for an action by us to collect payment of our invoices, Wipfli and Client



agree that no claim arising out of services rendered pursuant to the Engagement Letter or any Change Order shall be filed: (i) in the case of any report or deliverable issued by Wipfli under the Engagement Letter, no later than two years from the date of such report or deliverable (or if no report or deliverable is issued, two years from the date of the Engagement Letter), or (ii) in the case of any tax form or similar governmental filing, no later than two years after the initial due date of such tax form or filing.

**12. Governing Law**

Any and all claims relating to 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.

**13. 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.

**14. Notices**

All notices required to be given to either party under the Engagement Letter shall be in writing and sent by traceable carrier to each party's address indicated on the Engagement Letter, or such other address as a party may indicate by at least ten (10) business days' prior written notice to the other party. Notices shall be effective upon receipt. A copy of such notice should be provided to Wipfli's General Counsel at [wipfli-legal@wipfli.com](mailto:wipfli-legal@wipfli.com).

**15. Electronic Signature**

Each party hereto agrees that any electronic signature of a party to the Engagement Letter or any electronic signature to a document contemplated hereby is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (i) to be "written" or "in writing," (ii) to have been signed, and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to: (i) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (ii) an electronic copy of a traditional signature affixed to a document, (iii) a signature incorporated into a document utilizing touchscreen capabilities, or (iv) a digital signature. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

**16. 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, Client's 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.

**17. 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.

**18. Force Majeure**

Either party may suspend (or if such suspension continues for more than thirty (30) days, terminate) its obligations (except the obligation to pay for services previously rendered) under the Engagement Letter or any amendment or Change Order, if such obligations are delayed, prevented, or rendered impractical or impossible due to circumstances beyond its reasonable control, including, without limitation, fires, floods, storms, washouts, tsunamis, earthquakes, wars (declared or undeclared), civil disturbances, accidents, terrorist acts (including biochemical attacks), health pandemics, acts of any governmental body, damage to its plants and equipment, computer network problems caused by any Internet Service Provider or telecommunications company servicing Wipfli and/or Client, or acts of God or events beyond a party's control (collectively referred to herein as "Force Majeure"). Each party will use reasonable efforts to promptly minimize the duration and consequences of any failure of or delay in performance resulting from a Force Majeure event. In such event, the affected party will not be liable to the other for delay or failure to perform 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 8/25/2022

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 2022 IN ADAMS COUNTY, COLORADO

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$9,380
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: *		\$1,050
3. LESS TIF DISTRICT INCREMENT, IF ANY:		\$0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:		\$1,050
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)(I)(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 2022 IN ADAMS COUNTY, COLORADO ON AUGUST 25, 2022

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: @		\$235
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
<small>(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.)</small>		
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
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NOTE: All levies must be Certified to the Board of County Commissioners NO LATER THAN DECEMBER 15, 2022

IN ACCORDANCE WITH 39-5-128(1.5) C.R.S. THE ASSESSOR PROVIDES: HB21-1312 ASSESSED VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **	
<small>** The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119 f(3). C.R.S.</small>	

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](http://www.adcogov.org)

AUG 25 2022

August 25, 2022

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

To ANN E FINN:

Enclosed is the 2022 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, 2022.

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.

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, 2023**

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/06/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 6,558,700	\$ 7,864,561	\$ 8,243,372	\$ 8,243,372	\$ 9,081,013
REVENUES					
Add-on public improvement fees - DPI	2,335,881	2,415,000	1,198,326	2,520,000	2,665,000
Add-on permit fees - DPI	5,000	63,000	-	-	5,000
City reimbursement - Outfall Channel	45,952	50,000	-	-	50,000
Credit public improvement fees - PPI	2,321,659	2,362,000	1,187,259	2,510,000	2,635,000
Credit public improvement fees - PRI	580,415	590,500	296,815	627,500	658,750
Credit permit fees - PPI	5,000	63,000	-	-	5,000
Credit permit fees - PRI	1,250	15,750	-	-	1,250
Developer advance - Project Management Fee	-	-	-	1,032,683	172,080
Facilities fees	2,288	57,000	-	-	2,500
Interest income	2,376	6,000	17,572	36,600	54,000
Other revenue	5,254	-	739	739	150,000
Shared sales tax increment	799,887	525,000	-	900,000	1,100,000
Transfer from District No. 1	3,300,000	745,000	-	782,340	1,135,000
Transfer from District No. 4	2,236,713	2,300,277	2,150,909	2,306,516	2,335,299
Transfer from District No. 5	384,257	450,555	433,741	453,376	457,260
Transfer from District No. 10	278,485	263,150	221,364	233,416	260,595
Total revenues	<u>12,304,417</u>	<u>9,906,232</u>	<u>5,506,725</u>	<u>11,403,170</u>	<u>11,686,734</u>
TRANSFERS IN	<u>4,295,952</u>	<u>1,600,000</u>	<u>-</u>	<u>1,550,000</u>	<u>1,800,000</u>
Total funds available	<u>23,159,069</u>	<u>19,370,793</u>	<u>13,750,097</u>	<u>21,196,542</u>	<u>22,567,747</u>
EXPENDITURES					
General Fund	824,980	920,000	650,822	1,008,764	1,041,000
Debt Service Fund - PPI & DPI	6,080,866	6,840,000	1,134,875	6,885,750	7,650,000
Debt Service Fund - PRI	567,738	606,000	241,138	604,931	720,000
Capital Projects Fund	3,146,161	1,979,060	486,241	2,066,084	2,972,080
Total expenditures	<u>10,619,745</u>	<u>10,345,060</u>	<u>2,513,076</u>	<u>10,565,529</u>	<u>12,383,080</u>
TRANSFERS OUT	<u>4,295,952</u>	<u>1,600,000</u>	<u>-</u>	<u>1,550,000</u>	<u>1,800,000</u>
Total expenditures and transfers out requiring appropriation	<u>14,915,697</u>	<u>11,945,060</u>	<u>2,513,076</u>	<u>12,115,529</u>	<u>14,183,080</u>
ENDING FUND BALANCES	<u>\$ 8,243,372</u>	<u>\$ 7,425,733</u>	<u>\$ 11,237,021</u>	<u>\$ 9,081,013</u>	<u>\$ 8,384,667</u>
EMERGENCY RESERVE	\$ 148,900	\$ 73,300	\$ 46,900	\$ 73,600	\$ 85,500
2007 SUBORDINATE BONDS - REQ DEBT SERVIC	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>\$ 5,085,400</u>	<u>\$ 5,009,800</u>	<u>\$ 4,983,400</u>	<u>\$ 5,010,100</u>	<u>\$ 5,022,000</u>

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/06/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>					
State assessed	\$ 320	\$ 470	\$ 470	\$ 470	\$ 50
Vacant land	20	20	20	20	20
Personal property	6,050	8,890	8,890	8,890	980
Certified Assessed Value	<u>\$ 6,390</u>	<u>\$ 9,380</u>	<u>\$ 9,380</u>	<u>\$ 9,380</u>	<u>\$ 1,050</u>
<b>MILL LEVY</b>					
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
<b>PROPERTY TAXES</b>					
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>BUDGETED PROPERTY TAXES</b>					
	<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  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/06/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 709,625	\$ 584,508	\$ 595,481	\$ 595,481	\$ 489,347
REVENUES					
Transfer from District No. 1	3,300,000	745,000	-	782,340	1,135,000
Transfer from District No. 4	1,304,750	1,341,828	1,254,697	1,345,464	1,362,258
Transfer from District No. 5	76,847	90,107	86,744	90,671	91,451
Transfer from District No. 10	278,485	263,150	221,364	233,416	260,595
Other revenue	754	-	739	739	-
Total revenues	<u>4,960,836</u>	<u>2,440,085</u>	<u>1,563,544</u>	<u>2,452,630</u>	<u>2,849,304</u>
Total funds available	<u>5,670,461</u>	<u>3,024,593</u>	<u>2,159,025</u>	<u>3,048,111</u>	<u>3,338,651</u>
EXPENDITURES					
General and administrative					
Accounting - recurring	80,065	90,000	40,090	85,000	93,000
Accounting - non-recurring project	-	5,000	-	-	-
Accounting - PIF collection fees	22,741	28,000	9,725	20,000	25,000
Audit	5,050	5,950	-	5,950	6,600
District management	22,175	35,000	9,949	25,000	35,000
District asset management	36,000	36,000	18,000	36,000	36,000
Dues and memberships	3,476	3,800	3,478	3,478	3,800
Insurance and bonds	40,269	45,000	38,836	38,836	45,000
Legal	21,899	35,000	15,135	40,000	44,000
Election expense	-	10,000	2,521	3,000	10,000
Miscellaneous/Contingency	3,062	17,250	9,547	11,000	19,600
Eagle monument maintenance					
Electric - site lighting	21,631	23,000	7,562	21,000	23,000
Water feature maintenance	49,700	30,000	7,280	30,000	40,000
Electric - water pump	18,310	18,000	6,509	19,000	20,000
Operations and maintenance					
Detention pond maintenance	13,539	25,000	-	40,000	40,000
Electric - street lights, other	9,742	15,000	3,127	8,000	10,000
Landscaping	141,230	150,000	98,456	170,000	175,000
Street sweeping	11,458	15,000	6,048	12,500	15,000
Streets repairs and maintenance	199,198	175,000	202,809	220,000	200,000
Snow removal	125,435	150,000	171,750	220,000	200,000
Water and sewer	-	8,000	-	-	-
Total expenditures	<u>824,980</u>	<u>920,000</u>	<u>650,822</u>	<u>1,008,764</u>	<u>1,041,000</u>
TRANSFERS OUT					
Transfers to other fund	<u>4,250,000</u>	<u>1,550,000</u>	<u>-</u>	<u>1,550,000</u>	<u>1,750,000</u>
Total expenditures and transfers out requiring appropriation	<u>5,074,980</u>	<u>2,470,000</u>	<u>650,822</u>	<u>2,558,764</u>	<u>2,791,000</u>
ENDING FUND BALANCES	<u>\$ 595,481</u>	<u>\$ 554,593</u>	<u>\$ 1,508,203</u>	<u>\$ 489,347</u>	<u>\$ 547,651</u>
EMERGENCY RESERVE	<u>\$ 148,900</u>	<u>\$ 73,300</u>	<u>\$ 46,900</u>	<u>\$ 73,600</u>	<u>\$ 85,500</u>
TOTAL RESERVE	<u>\$ 148,900</u>	<u>\$ 73,300</u>	<u>\$ 46,900</u>	<u>\$ 73,600</u>	<u>\$ 85,500</u>

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3**  
**DEBT SERVICE FUND - PPI & DPI**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/06/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 5,561,711	\$ 5,794,935	\$ 6,196,611	\$ 6,196,611	\$ 6,598,618
REVENUES					
Add-on public improvement fees - DPI	2,335,881	2,415,000	1,198,326	2,520,000	2,665,000
Add-on permit fees - DPI	5,000	63,000	-	-	5,000
Credit public improvement fees - PPI	2,321,659	2,362,000	1,187,259	2,510,000	2,635,000
Credit permit fees - PPI	5,000	63,000	-	-	5,000
Facilities fees	2,288	57,000	-	-	2,500
Other revenue	4,500	-	-	-	100,000
Interest income	2,178	5,500	16,274	34,000	50,000
Shared sales tax increment	799,887	525,000	-	900,000	1,100,000
Transfer from District No. 4	931,963	958,449	896,212	961,052	973,041
Transfer from District No. 5	307,410	360,448	346,997	362,705	365,809
Total revenues	<u>6,715,766</u>	<u>6,809,397</u>	<u>3,645,068</u>	<u>7,287,757</u>	<u>7,901,350</u>
Total funds available	<u>12,277,477</u>	<u>12,604,332</u>	<u>9,841,679</u>	<u>13,484,368</u>	<u>14,499,968</u>
EXPENDITURES					
Bond interest - Series 2007	2,841,610	3,550,000	-	3,610,000	4,250,000
Bond interest - Series 2017	2,308,256	2,269,750	1,134,875	2,269,750	2,228,106
Bond principal - Series 2017	925,000	1,000,000	-	1,000,000	1,065,000
Miscellaneous/Contingency	-	14,250	-	-	100,894
Paying agent fees	6,000	6,000	-	6,000	6,000
Total expenditures	<u>6,080,866</u>	<u>6,840,000</u>	<u>1,134,875</u>	<u>6,885,750</u>	<u>7,650,000</u>
Total expenditures and transfers out requiring appropriation	<u>6,080,866</u>	<u>6,840,000</u>	<u>1,134,875</u>	<u>6,885,750</u>	<u>7,650,000</u>
ENDING FUND BALANCES	<u>\$ 6,196,611</u>	<u>\$ 5,764,332</u>	<u>\$ 8,706,804</u>	<u>\$ 6,598,618</u>	<u>\$ 6,849,968</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**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/06/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 500,979	\$ 497,241	\$ 515,104	\$ 515,104	\$ 540,273
REVENUES					
Interest income	198	500	1,298	2,600	4,000
Credit public improvement fees - PRI	580,415	590,500	296,815	627,500	658,750
Credit permit fees - PRI	1,250	15,750	-	-	1,250
Other revenue	-	-	-	-	50,000
Total revenues	<u>581,863</u>	<u>606,750</u>	<u>298,113</u>	<u>630,100</u>	<u>714,000</u>
Total funds available	<u>1,082,842</u>	<u>1,103,991</u>	<u>813,217</u>	<u>1,145,204</u>	<u>1,254,273</u>
EXPENDITURES					
Bond principal - Series 2018	370,000	410,000	150,000	430,000	520,000
Bond interest - Series 2018	194,238	175,275	87,638	171,431	146,588
Contingency	-	17,225	-	-	49,912
Debt Service					
Paying agent fees	3,500	3,500	3,500	3,500	3,500
Total expenditures	<u>567,738</u>	<u>606,000</u>	<u>241,138</u>	<u>604,931</u>	<u>720,000</u>
Total expenditures and transfers out requiring appropriation	<u>567,738</u>	<u>606,000</u>	<u>241,138</u>	<u>604,931</u>	<u>720,000</u>
ENDING FUND BALANCES	<u>\$ 515,104</u>	<u>\$ 497,991</u>	<u>\$ 572,079</u>	<u>\$ 540,273</u>	<u>\$ 534,273</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**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/06/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ (213,615)	\$ 987,877	\$ 936,176	\$ 936,176	\$ 1,452,775
REVENUES					
Developer advance - Project Management Fee	-	-	-	1,032,683	172,080
Total revenues	-	-	-	1,032,683	172,080
TRANSFERS IN					
Transfer from CPF - Stormwater	45,952	50,000	-	-	50,000
Transfers from GF	4,250,000	1,550,000	-	1,550,000	1,750,000
Total funds available	4,082,337	2,587,877	936,176	3,518,859	3,424,855
EXPENDITURES					
General and Administrative					
Repayment of Developer advance - interest	3,100,000	800,000	-	800,000	-
PPI					
Retail Two - Road Extension	-	-	5,400	100,000	1,100,000
Retail Four - Road Extension	-	-	5,100	100,000	750,000
Village 5 Park	11,510	400,000	34,599	100,000	500,000
Village 5 Trail	-	250,000	-	-	250,000
Lutz Reservoir	-	-	51,399	525,000	200,000
Medical Center Drive	-	450,000	353,864	353,864	-
DPI					
Project management	-	44,000	17,461	47,155	112,000
Project management interest	34,594	35,000	18,387	40,000	60,000
PRI					
Project management interest	57	60	31	65	80
Total expenditures	3,146,161	1,979,060	486,241	2,066,084	2,972,080
Total expenditures and transfers out requiring appropriation	3,146,161	1,979,060	486,241	2,066,084	2,972,080
ENDING FUND BALANCES	\$ 936,176	\$ 608,817	\$ 449,935	\$ 1,452,775	\$ 452,775

No assurance provided. See summary of significant assumptions.

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3  
 CAPITAL PROJECTS FUND STORMWATER  
 2023 BUDGET  
 WITH 2021 ACTUAL AND 2022 ESTIMATED  
 For the Years Ended and Ending December 31,**

10/06/2022

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
City reimbursement - Outfall Channel	45,952	50,000	-	-	50,000
Total revenues	<u>45,952</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total funds available	<u>45,952</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
EXPENDITURES					
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TRANSFERS OUT					
Transfers to CPF	<u>45,952</u>	<u>50,000</u>	<u>-</u>	<u>-</u>	<u>50,000</u>
Total expenditures and transfers out requiring appropriation	<u>45,952</u>	<u>50,000</u>	<u>-</u>	<u>-</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  
2023 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  
2023 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  
2023 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 \$200 million (but less than \$250 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 35% 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 2023 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  
2023 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  
2023 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, 2022 and 2023.

	Balance - December 31,		Anticipated Balance - 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	3,420,000	-	430,000	2,990,000
Accrued Interest on Bonds				
Series 2007	29,276,162	3,220,975	3,610,000	28,887,137
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	20,183,665	-	-	20,183,665
Accrued Interest on				
Debt Service	2,368,980	352,678	-	2,721,658
Capital	15,412,071	2,818,064	800,000	17,430,135
Funding Fee Payable	1,200,889	202,000	-	1,402,889
Total	<u>\$ 154,211,328</u>	<u>\$ 6,593,717</u>	<u>\$ 5,824,161</u>	<u>\$ 154,980,884</u>



**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases - (continued)**

	Anticipated			Anticipated
	Balance -			Balance -
	December 31,			December 31,
	2022	Additions	Retirements	2023
Bonds Payable				
Series 2007	\$ 33,905,000	\$ -	\$ -	\$ 33,905,000
Series 2017	45,585,000	-	1,065,000	44,520,000
Series 2018	2,990,000	-	520,000	2,470,000
Accrued Interest on Bonds				
Series 2007	28,887,137	3,220,975	4,250,000	27,858,112
Bond Issue Discount				
Series 2017	(160,100)	-	(12,615)	(147,485)
Series 2018	(31,463)	-	(3,224)	(28,239)
Developer Advance				
Debt Service	2,066,963	-	-	2,066,963
Capital	20,183,665	-	-	20,183,665
Accrued Interest on				
Debt Service	2,721,658	453,191	-	3,174,849
Capital	17,430,135	3,559,735	-	20,989,870
Funding Fee Payable	1,402,889	202,000	-	1,604,889
Total	<u>\$ 154,980,884</u>	<u>\$ 7,435,901</u>	<u>\$ 5,819,161</u>	<u>\$ 156,597,624</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 2023 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	\$47,095,000 Limited Property Tax Supported Revenue Bonds, Series 2017A Dated October 26, 2017 Interest Rates: 4.168% - 5.000%			\$2,215,000 Limited Property Tax Supported Revenue Bonds, Series 2017B Dated October 26, 2017 Interest Rate: 5.000%			Totals
	Principal	Interest	Total	Principal	Interest	Total	
2023	\$ 1,015,000	\$ 2,127,356	\$ 3,142,356	\$ 50,000	\$ 100,750	\$ 150,750	\$ 3,293,106
2024	1,090,000	2,085,488	3,175,488	55,000	98,250	153,250	3,328,738
2025	1,165,000	2,040,525	3,205,525	55,000	95,500	150,500	3,356,025
2026	1,250,000	1,992,469	3,242,469	60,000	92,750	152,750	3,395,219
2027	1,325,000	1,940,906	3,265,906	65,000	89,750	154,750	3,420,656
2028	1,415,000	1,886,250	3,301,250	70,000	86,500	156,500	3,457,750
2029	1,515,000	1,815,500	3,330,500	75,000	83,000	158,000	3,488,500
2030	1,625,000	1,739,750	3,364,750	80,000	79,250	159,250	3,524,000
2031	1,735,000	1,658,500	3,393,500	85,000	75,250	160,250	3,553,750
2032	1,860,000	1,571,750	3,431,750	90,000	71,000	161,000	3,592,750
2033	1,975,000	1,478,750	3,453,750	100,000	66,500	166,500	3,620,250
2034	2,115,000	1,380,000	3,495,000	105,000	61,500	166,500	3,661,500
2035	2,250,000	1,274,250	3,524,250	110,000	56,250	166,250	3,690,500
2036	2,615,000	1,161,750	3,776,750	130,000	50,750	180,750	3,957,500
2037	2,780,000	1,031,000	3,811,000	140,000	44,250	184,250	3,995,250
2038	3,305,000	892,000	4,197,000	165,000	37,250	202,250	4,399,250
2039	3,675,000	726,750	4,401,750	180,000	29,000	209,000	4,610,750
2040	3,910,000	543,000	4,453,000	190,000	20,000	210,000	4,663,000
2041	6,950,000	347,500	7,297,500	210,000	10,500	220,500	7,518,000
	<u>\$ 43,570,000</u>	<u>\$ 27,693,494</u>	<u>\$ 71,263,494</u>	<u>\$ 2,015,000</u>	<u>\$ 1,248,000</u>	<u>\$ 3,263,000</u>	<u>\$ 74,526,494</u>

No assurance provided. See summary of significant assumptions.

RESOLUTION NO. 2022 - 12 - \_\_\_\_  
A RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3  
TO ADOPT THE 2023 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 2023 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, 2022, 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 7, 2022, 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 2023 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 7th day of December, 2022.

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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 2023, duly adopted at a meeting of the Board of Directors of the Prairie Center Metropolitan District No. 3 held on December 7, 2022.

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



**CliftonLarsonAllen LLP**  
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Greenwood Village, CO 80111  
phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

## **Special Districts Preparation SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and PRAIRIE CENTER METROPOLITAN DISTRICT# 1 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

### **Scope of professional services**

**Thuy Dam** is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

### ***Ongoing normal accounting services:***

- Outsourced accounting activities
  - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
    - Cash receipts journal
    - Cash disbursements journal
    - General ledger
    - Accounts receivable journals and ledgers
    - Deposits with banks and financial institutions
    - Schedule of disbursements
    - Bank account reconciliations
    - Investment records
    - Detailed development fee records
  - Process accounts payable including the preparation and issuance of checks for approval by the Board of Directors.
  - Prepare billings, record billings, enter cash receipts, and track revenues
  - Reconcile certain accounts regularly and prepare journal entries
  - Prepare depreciation schedules

- Prepare monthly/quarterly/as requested financial statements and supplementary information, but not perform a compilation with respect to those financial statements. Additional information is provided below.
- Prepare a schedule of cash position to manage the district’s cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district’s board of directors.
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district’s board of directors in monitoring actual expenditures against appropriation/budget.
- Oversee investment of district funds based on investment policies established by the board of directors, but in any case, in accordance with State law.
- Research and make recommendations to the board of directors on financial investments and cash management matters, as requested.
- If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district’s auditors.
- If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below.
- Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required.
- Review claims for reimbursement from related parties prior to the board of directors’ review and approval.
- Read supporting documentation related to the district’s acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness. Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW. These procedures may not satisfy district policies, procedures, and agreements’ requirements. Note: our procedures should not be relied upon as the final authorization for this transaction.
- Attend board meetings as requested.
- Be available during the year to consult with you on any accounting matters related to the district.
- Review and approve monthly reconciliations and journal entries prepared by staff
- Reconcile complex accounts monthly and prepare journal entries
- Analyze financial statements and present to management and the board of directors.
- Develop and track key business metrics as requested and review periodically with the board of directors.



- Document accounting processes and procedures
- Continue process and procedure improvement implementation
- Report and manage cash flows
- Assist with bank communications.
- Perform other non-attest services.

### **Compilation services**

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

### **Preparation services – financial statements**

We will prepare the monthly/quarterly/as requested financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

### **Preparation services – annual**

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district’s auditors.

### ***Preparation services – prospective financial information (i.e., unexpired budget information)***

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management’s knowledge and belief, the entity’s expected financial position, results of operations, and cash flows for the forecast period. It is based on management’s assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

### **Engagement objectives and our responsibilities**

The objectives of our engagement are to:

- a. Prepare monthly/quarterly/as requested financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.
- b. As requested, apply accounting and financial reporting expertise to assist you in the presentation of your monthly/quarterly/as requested financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c. Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d. Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.
- e. If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f. If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARSs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

### **Engagement procedures and limitations**

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the monthly/quarterly/as requested financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any

wrongdoing within the district or noncompliance with laws and regulations. However, if any of the foregoing are identified as a result of our engagement, we will promptly report this information to the board of directors of the district. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement, but will promptly report them to the board of directors of the district if they are identified. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

### **Our report**

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party and may not be suitable for another purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation on the Application for Exemption from Audit (if an audit is not required), we will not issue report on the Application for Exemption from Audit as a result of this engagement.

### **No assurance statements**

The monthly/quarterly/as requested financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "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 if applicable, For business type activities, the Statement of Cash Flows has been omitted".

If an audit is required, the year-end financial statements prepared for use by the district's auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

### **Management responsibilities**

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed

by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management's responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district's operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a. The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b. The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c. The presentation of the supplementary information.
- d. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e. The prevention and detection of fraud.
- f. To ensure that the entity complies with the laws and regulations applicable to its activities.
- g. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h. To provide us with the following:
  - i. Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
  - ii. Additional information that may be requested for the purpose of the engagement.
  - iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the Board Treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

**Fees, time estimates, and terms**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$500
Chief Financial Officer	\$280 - \$385
Controller	\$220 - \$330
Assistant Controller	\$190 - \$250
Senior	\$140 - \$190
Staff	\$120 - \$165
Administrative support	\$110 - \$150

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. We will also add a technology and client support fee of five percent (5%) of all professional fees billed. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

**Use of financial statements, the annual budget, the Application for Exemption from Audit**

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

**Municipal advisors**

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

**Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**



Thuy Dam  
Principal  
Thuy.Dam@CLAconnect.com

APPROVED:

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Signature

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Title

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Date



**CliftonLarsonAllen LLP**  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111  
phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

## **Special Districts Preparation SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and PRAIRIE CENTER METROPOLITAN DISTRICT# 2 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

### **Scope of professional services**

**Gigi Pangindian, CPA** is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

### ***Ongoing normal accounting services:***

- Outsourced accounting activities
  - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
    - Cash receipts journal
    - Cash disbursements journal
    - General ledger
    - Accounts receivable journals and ledgers
    - Deposits with banks and financial institutions
    - Schedule of disbursements
    - Bank account reconciliations
    - Investment records
    - Detailed development fee records
  - Process accounts payable including the preparation and issuance of checks for approval by the Board of Directors.
  - Prepare billings, record billings, enter cash receipts, and track revenues
  - Reconcile certain accounts regularly and prepare journal entries
  - Prepare depreciation schedules



- Prepare monthly/quarterly/as requested financial statements and supplementary information, but not perform a compilation with respect to those financial statements. Additional information is provided below.
- Prepare a schedule of cash position to manage the district’s cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district’s board of directors.
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district’s board of directors in monitoring actual expenditures against appropriation/budget.
- Oversee investment of district funds based on investment policies established by the board of directors, but in any case, in accordance with State law.
- Research and make recommendations to the board of directors on financial investments and cash management matters, as requested.
- If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district’s auditors.
- If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below.
- Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required.
- Review claims for reimbursement from related parties prior to the board of directors’ review and approval.
- Read supporting documentation related to the district’s acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness. Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW. These procedures may not satisfy district policies, procedures, and agreements’ requirements. Note: our procedures should not be relied upon as the final authorization for this transaction.
- Attend board meetings as requested.
- Be available during the year to consult with you on any accounting matters related to the district.
- Review and approve monthly reconciliations and journal entries prepared by staff
- Reconcile complex accounts monthly and prepare journal entries
- Analyze financial statements and present to management and the board of directors.
- Develop and track key business metrics as requested and review periodically with the board of directors.

- Document accounting processes and procedures
- Continue process and procedure improvement implementation
- Report and manage cash flows
- Assist with bank communications.
- Perform other non-attest services.

### **Compilation services**

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

### **Preparation services – financial statements**

We will prepare the monthly/quarterly/as requested financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

### **Preparation services – annual**

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district’s auditors.

### ***Preparation services – prospective financial information (i.e., unexpired budget information)***

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management’s knowledge and belief, the entity’s expected financial position, results of operations, and cash flows for the forecast period. It is based on management’s assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

### **Engagement objectives and our responsibilities**

The objectives of our engagement are to:

- a. Prepare monthly/quarterly/as requested financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.
- b. As requested, apply accounting and financial reporting expertise to assist you in the presentation of your monthly/quarterly/as requested financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c. Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d. Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.
- e. If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f. If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARSs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

### **Engagement procedures and limitations**

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the monthly/quarterly/as requested financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any

wrongdoing within the district or noncompliance with laws and regulations. However, if any of the foregoing are identified as a result of our engagement, we will promptly report this information to the board of directors of the district. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement, but will promptly report them to the board of directors of the district if they are identified. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

### **Our report**

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party and may not be suitable for another purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation on the Application for Exemption from Audit (if an audit is not required), we will not issue report on the Application for Exemption from Audit as a result of this engagement.

### **No assurance statements**

The monthly/quarterly/as requested financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "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 if applicable, For business type activities, the Statement of Cash Flows has been omitted".

If an audit is required, the year-end financial statements prepared for use by the district's auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

### **Management responsibilities**

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed

by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management's responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district's operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a. The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b. The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c. The presentation of the supplementary information.
- d. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e. The prevention and detection of fraud.
- f. To ensure that the entity complies with the laws and regulations applicable to its activities.
- g. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h. To provide us with the following:
  - i. Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
  - ii. Additional information that may be requested for the purpose of the engagement.
  - iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the Board Treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

**Fees, time estimates, and terms**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$500
Chief Financial Officer	\$280 - \$385
Controller	\$220 - \$330
Assistant Controller	\$190 - \$250
Senior	\$140 - \$190
Staff	\$120 - \$165
Administrative support	\$110 - \$150

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. We will also add a technology and client support fee of five percent (5%) of all professional fees billed. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

**Use of financial statements, the annual budget, the Application for Exemption from Audit**

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

**Municipal advisors**

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

**Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**

Gigi Pangindian, CPA  
Principal  
Gigi.Pangindian@CLAconnect.com

APPROVED:

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Signature

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Title

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Date





**CliftonLarsonAllen LLP**  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111  
phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

### **Special Districts Payroll Services SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and PRAIRIE CENTER METROPOLITAN DISTRICT# 2 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

#### **Scope of payroll preparation services**

We will provide the following payroll preparation services from information you provide:

- For each pay period:
  - Perform payroll calculations
  - Prepare payroll checks or pay-stubs in the case of direct deposit of employee net pay
  - Initiate electronic transfer of funds for employee net pay and payroll tax deposit liabilities
  - Processing retirement plan contribution payments
  - Preparation of information needed for the retirement plan and other census information
- Prepare the following government forms annually for each calendar year-end (may be filed electronically):
  - All copies of required forms W-2 and W-3
  - Form 940 – Employers Annual Federal Unemployment Tax Return, if applicable
  - Form 943 – Employers Annual Tax Return for Agricultural Employees
  - All necessary state forms, if applicable
- If applicable, prepare the following government reporting forms for each calendar quarter-end (may be filed electronically):
  - Form 941 – Employers Quarterly Tax Return
  - State Employers Quarterly Withholding Return
  - State Employers Quarterly Unemployment Tax Return (SUTA)
  - Initiate electronic funds transfer for quarterly Federal Unemployment Tax (FUTA) liability
- Cash access services related to payroll services
  - Obtain one or more signature stamps bearing the name(s) and facsimile signature(s) of any of your officer(s) who are responsible for signing checks and bank drafts on your behalf.

- Obtain access to electronic signatures or signatures embedded into cloud-based software for the purpose of drafting payments on your behalf.
- Prepare checks to be drawn upon your bank account(s) and to use the above noted methods to thereby finally approve such checks for payment by the corresponding bank(s).
- Initiate the direct deposit of employee net pay from funds drawn upon your bank account(s).
- The following services would impair independence
  - Accept responsibility to authorize payment of client funds, electronically or otherwise, except as specifically provided for with respect to electronic payroll tax payments.
  - Accept responsibility to sign or cosign client checks, even if only in emergency situations.
  - Maintain a client's bank account or otherwise have custody of a client's funds or make credit for banking decisions for the client.

### **Our responsibility to you and limitations of the payroll services**

We will prepare your federal and state (if applicable) payroll forms and tax returns in accordance with the applicable payroll tax laws.

We will not audit or otherwise verify the accuracy or completeness of the information we receive from you for the preparation of the payroll and related returns, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information. However, we will inform the board of directors of the district of any material errors and of any evidence or information that comes to our attention during the performance of our payroll preparation services that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our payroll preparation services regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify deficiencies in your internal control as part of this engagement but will promptly report them to the board of directors of the district if identified. You agree that we shall not be responsible for any misstatements in your payroll that we may not identify as a result of misrepresentations made to us by you.

Our payroll preparation services will include electronically transmitting information to taxing authorities and your financial institution to facilitate the electronic transfer of funds. Authorizations for us to provide these services will be made in separate communications.

Our payroll preparation services will include transmitting federal Form W-2, federal Form 1099, and payroll data forms to federal and state taxing authorities on your behalf. Authorizations for us to provide these services will be made in separate communications.

### **Your responsibilities**

It is your responsibility to provide us with all of the information needed to prepare complete and accurate payrolls and returns. We will have no obligations with regard to a particular payroll or withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us. All necessary information should be provided to us within two days of the close of each payroll period or no later than two days prior to your payroll check date. A list of information we will require and the dates required will be provided in a separate communication.

For all nonattest services we may provide to you, including these payroll services, management agrees to assume all management responsibilities; oversee the services; by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services.

Specifically, your responsibilities include:

- Accuracy of information used in the preparation of the payrolls.
- Careful review of paychecks or pay-stubs, and payroll journals for each periodic payroll.
- Accuracy of information used in the preparation and filing of all government forms.
- Review and pre-approval of each electronic funds transfer initiated on your behalf for employee net pay amounts, payroll tax and withholding liabilities, and related benefit amounts.

You are responsible to carefully review the paper returns that we prepare on your behalf before signing and submitting them to tax authorities. You are responsible to review the paper copies of payroll forms and tax returns that were filed electronically on your behalf. We will advise you with regard to tax positions taken in the preparation of the payroll forms and tax returns, but the responsibility for the payroll forms and tax returns remains with you.

You are also responsible for the payment of payroll tax and withholding liabilities. Therefore, the Internal Revenue Service recommends that you enroll in the U.S. Department of the Treasury Electronic Federal Tax Payment System (EFTPS) to monitor your account and ensure that timely tax payments are being made for you. You may enroll in the EFTPS online at [www.eftps.gov](http://www.eftps.gov), or call 800-555-4477 for an enrollment form. Individual states have similar programs that allow you to monitor your account. A list of links by state is provided online at <http://www.americanpayroll.org/weblink/statelocal-wider/>.

### **Your responsibilities relevant to CLA's access to your cash**

Someone with management authority is responsible for the processes below. All approvals listed must be documented in writing, either electronically or manually:

- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
- Approve all payroll runs prior to cash being committed.

### **Fees**

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Other than annual adjustments reflecting inflation, our professional fees will not fluctuate unless there is a significant change in the number of employees, taxing jurisdictions, or in the services you wish for us to provide. If such changes should occur, we will discuss any fee adjustments with you prior to making any changes to your billing. Lastly, any additional forms that you would like us to complete will be charged at an hourly fee.

The hour rates currently in effect for our services are as follows:

Principal	\$300 - \$500
Chief Financial Officer	\$280 - \$385
Controller	\$220 - \$330
Assistant Controller	\$190 - \$250
Senior	\$140 - \$190
Staff	\$120 - \$165
Administrative support	\$110 - \$150

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are examples of services considered to be outside the scope of our engagement. We will bill you for additional services you would like us to provide at an hourly fee at periodic dates after the additional service has been performed.

- Reprocessing for corrected information provided to us subsequent to original payroll
- Preparation of non-standard reports
- Calculation of fringe benefit additions
- Processing retirement plan contribution payments
- Preparation of retirement plan and other census information
- Responding to workers compensation insurance audits
- Responding to employment verification requests
- Preparation of additional state tax registrations
- Preparation of amended payroll tax returns
- Responding to tax notices

#### **Tax examinations**

All government forms and returns are subject to potential examination by the IRS and state taxing authorities. In the event of an examination, we will be available, at your request, to assist or represent you. Services in connection with tax examinations are not included in our fee for preparation of your payroll returns. Our fee for such services will be billed to you separately, along with any direct costs.

#### **Record retention**

You are responsible for retaining all documents, records, payroll journals, canceled checks, receipts, or other evidence in support of information and amounts reported in your payroll records and on your quarterly and calendar year-end payroll forms and tax returns. These items may be necessary in the event the taxing authority examines or challenges your returns. These records should be kept for at least seven years. Your copy of the payroll forms and tax returns should be retained indefinitely.

In preparing the payrolls, payroll forms, and tax returns, we rely on your representation that you understand and have complied with these documentation requirements. You are responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of your financial records.

All of the records that you provide to us to prepare your payrolls and related forms and tax returns will be returned to you after our use. Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the records of you.

### **Tax consulting services**

This SOW also covers tax consulting services that may arise for which you seeks our consultation and advice, both written and oral, that are not the subject of a separate SOW. These additional services are not included in our fees for the preparation of the payroll and related federal and state forms and tax returns.

We will base our tax analysis and conclusions on the facts you provide to us, and will not independently verify those facts. We will review the applicable tax law, tax regulations, and other tax authorities, all of which are subject to change. At your request, we will provide a memorandum of our conclusions. Written advice provided by us is for your information and use only and is not to be provided to any third party without our express written consent.

Unless we are separately engaged to do so, we will not continuously monitor and update our advice for subsequent changes or modifications to the tax law and regulations, or to the related judicial and administrative interpretations.

### **Communications and confidentiality**

CLA will hold the information supplied by you to us in confidence and CLA will not disclose it to any other person or party, unless you authorizes us to do so, it is published or released by you, or it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

**Consent to send you publications and other materials**

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your tax return information. Such tax information includes your name and address as well as the business and financial information you provided to us.

By signing and dating this SOW, you authorize CLA to use the information that you provide to CLA during the preparation of your tax returns to determine whether to offer you relevant materials. Your consent is valid until further notice. If you do not wish to authorize such use, please strike out this paragraph prior to signing the SOW.

**Legal compliance**

You agree to assume sole responsibility for full compliance with all applicable federal and state laws, rules or regulations, and reporting obligations that apply to you or your business, including the accuracy and lawfulness of any reports you submit to any government regulator, authority, or agency. You also agree to be solely responsible for providing legally sufficient substantiation, evidence, or support for any reports or information supplied by you to any governmental or regulatory body, or for any insurance reimbursement in the event that you is requested to do so by any lawful authority. Except as outlined in this SOW, CLA, its successors, affiliates, officers, and employees do not assume or undertake any duty to perform or to be responsible in any way for any such duties, requirements, or obligations.

**Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**

Gigi Pangindian, CPA  
Principal  
Gigi.Pangindian@CLAconnect.com

APPROVED:

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Signature

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Title

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Date



**CliftonLarsonAllen LLP**  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111  
phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

## **Special Districts Public Improvement Fee SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Prairie Center Metro District No. 3 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

### **Scope of professional services**

Thuy Dam is responsible for the performance of the engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the engagement.

### **Services to be Provided**

#### *PIF Receiving Agent Services*

- Coordinate with leasing agent to obtain contact information on all new tenants.
- Provide tenants with proper PIF documentation and placards for display.
- Coordinate with tenants to ensure proper disclosure and calculation of PIF.
- Receive, receipt and deposit PIF payments.
- Maintain and monitor PIF receipts and records.
- Quarterly compliance checks at retail locations.
- Quarterly compliance checks and follow-up with retail locations as needed
- Coordination with leasing agent or legal counsel as needed.

### **Fees, time estimates, and terms**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

#### **CLA’S 2022-2023 STANDARD HOURLY RATES SERVICES:**

- Additional Accounting Support           \$90-\$400
- Supervisors/Directors                    \$200-\$220
- Senior Technicians                         \$145-\$160
- Technicians                                   \$95 - \$120



- Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

- **Municipal advisors**

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

### **Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**



Thuy Dam  
Principal  
Thuy.Dam@CLAconnect.com

APPROVED:

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Signature

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Title

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Date

**RESOLUTION NO. 2022-12-\_\_\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF  
PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3  
CALLING A REGULAR ELECTION FOR DIRECTORS  
ON MAY 2, 2023 (“ELECTION”)**

A. Four (4) vacancies currently exist on the Board of Directors of the District.

B. In accordance with the provisions of the Special District Act (“**Act**”) and the Uniform Election Code (“**Code**”), the Election must be conducted to elect two (2) Directors to serve until the next regular election, to occur May 6, 2025, and two (2) Directors to serve until the second regular election, to occur May 4, 2027.

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 2, 2023, 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, two (2) Directors shall be elected to serve until the next regular election, to occur May 6, 2025, and two (2) Directors shall be elected to serve until the second regular election, to occur May 4, 2027.

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 25, 2023).

7. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from the Designated Election Official of the District at 141 Union Blvd., Suite 150, Lakewood, Colorado 80228, 303-987-0835, and on the District's website at: <https://prairiecentermd.colorado.gov>.

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 February 28, 2023, 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.

RESOLUTION APPROVED AND ADOPTED on December 7, 2022.

**PRAIRIE CENTER METROPOLITAN  
DISTRICT NO. 3**

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

Attest:

\_\_\_\_\_  
Secretary

## OPERATIONS FINANCING IGA

This **OPERATIONS FINANCING IGA** (this “**Agreement**”) is made and entered into as of \_\_\_\_\_, by and between **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3** (“**District No. 3**” or “**Operating District**”) and **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 1** (“**District No. 1**” or “**Taxing District**”), both quasi-municipal corporations and political subdivisions of the State of Colorado (each a “**Party**” and, collectively, the “**Parties**”).

### RECITALS

A. The formation of the Operating District was approved by the City of Brighton, Colorado (“**City**”), and the formation of the Taxing District was approved by the County of Adams, Colorado, in conjunction with the approval of their respective Service Plans. Each of the Operating District and the Taxing District were organized with the approval of their respective electors, and their respective Service Plans were prepared pursuant to Sections 32-1-201, C.R.S., et seq., as amended (the “**Special District Act**”) and all required governmental approvals have been obtained therefor.

B. Each of the Operating District and Taxing District were organized to acquire, construct, install, operate and maintain the Project (defined below), including water, street, traffic and safety, television relay and translation, park and recreation, sanitation, and mosquito control improvements, programs, and services in accordance with their approved Service Plans (as have been or may in the future be amended or supplemented, the “**Service Plans**”).

C. The Taxing District, together with Prairie Center Metropolitan District No. 2 (“**District No. 2**”), the City of Brighton, Colorado, the City of Brighton Water, Sewer and Drainage Enterprise, THF Prairie Center Retail One, L.L.C., and THF Prairie Center Development, L.L.C., entered into that certain Comprehensive Funding Plan, Master Development Agreement, Pre-Annexation Agreement and Intergovernmental Agreement for Prairie Center, Brighton, Colorado, dated December 5, 2005, and recorded on December 16, 2005, in the real property records of Adams County, Colorado, at Reception No. 20051216001378220 (“**Comprehensive Agreement**”), which Comprehensive Agreement anticipated the organization of the Operating District and certain other metropolitan districts for the purpose of coordinating their activities with the Taxing District and District No. 2 with respect to the financing, construction, operation and maintenance of public improvements necessary to serve development within their common Service Area (as defined herein). The purposes for which the Districts were formed include the provision of water, drainage, street, traffic and safety, park and recreation, and sanitation facilities, programs, and services, all in accordance with the Service Plans. Pursuant to that certain Assignment of Comprehensive Agreement, the Taxing District and District No. 2 assigned to the Operating District and the Operating District assumed certain of the rights and obligations of the Taxing District and District No. 2 thereunder.

D. As anticipated by the Comprehensive Agreement, Prairie Center Metropolitan District Nos. 3, 4, 5, 6, 7, 8, 9 (which was subsequently dissolved) and 10 were organized pursuant to Service Plans approved by the City.

E. Pursuant to the Colorado Constitution, Article XIV, Section 18(2)(a), and Section 29-1-203, C.R.S., metropolitan districts may cooperate or contract with each other to provide any function, service, or facility lawfully authorized to each, and any such contract may provide for the sharing of costs, the imposition of taxes, and the incurring of debt notwithstanding any provision of law limiting the length of the financial contracts or obligations of governments.

F. Pursuant to a Facilities Funding, Construction, and Operations Agreement dated as of December 1, 2006 (as amended or supplemented, the "**FFCO**"), the Operating District, District No. 2 and Prairie Center Metropolitan District Nos. 4-10 (District Nos. 2 and 4-10, collectively, the "**Related Districts**") have agreed to cooperate to provide, operate and maintain certain public infrastructure benefiting the Service Area (as defined below), which Service Area includes property within the Taxing District.

G. As more specifically set forth in the FFCO, the Operating District provides "**District Administration**" services (as defined in Article 5 of the FFCO, such definition herein incorporated by this reference) and "**Project Administration**" services (as defined in Article 6 of the FFCO, such definition herein incorporated by this reference, and together with District Administration, the "**Services**") to and on behalf of the Related Districts.

H. In order to avoid duplication of Services and achieve cost efficiencies and in consideration of the benefits provided by the Project (as defined below) to property and property owners within the Taxing District, the Taxing District desires to enter into this Agreement with the Operating District to establish the terms pursuant to which the Operating District will provide Services to and on behalf of the Taxing District and the Taxing District will provide compensation therefor.

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

1. **Definitions.** In this Agreement, capitalized terms shall have the meanings set forth below:

- (a) "**Agreement**" means this Operations Financing IGA.
- (b) "**Allocated Management Costs**" means the Taxing District's share of the Management Costs, as more particularly set forth in this Agreement.
- (c) "**Capital Pledge Agreement**" means any agreement pursuant to which District No. 1 has pledged to impose a mill levy and pledged the revenues therefrom to pay debt service on bonds or other debt instrument, which obligation constitutes a multiple-year obligation of District No. 1.
- (d) "**District Administration**" as defined in Recital G.
- (e) "**Districts**" means, collectively, the Taxing District, the Operating District and District Nos. 2 and 4-10.

(f) **“Fiscal Year”** means the period from January 1 to December 31 of any calendar year.

(g) **“Management Costs”** means the reasonable costs incurred by the Operating District in connection with the Management Engagement.

(h) **“Management Engagement”** means the engagement of the Operating District to provide the Services as described in Article 4 of the FFCOA, which definition is hereby incorporated by this reference.

(i) **“Operating District”** means Prairie Center Metropolitan District No. 3.

(j) **“Operation and Maintenance Expenses”** means all reasonable and necessary expenses, paid or accrued, for operating, maintaining, and repairing the Project, including, without limitation, costs related to the Services.

(k) **“Operations Levy”** means an ad valorem mill levy imposed upon all taxable property of the Operating District each year at a rate determined by the Operating District and District No. 1 in accordance with the provisions of this Agreement reasonably calculated to generate tax revenues sufficient to fund the Allocated Management Costs of the Taxing District for such Fiscal Year. Notwithstanding the foregoing, in no event shall the District No. 1 Operations Levy required under this Agreement exceed the maximum mill levy for operations and maintenance authorized by its Service Plan less the number of mills the Operating District has pledged to levy for payment of debt service under any Capital Pledge Agreement.

(l) **“Pledged Revenues”** means any revenues of the Taxing District pledged to the Operating District for payment of Allocated Management Costs, inclusive of the Operations Levy and Specific Ownership Taxes.

(m) **“Project”** means the public improvements, facilities, properties, and related appurtenances which the Districts are authorized to acquire, construct, install, or otherwise provide pursuant to applicable law and which benefit the Service Area.

(n) **“Project Administration”** as defined in Recital G.

(o) **“Reimbursable Management Costs”** means those advances made to Prairie Center Metropolitan District No. 1 by the THF Prairie Center Development, L.L.C (**“Developer”**) pursuant to that certain Funding and Reimbursement Agreement dated August 9, 2004 and effective April 1, 2004, as amended on July 27, 2005 and June 6, 2006 together with those advances made to Prairie Center Metropolitan District No. 2 by Developer pursuant to that certain Funding and Reimbursement Agreement dated August 4, 2004 and effective on April 1, 2004, and as amended on July 27, 2005 and June 6, 2006, which the Operating District is obligated to repay pursuant to that certain Facilities Funding and Acquisition Agreement and Novation of Funding and Reimbursement Agreement by and among the Operating District and Developer dated November 8, 2006, as has been or may in the future be amended.

(p) **“Service Area”** means the property within the collective boundaries of the Districts, which as contemplated by the Comprehensive Agreement comprise the master planned development project known as Prairie Center.

(q) **“Specific Ownership Taxes”** means the portion of the specific ownership taxes on motor vehicles imposed by the State attributable to the Operations Levy, which taxes are payable to the Taxing District as provided herein.

(r) **“Taxing District”** means District No. 1.

2. **Management Engagement.** The Taxing District hereby engages the Operating District to provide the Services in accordance with the provisions of the FFCOA pursuant to which the Operating District provides the Services to the Related Districts.

(a) **Budget Determination.** The Operating District shall annually determine the Management Engagement budget in accordance with the provisions of Article 8 of the FFCOA and, from such budget, will determine the Allocated Management Costs for the Taxing District and each of the Related Districts.

(b) **Allocated Management Costs.** The Allocated Management Costs for the Taxing District shall be the total amount of revenue determined by the Operating District as necessary to pay Management Costs in each Fiscal Year, allocated pro-rata to the Taxing District based upon the amount of tax revenue generated by the Taxing District as a result of imposition of its Operations Levy together with any Specific Ownership Taxes received by the Taxing District as a result of its Operations Levy.

(c) **Reimbursable Management Costs.** The Taxing District acknowledges the Operating District has incurred the Reimbursable Management Costs and that such Reimbursable Management Costs remain outstanding as of the date of execution of this Agreement and shall be included by the Operating District in the Allocated Management Costs.

3. **Funding Obligation.**

(a) **Pledge of Revenues.**

(i) It shall be the duty of the Taxing District’s Board of Directors, annually, at the time and in the manner provided by law for the levying of the Taxing District’s taxes, to ratify and carry out the provisions of this Agreement regarding certification of the Operations Levy and collection of the ad valorem property taxes generated therefrom, and to require and direct the officers of the Taxing District to cause the appropriate officials of Adams County, Colorado, to levy, extend and collect said taxes in the manner provided by law. Said taxes, when collected, shall be applied by the Operating District only to the payment of the Taxing District’s Allocated Management Costs under this Agreement.

(ii) The Taxing District agrees to impose and collect the Pledged Revenues and to remit such revenues within thirty (30) days of receipt to the Operating District for payment of the Taxing District’s Allocated Management Costs.



(iii) The Operating District covenants to utilize all Pledged Revenues received from the Taxing District solely for the payment of Taxing District's Allocated Management Costs.

(iv) The financial obligations of the Taxing District to fund its respective share of the Allocated Management Costs as described hereunder shall constitute a multiple fiscal year financial obligation of the Taxing District.

(v) The Taxing District agrees that the Reimbursable Management Costs shall be allocated among the Taxing Districts in accordance with Section 2(c).

(b) Accounting Records. The Operating District shall keep and maintain accurate records and accounting entries reflecting all funds received from the Taxing District and the use(s) of such funds, including monthly unaudited financial statements reflecting the information contained in the accounting records. Additionally, the Operating District shall provide the Taxing District with an annual audit of such accounting records.

4. Review Committee. [Reserved. Not sure this is essential since giving District No. 1 a seat on the Review Committee implicates the rights of the other Districts. This agreement benefits the other Districts to the extent that it reduces their allocated costs and nothing in the FFCO contemplates/requires District No. 1 to contribute anything. Inserting District No. 1 into the FFCO dispute resolution process could be interpreted as reducing the rights of the other Districts. Could we just have a dispute resolution process between D1 and D3? Another work-around might be to have the Related Districts acknowledge and agree to include D1 in any review committee in consideration of the benefits derived from having D1 pledge revenues to pay its allocated costs. Your thoughts?]\

5. Events of Non-Compliance. The occurrence or existence of any one or more of the following events shall be an "Event of Non-Compliance" hereunder, and there shall be no default or Event of Non-Compliance hereunder except as provided in this Section:

(a) The Taxing District fails or refuses to impose the Operations Levy or to remit the Pledged Revenues as required by the terms of this Agreement;

(b) Any representation or warranty made by either Party in this Agreement proves to have been untrue or incomplete in any material respect when made and which untruth or incompleteness would have a material adverse effect upon the other Party;

(c) A Party fails in the performance of any other of its covenants in this Agreement, and such failure continues for sixty (60) days after written notice specifying such default and requiring the same to be remedied is given to the defaulting Party;

(d) A Party commences proceedings for dissolution or consolidation with another metropolitan district during the term of this Agreement;

(e) A Party shall commence any case, proceeding, or other action (A) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, or relief of debtors, seeking to have an order for relief entered with respect to it or seeking to

adjudicate it insolvent or a bankrupt or seeking reorganization, arrangement, adjustment, winding up, liquidation, dissolution, composition, or other relief with respect to it or its debts, or (B) seeking appointment of a receiver, trustee, custodian, or other similar official for itself or for any substantial part of its property, or a Party shall make a general assignment for the benefit of its creditors; or (ii) there shall be commenced against a Party any case, proceeding, or other action of a nature referred to in clause (i) and the same shall remain not dismissed within ninety (90) days following the date of filing; or (iii) there shall be commenced against a Party any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, distraint, or similar process against all or any substantial part of its property which results in the entry of an order for any such relief which shall not have been vacated, discharged, stayed, or bonded pending appeal within ninety (90) days from the entry thereof; or (iv) a Party shall take action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in clause (i), (ii) or (iii) above; or (v) a Party shall generally not, or shall be unable to, or shall admit in writing its inability to, pay its debts as they become due; or

(f) **Remedies For Events of Non-Compliance.** Upon the occurrence and continuance of an Event of Non-Compliance, any Party may proceed to protect and enforce its rights against the Party causing the Event of Non-Compliance by mandamus or such other suit, action, or special proceedings in equity or at law, in any court of competent jurisdiction, including an action for specific performance. In the event of any litigation or other proceeding to enforce any of the terms, covenants or conditions hereof, the prevailing Party in such litigation or other proceeding shall obtain, as part of its judgment or award, its reasonable attorneys' fees and costs.

6. **Representations and Warranties.** Each of the Parties hereby makes the following representations and warranties to the other:

(a) The Party has the full right, power and authority to enter into, perform and observe this Agreement.

(b) Neither the execution of this Agreement, the consummation of the transactions contemplated hereunder, nor the compliance with the terms and conditions of this Agreement by the Party will conflict with or result in a breach of any terms, conditions, or provisions of, or constitute a default under any agreement, instrument, indenture, judgment, order, or decree to which the Party is a party or by which the Party is bound.

(c) This Agreement is the valid and binding obligation of the Party and is enforceable in accordance with its terms.

(d) The Party shall keep and perform all of the covenants and agreements contained herein and shall take no action which could have the effect of rendering this Agreement unenforceable in any manner.

7. **Notices.** All notices, certificates, or other communications required to be given pursuant to any provision of this Agreement shall be in writing, shall be given either in person, by electronically-confirmed email transmission, or by certified or registered mail, and if mailed, shall be addressed as follows:

District No. 3: Prairie Center Metropolitan District No. 3  
141 Union Blvd., #150  
Lakewood, CO 80228  
Phone: 303-987-0835  
Email: afind@sdms.com  
Attn: Ann Finn

District No. 1: Prairie Center Metropolitan District No. 1  
141 Union Blvd., #150  
Lakewood, CO 80228  
Phone: 303-987-0835  
Email: afind@sdms.com  
Attn: Ann Finn

Each with a copy to: McGeady Becher P.C.  
450 E. 17<sup>th</sup> Ave., Suite 400  
Denver, Colorado 80203  
Phone: 303-592-4380  
Email: legalnotices@specialdistrictlaw.com  
Attn: Paula Williams

8. **Integration.** This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement and supersedes all prior and contemporaneous understandings or agreements of the parties. This Agreement may not be contradicted by evidence of any prior or contemporaneous statements or agreements. No Party has been induced to enter into this Agreement by, nor is any party relying on, any representation, understanding, agreement, commitment, or warranty outside those expressly set forth in this Agreement.

9. **District Records.** The Parties shall have the right to access and review each other's records and accounts, during regular office hours, for purposes of determining compliance by the Parties with the terms of this Agreement.

10. **Unenforceability; Severability; Cure.** If any term or provision of this Agreement is determined to be illegal, unenforceable, or invalid in whole or in part for any reason, such illegal, unenforceable, or invalid provisions or part thereof shall be stricken from this Agreement, and such provision shall not affect the legality, enforceability, or validity of the remainder of this Agreement. If any provision or part thereof of this Agreement is stricken in accordance with the provisions hereof, then such stricken provision shall be replaced, to the extent possible, with a legal, enforceable, and valid provision that is as similar in tenor to the stricken provision as is legally possible.

11. **Third Party Beneficiaries.** It is intended that there be no third-party beneficiaries of this Agreement, including without limitation the owners of any bonds, notes, contracts, or other obligations incurred or executed by any Party. Nothing contained herein, expressed or implied, is intended to give to any person other than the Parties any claim, remedy, or right under or pursuant hereto, and any agreement, condition, covenant, or term contained

herein required to be observed or performed by or on behalf of any Party hereto shall be for the sole and exclusive benefit of the other Party.

12. **Assignment; Delegation.** This Agreement may not be assigned or transferred by any Party without the prior written consent of the other Party.

13. **Further Assurances.** The Parties each covenant that they will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and documents as may reasonably be required for the performance of their obligations hereunder.

14. **Governing Law.** This Agreement shall be governed by and construed under the applicable laws of the State of Colorado.

15. **Modification.** This Agreement may be amended or supplemented by the parties, but any such amendment or supplement must be in writing and must be executed by all Parties.

16. **Construction; Interpretation.** Each Party hereto has participated fully in the review and revision of this Agreement. Any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not apply in interpreting this Agreement. The language in this Agreement shall be interpreted as to its fair meaning and not strictly for or against either Party.

17. **Remedies.** The Parties hereto agree and acknowledge that this Agreement may be enforced in law or in equity, by decree of specific performance or damages, or such other legal or equitable relief as may be available subject to the provisions of the statutes of the State of Colorado. In the event of any litigation, arbitration or other proceeding to enforce this Agreement, the prevailing Party in such litigation, arbitration or other proceeding shall be entitled to recover, as part of its judgment or award, its reasonable attorneys' fees and costs.

18. **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties have executed this Operations Financing IGA as of the date first set forth above.

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

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Michael Tamblyn, President

Attest:

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Secretary

**PRAIRIE CENTER METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado

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Michael Tamblyn, President

Attest:

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Secretary

## CONSTRUCTION AGREEMENT

THIS CONSTRUCTION AGREEMENT (this "**Agreement**") is made this 27th day of October 2022, by and between **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3**, a quasi-municipal corporation and political subdivision of the State of Colorado, located in the County of Adams, State of Colorado, hereinafter referred to as "**Owner**," and **Hudick Excavating, Inc. (dba HEI Civil)**, a Colorado corporation, hereinafter referred to as "**Contractor**."

In consideration of the mutual covenants, agreements, conditions and undertakings hereinafter specified, Owner and Contractor agree as follows:

### **PART 1 CONTRACTOR'S AGREEMENT AND SCOPE OF WORK**

A. Contractor agrees to furnish all the necessary labor, materials, equipment, tools and services necessary to perform and complete in a workmanlike manner all Work required for the construction of the Project in compliance with the Contract Documents as herein defined.

### **PART 2 CONTRACT DOCUMENTS**

A. The "**Contract Documents**" which comprise the entire agreement and contract between Owner and Contractor and which are attached to this Agreement and are incorporated herein by this reference, consist of:

1. This Agreement and any Amendments thereto;
2. Performance Bond;
3. Labor and Materials Payment Bond;
4. Certificates of Insurance;
5. Notice of Award;
6. Notice to Proceed;
7. Drawings and specifications consisting of:
  - (a) See **Exhibit – DRAWINGS AND REPORTS**
8. Specifications and Standards as follows:
  - (a) See **Exhibit -- PROJECT SPECIFICATIONS**
9. Addendum No. 1-6 to Specifications;
10. General Conditions and Supplementary Conditions, if any;

11. Any Modifications, Change Orders, Field Orders or other such revisions properly authorized after execution hereof.
12. Documentation submitted by Contractor with Bid and prior to Notice of Award;
13. Contractor's Bid Form, which is attached hereto and incorporated herein by this reference as **Exhibit A**, (hereafter, "**Contractor's Bid**," the "**Bid**," or the "**Bid Form**");
14. Contractor's Project Schedule, which is attached hereto and incorporated herein by this reference as **Exhibit B**, (hereafter, "**Project Schedule**");
15. Notice of Substantial Completion and Notice of Final Completion and Acceptance; and
16. All documents contained within the Contract Specifications for the Project.

B. There are no Contract Documents other than those listed above in this Part 2. The Contract Documents may only be altered, amended or repealed by a Modification (as defined in the General Conditions).

C. If, and to the extent of any inconsistency, ambiguity, or discrepancy in the Contract Documents, precedence shall be given to the Contract Documents in the following order of priority: (1) any Modifications including, but not limited to Change Orders; (2) this Agreement; (3) the General Conditions; (4) the Supplementary Conditions (if any); (5) any exhibits attached to this Agreement; (6) Addenda, with those of later date having precedence over those of earlier date; (7) the Specifications; and (8) the Drawings.

D. The Contract Documents are complementary and what is required by one shall be as binding as if required by all.

### **PART 3 ENGINEER AND OWNER'S REPRESENTATIVE**

A. The Project has been designed by JR Engineering (hereinafter called "**Engineer**"), who will assume all duties and responsibilities of Engineer, and who will have the rights and authority assigned to Engineer in the Contract Documents. Engineer will make itself reasonably available to perform the services required of Engineer under the Contract Documents.

B. Prairie Management, L.L.C., (hereinafter called "**Owner's Representative**") will assume all duties and responsibilities of Owner's Representative, and will have the rights and authority assigned to Owner's Representative in the Contract Documents. Owner's Representative will

make itself reasonably available to perform the services required of Owner's Representative under the Contract Documents. Owner's Representative may, at the direction of Owner, undertake some duties and responsibilities assigned to Engineer.

C. If no person or entity is described in Part 3(b) above, then Owner shall assume all responsibilities for Owner's Representative hereunder.

#### **PART 4 AGREEMENT PRICE**

A. For the performance of all Work and completion of the Project as specified in the Contract Documents, Owner shall pay Contractor **Six Hundred Thirty-two Thousand, Five Hundred Fifty-two Dollars and zero cents Dollars (\$632,552.00)**, in accordance with the Contract Documents. The Agreement Price shall be subject to adjustment for changes in the Drawings and Specifications or for extensions of time to complete performance, if approved by Owner and Contractor as hereinafter provided, and for changes in quantities, if bid on a unit-price basis in the Bid Form, which shall be verified by Engineer. The Agreement Price expressly includes all labor, materials, equipment, and services required by, incidental to, or reasonably inferable from the Work required by this Agreement as necessary to achieve the Owner's intended use for the Project.

#### **PART 5 CONTRACT TIME**

A. Contractor shall commence performance on the Project within ten (10) days after receipt of written Notice to Proceed. The Contractor will achieve Substantial Completion (as that term is defined in the General Conditions) of the entire Work by [check the box as applicable]:

The date of Substantial Completion indicated in the Project Schedule.

180 days from the Notice to Proceed.

On or before the 31st day of December, 2022, with Outlet structure fabricated metals (grates, well screen and orifice plate) to be installed on the outlet structure by January 31, 2023.

B. Owner and Contractor recognize that TIME IS OF THE ESSENCE of this Agreement and that Owner will suffer financial loss if Project is not substantially completed within the time specified in Part 5 A., above, plus any extensions thereof granted by Owner in accordance with the General Conditions. They also recognize the delays, expense, and difficulties involved in proving, in a legal or arbitration proceeding, the actual loss suffered by Owner if Project is not substantially completed on time. Accordingly, instead of requiring any such proof, Owner and Contractor



agree that as liquidated damages for delay (but not as a penalty) Contractor shall be liable to Owner for liquidated damages until Substantial Completion of the entire Work has been achieved, at the following rates: \$1,000 per day.

C. Nothing herein or otherwise shall limit Owner's rights under the Contract Documents for any matter other than delay, including (but not limited to) Owner's rights in the event of termination, or Owner's right to pursue a claim for damages due to defective or non-conforming Work or for Contractor's breach of contract. For the avoidance of doubt, nothing herein shall impair or limit Owner's rights to indemnity and defense under the Contract Documents.

## **PART 6 PAYMENT PROCEDURES**

A. On or before the twenty-fifth (25<sup>th</sup>) day of each month, Contractor shall submit an Application for Payment for the preceding month, in accordance with the General Conditions. Applications for Payment will be reviewed and processed by Engineer and Owner's Representative as provided in the General Conditions.

B. Subject in all events to the following retainage provisions and the other rights of the Owner to retain amounts, Owner shall make progress payments on the basis of Contractor's Applications for Payment, as recommended by Owner's Representative, by the 15<sup>th</sup> day of the second month after which the Application for Payment is submitted (the "Due Date").

1. If, in the opinion of the Owner, the Contractor is satisfactorily performing this Agreement, progress payments shall be in an amount equal to ninety-five percent (95%) of the calculated value of completed Work, less the aggregate payments previously made. If, in the opinion of Owner, satisfactory progress is not being made on the Project, or if a claim is filed under Section 38-26-107, Colorado Revised Statutes, Owner may retain such additional amounts as may be deemed reasonably necessary by Owner to assure completion of the Work or to pay such claims and any engineer's and attorney's fees reasonably incurred or to be incurred by Owner in defending or handling such claims. Subject to the foregoing, the withheld percentage of the Agreement Price will be retained until the following occurs: (a) within 60 days following the date of Substantial Completion, 50% of any sums retained shall be released; and (b) upon Final Completion, the remaining retained amounts shall be released, but in all events no later than the date of final payment in accordance with subsection 3 below and in accordance with the Contract Documents. Progress payments shall not constitute final acceptance of the Work.

2. Payments will be made for materials stored on-site in accordance with Part 14.01 B of the General Conditions.

3. Following Final Completion and upon the resolution of all claims, if any, filed pursuant to Section 38-26-107, C.R.S., Owner shall make final payment, including release of any remaining retainage, to Contractor as recommended by Engineer, and in accordance with the Contract Documents and Section 38-26-107, C.R.S., within sixty (60) days.

C. Contractor acknowledges that the Project is a public project that is subject to 38-26-101 et seq., C.R.S. ("**Contractor's Bonds and Lien on Funds**"), and therefore, Contractor acknowledges that the Project is not subject to 38-22-101 et seq., C.R.S. ("**General Mechanics' Liens**"). Apart from their right to timely and properly assert claims against the Performance Bond or Labor and Materials Payment Bond required hereunder or under C.R.S. § 38-26-106, the sole remedy of Contractor's subcontractors and suppliers, and any other person, as defined in section 2-4-401(8), C.R.S., that has furnished labor, materials, sustenance, or other supplies used or consumed by a contractor or his or her subcontractor in or about the performance of the work contracted to be done or that supplies laborers, rental machinery, tools, or equipment to the extent used in the prosecution of the work whose claim therefor has not been paid by the contractor or the subcontractor, as against the Owner, the Project, the underlying property, or the improvements thereon, shall be to file a verified statement of claim before the time of final settlement pursuant to C.R.S. § 38-26-107.

D. Contractor agrees to require each of its Subcontractors and suppliers (at all tiers) to expressly incorporate Part 6, Subparagraph C of this Agreement into their respective subcontracts and/or purchase orders, with the word "Contractor" being substituted for the name of such Subcontractor and/or supplier. This obligation shall represent a material term of this Agreement. Upon Owner's written request, Contractor shall provide copies of its subcontracts and/or purchase orders (whether executed or unexecuted) to Owner. Owner reserves the right (but not the obligation) to verify that such subcontracts and/or purchase orders expressly incorporate the acknowledgments, waivers, and releases of Part 6, Subparagraph C of this Agreement.

E. If Contractor is paid in full, Contractor shall defend, indemnify, and hold harmless the Owner, from and against any and all General Mechanics' Liens recorded by Contractor, or by any Subcontractors engaged by Contractor, directly or indirectly, for any work or services performed, materials or equipment supplied, or labor furnished in relation to or arising out of this Agreement.

## **PART 7      DEFAULT**

**7.01**      If any of the events or circumstances described in Section 7.02 occur, and the Contractor fails within a seven (7) calendar day period after receipt of notice from the Owner to commence and continue correction of such events or circumstances with diligence and promptness, the Owner may, without prejudice to other remedies in the Contract Documents, in equity, or at law, undertake any of the remedies described in Section 7.03.

**7.02**      Without limiting any other right, remedy, or term under the Contract or at law, any one or more of the following shall constitute a default or an event of default by the Contractor:

A.      The Contractor fails or refuses to comply with or perform, in whole or in part, any term, requirement, or condition of the Agreement or the Contract Documents;

B.      So long as Contractor is fully paid, the Contractor fails to pay or cause to be paid (as applicable) any of its Subcontractors, other subtiers of any level, supervisory staff, or work force, or for any materials, labor, equipment, or other expenses incurred in the performance of the Work, when such payments are due and in accordance with the respective agreements requiring such payment and/or any and all applicable laws requiring the same, including (without limitation) C.R.S. § 24-91-103(2);

C.      The Contractor becomes insolvent, makes or attempts to make any assignment for the benefit of creditors, commences any proceeding in bankruptcy, or any such proceedings are commenced against it and are not discharged within thirty days of such commencement;

D.      The Contractor abandons any or all of the Work, or reduces its management, supervisory staff, or work force to a level that may not allow the Contractor to maintain the appropriate progression of the Work according to the Project Schedule and/or the otherwise appropriate provision of services or the Work for the timely and proper completion of the Project, as determined by the Owner (including services during pre-construction as well as during construction), and including without limitation Work being performed prior to Substantial Completion as well as following Substantial Completion and until all Punch List items are complete and the Project achieves Final Completion;

E.      The Contractor fails to remedy any defective Work necessary to achieve Final Completion;

F.      The Contractor fails to perform this Agreement or the Work in accordance with applicable laws, ordinances, codes, statutes, rules and regulations, or the lawful orders of any governmental authorities having jurisdiction over the Project; or

G. Contractor is otherwise in breach of any material term(s) of the Contract Documents.

### **7.03**

If the Contractor is ever in default or an event of default exists the Owner may, without limiting any other right, remedy, or term under the Contract or at law, elect to do any one or more of the following:

- A. Issue a written order to the Contractor to stop the Work, or any portion thereof, until the cause for such order has been eliminated, provided that the right of the Owner to stop the Work shall not give rise to a duty on the part of the Owner to exercise this right for the benefit of the Contractor or any other person or entity;
- B. Direct the Contractor to comply with the terms of the Agreement and/or Contract Documents;
- C. Direct the Contractor to remove any defective or hazardous material or Work which the Contractor controls, which the Contractor shall do at its sole cost;
- D. Accept any non-conforming work or materials, in which event the Owner shall be entitled to a reduction in Agreement Price for the reduced value thereof;
- E. Make payments directly to Subcontractors, other subtiers of any level, supervisory staff, or work force, to satisfy the Contractor's obligations for any materials, labor, equipment, or other expenses incurred in the performance of the Work;
- F. Withhold any further payments to the Contractor or to any Subcontractor until the cause for the default or the event of default is cured to the satisfaction of the Owner;
- G. Terminate the Contract pursuant to Section 15.02 of the General Conditions;
- H. Engage separate contractors to perform, repair, or complete the Work required by the Contract Documents, or to perform Contractor's warranty obligations under the Contract Documents; and/or
- I. Exercise any other action or seek any other remedy to which the Owner may be entitled under the Contract Documents, at law, or in equity.

### **7.04**

The Owner's choice of a remedy under Section 7.03 hereof shall not be construed or interpreted as a waiver of any other rights or remedies provided to the Owner under the Contract Documents, at law, or in equity, against the Contractor, its surety, or any other party. Owner, at its option, may choose more than one remedy or choose one or more particular

remedies at different times, without prejudice to any other remedies, and Owner may exercise any remedies in any sequence or combination.

- 7.05** The Contractor shall pay, immediately upon demand, all costs, losses, damages, and expenses, including, without limitation, all administrative, management, overhead, and other costs and expenses, as well as all reasonable attorneys' fees, costs, and expenses (collectively, "Default Costs"), incurred by the Owner in connection with any default by the Contractor or exercise of any right or remedy upon the Contractor's default. Payment shall be due immediately upon Contractor's receipt of written demand, and interest shall accrue at a rate of 1.5% per month on any amounts not paid by Contractor within thirty (30) days. If the Contractor does not pay the Default Costs immediately, the Owner may deduct them from any unpaid portion of the Contract Sum and the Agreement Price, including (without limitation) any retainage.

## **PART 8 CONTRACTOR'S REPRESENTATIONS**

A. In order to induce Owner to enter into this Agreement, Contractor makes the following representations:

1. Contractor is familiar with the nature and extent of the Contract Documents, Work, locality, and with all local conditions and Federal, state and local laws, ordinances, rules and regulations that in any manner may affect cost, progress or performance of Project.
2. Contractor has carefully studied the Site and has performed all necessary investigations, tests, and subsurface investigations to define the latent physical conditions of the construction Site affecting cost, progress, or performance of Project.
3. Contractor has made or caused to be made examinations, investigations, and tests and studies of such reports and related data as Contractor deems necessary for the performance of Project at the Agreement Price, within the Contract Time, and in accordance with the other terms and conditions of the Contract Documents. No subsurface investigation by Contractor is contemplated by this Contract
4. Contractor has correlated the results of all such observations, examinations, investigations, tests, reports and data with the terms and conditions of the Contract Documents.
5. Contractor has given Engineer and Owner's Representative written notice of all conflicts, errors or discrepancies that Contractor has discovered in the Contract Documents, and the written resolution thereof by Engineer is acceptable to Contractor.

**PART 9 OWNER'S REPRESENTATIONS**

A. Owner makes the following representations:

1. This Agreement is subject to the provisions of Section 24-91-103.6, C.R.S., as amended. Owner has appropriated money equal to or in excess of the Agreement Price. This Agreement is subject to annual appropriation by Owner.

2. Owner will not issue any Change Order or other form of order or directive by Owner requiring additional compensable work to be performed by Contractor, which work causes the aggregate amount payable under the Agreement to exceed the amount appropriated for the original Agreement Price unless Contractor is given written assurance by Owner that lawful appropriations to cover the costs of the additional work have been made or unless such work is covered under a remedy-granting provision in this Agreement. By executing a Change Order which causes an increase in the Agreement Price, Owner represents to Contractor that Contractor is being given written assurance by Owner that lawful appropriations to cover the costs of the additional work have been made. Any claim for additional compensation shall be in full compliance with Section 24-91-103.6(4), C.R.S., as amended.

**PART 10 MISCELLANEOUS**

A. Terms used in this Agreement which are defined in Part 1 of the General Conditions shall have the meanings indicated in the General Conditions.

B. Contractor shall not, at any time, assign any interest in this Agreement or the other Contract Documents to any person or entity without the prior written consent of Owner, specifically including, but without limitation, moneys that may become due and moneys that are due may not be assigned without such consent (except to the extent that the effect of this restriction may be limited by law). Any attempted assignment which is not in compliance with the terms hereof shall be null and void. Unless specifically stated to the contrary in any written consent to an Assignment, no Assignment will release or discharge the assignor from any duty or responsibility under the Contract Documents.

C. The terms of this Agreement, and all covenants, agreements, and obligations contained in the Contract Documents shall inure to and be binding upon the partners, legal representatives, successors, heirs, and permitted assigns of the parties hereto.

D. If any term, section or other provision of the Contract Documents shall, for any reason, be held to be invalid or unenforceable, the invalidity

or unenforceability of such term, section or other provision shall not affect any of the remaining provisions of the Contract Documents, and to this end, each term, section and provision of the Contract Documents shall be severable.

E. No waiver by either party of any right, term or condition of the Contract Documents shall be deemed or construed as a waiver of any other right, term or condition, nor shall a waiver of any breach hereof be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different provision of the Contract Documents.

F. None of the remedies provided to either party under the Contract Documents shall be required to be exhausted or exercised as a prerequisite to resort to any further relief to which such party may then be entitled. Every obligation by, or imposed upon, either party hereto shall be enforceable in accordance with Part 21 of the General Conditions. The Contract Documents shall be construed in accordance with the laws of the State of Colorado, and particularly those relating to governmental contracts.

G. This Agreement may be executed in multiple counterparts, each of which shall constitute an original, but all of which shall constitute one and the same document.

H. This Agreement, together with the other Contract Documents, constitutes the entire agreement between the parties concerning the subject matter herein, and all prior negotiations, representations, contracts, understandings, or agreements pertaining to such matters are merged into, and superseded by, the Contract Documents.

I. In the event any provision of this Agreement conflicts with any provision of any other Contract Document, then the provisions of this Agreement shall govern and control such conflicting provisions.

J. Unless otherwise expressly provided, any reference herein to "days" shall mean calendar days. All times stated in the Contract Documents are of the essence.

K. Contractor authorizes the Owner to provide to any person any pertinent information, personal or otherwise, regarding the Contractor's performance with respect to the Contract Documents and releases all parties from liability for any damage that may result from the Owner's furnishing such information to others.

L. Notwithstanding anything to the contrary in the Contract or Contract Documents, the following provisions apply:

1. Contractor may slow or stop work without fault or liability if any pay request has not been paid in full within thirty (30) days from submission.

2. Owner shall provide Contractor ten (10) days' detailed written notice to cure any performance issues or delay or claim before any payments are delayed or held back or any amounts are chargeable to Contractor.

3. Contractor shall not be liable or responsible to Owner or any other party, and will not be deemed to have defaulted or breached this Agreement, for any failure or delay in fulfilling or performing any term of this Agreement if the failure or delay is caused by or results from acts beyond Contractor's control including, but not limited to, the following Force Majeure Events: (a) acts of God; (b) a natural disaster (fires, explosions, earthquakes, hurricane, flooding, storms, explosions, infestations), epidemic or pandemic; (c) war, invasion, hostilities (whether war is declared or not), terrorist threats or acts, riot or other civil unrest; (d) government order or law; (e) actions, embargoes or blockades in effect on or after the date of this Agreement; (f) action by any governmental authority; (g) national or regional emergency; or (h) adverse weather. Contractor will give Notice within twenty-one (21) days of the Force Majeure Event, stating the period of time the occurrence is expected to continue.

4. If the Work is suspended for a period of more than sixty (60) days by Owner or under an order of court of other public authority, then Contractor may, upon seven (7) days' written notice to Owner, terminate the Agreement and recover from Owner payment for all Work executed. In the event the subcontract is not terminated for any suspension of the Work, Contractor is entitled to an adjustment for additional time and contract price.

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(Signatures appear on following pages)







CONTRACTOR'S BID BOND

SECTION 00410 BID BOND

BID BOND

THE STATE OF Colorado )  
 ) ss.  
COUNTY OF Denver )

KNOW ALL MEN BY THESE PRESENTS:

That we, the undersigned,  
Hudick Excavating, Inc., of the City of  
Castle Rock, County of Douglas and State of  
Colorado (hereinafter called "Principal") as Principal, and Travelers Casualty and Surety  
Company of America (hereinafter called "Surety") as surety, a corporation organized and  
existing under and by virtue of the laws of the State of Connecticut and authorized to do  
business within the State of Colorado and to act as surety on bonds for principals, are held and  
firmly bound unto Prairie Center Metropolitan District No. 3 (hereinafter called "Owner") as  
obligee, in the sum of

Five Percent of Amount Bid--  
Dollars (\$ ---5%---) in lawful money of the United States, for the payment of which  
sum, well and truly to be made, the Principal and Surety, bind ourselves, our heirs, executors,  
administrators, successors and assigns, jointly and severally, firmly by these presents.

**WHEREAS**, Principal has submitted a Bid Form (Proposal) to enter into a certain  
written agreement with Owner for Construction of the Lutz Interim Stormwater Detention Pond  
and associated improvements near the corner of East 136<sup>th</sup> Avenue and Buckley Road in  
Brighton, Colorado, (known as "Lutz Interim Stormwater Detention Pond Improvements")  
hereinafter referred to as "Agreement."

**NOW, THEREFORE**, the condition of this obligation is such that if (1) Owner shall  
accept the Bid Form (Proposal) of the Principal and Principal shall faithfully enter into  
Agreement with the Owner in accordance with the terms of such Bid and give such Bonds as are  
specified in the Bidding or Contract Documents, or (2) in the event of the failure of Principal to  
enter such Agreement and give such Bond or Bonds, Principal or Surety shall pay to Owner the  
difference not to exceed the sum hereof between the amount specified in said Bid and such larger  
amount for which Owner may in good faith contract with another party to perform the work  
covered by said Bid, then (3) this obligation shall be null and void, otherwise to remain in full  
force and effect. The sum of this Bid Bond is not less than five percent (5%) of the Principal's  
Bid.

The sum of this Bid Bond is **LIQUIDATED DAMAGES**, and subject to the conditions  
stated above, shall be forfeited to Owner upon failure of Principal to perform as contemplated in  
clause (1) or (2) herein.

The Surety, for value received, hereby stipulates and agrees that the obligations of said Surety and its Bond shall be in no way impaired or affected by any extension of the time within which the Owner may accept such Bid; and said Surety does hereby waive notice of any such extension.

Signed and sealed this 16th day of September, 2022.

PRINCIPAL: Hudick Excavating, Inc

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

5460 Montana Vista Way, Castle Rock, CO 80108  
(Address)



[Signature]  
Witness

SURETY: Travelers Casualty and Surety Company  
of America

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

Jody L. Anderson, Attorney-in-Fact  
One Tower Square, Hartford, CT 06183  
(Address)

[Signature]  
Witness

Surety's No. 860-277-0111

END OF SECTION



**Travelers Casualty and Surety Company of America**  
**Travelers Casualty and Surety Company**  
**St. Paul Fire and Marine Insurance Company**

**POWER OF ATTORNEY**


**KNOW ALL MEN BY THESE PRESENTS:** That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint Jody L. Anderson of DENVER, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this 21st day of April, 2021.



State of Connecticut

City of Hartford ss.

By:   
 Robert L. Raney, Senior Vice President

On this the 21st day of April, 2021, before me personally appeared Robert L. Raney, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the 30th day of June, 2026



  
 Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointees such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, Kevin E. Hughes, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this 16th day of September, 2022.



  
 Kevin E. Hughes, Assistant Secretary

To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.  
 Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.

## Performance Bond

KNOW ALL PERSONS BY THESE PRESENTS: That we, the undersigned Hudick\*, duly organized under the laws of the State of Colorado and licensed to do business in the State of Colorado, as Principal, and Travelers\*\*, duly organized under the laws of the State of Colorado and licensed to do business in the State of Colorado, as Surety, are hereby held and firmly bound unto the Prairie Center Metropolitan District No. 3, as Obligee, in the sum of Six Hundred\*\*\*Dollars (\$ 632,552.00 ), for the payment of which penal sum, well and truly to be made, the Principal and Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. \*\*\*Thirty-Two Thousand Five Hundred Fifty-Two and 00/100.

WHEREAS, the above-named Principal and Obligee have executed an Owner-Contractor Agreement dated October 27th, 2022, for the construction of the Interim Lutz Stormwater Detention Pond (hereinafter "**Contract**"), which is by reference made a part hereof.

NOW, THEREFORE, the condition of this obligation is such that, if the Principal shall promptly and faithfully perform said Contract, including a one (1) **year** warranty period described in the Contract Documents, then this obligation shall be null and void; otherwise, it shall remain in full force and effect.

The Surety hereby waives any notice of any alteration of the Contract or extension of the Contract Time, as stated in the Contract, as may be agreed upon by the Obligee and the Contractor and embodied in any written Change Order whether or not it increases the total price of the Project.

Whenever the Principal shall be in default under the Contract and is declared so by the Obligee and the Obligee has performed all obligations under the Contract, the Surety may (1) remedy the default, or (2) complete the Contract in accordance with its terms and conditions, or (3) obtain a bid or bids for completing the Contract in accordance with its terms and conditions, and upon determination by Surety of the lowest, qualified, responsive and responsible bidder, or, if the Owner elects, upon determination by the Owner and the Surety jointly of the lowest, qualified, responsive and responsible bidder, arrange for a contract between such bidder and Owner, and make available as Work progresses (even though there should be a default or a succession of defaults under the contract or contracts of completion arranged under this paragraph) funds sufficient to pay the cost of completion less the balance of the contract price, but not exceeding, including other costs and damages for which the Surety may be liable hereunder, the amount set forth in the first paragraph hereof. The term "balance of the contract price", as used in this paragraph, shall mean the total amount payable by Owner to Contractor under the Contract and amendments thereto, less the amount properly paid by Owner to Contractor.

Any suit under this Bond must be instituted before the expiration of **two (2) years** from the date final payment under the Contract is due. The Obligee shall not be liable for the payment of any costs or expenses of any such suit, and the Surety hereby agrees to pay and defend the Obligee against any claims brought under this Bond and indemnify the

Obligee for any judgements, and save harmless the Obligee from all costs and damages which it may suffer by reason of failure to do so, and in addition to such obligations, shall reimburse and repay the Obligee all outlay and expense including attorney fees and related costs which the Obligee may incur in making good any default, together with interest thereon at the rate of eight percent (8%) per annum from the date of judgment.

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(Signatures appear on following pages)

\*Excavating, Inc. dba HEI Civil

\*\*Casualty and Surety Company of America





**IMPORTANT:** Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the state where the Project is located.

(Power of Attorney Attached)

## Labor and Materials Payment Bond

KNOW ALL PERSONS BY THESE PRESENTS: That we, the undersigned, Hudick Excavating, Inc.,\*duly organized under the laws of the State of Colorado and licensed to do business in the State of Colorado, as Principal, and Travelers\*\*, duly organized under the laws of the State of Colorado and licensed to do business in the State of Colorado, as Surety, are hereby held and bound firm unto Prairie Center Metropolitan District No.3, as Obligee, in the penal sum of Six Hundred\*\*\* Dollars (\$ 632,552.00-- ), together with interest at the rate of eight percent (8%) per annum on all payments becoming due in accordance with the Contract (defined below) from the time such payments shall become due until such payment shall be made, for the payment of which sum well and truly to be made, the Principal and Surety bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents. \*\*\*Thirty-Two Thousand Five Hundred Fifty-Two and 00/100.

WHEREAS, the above-named Principal and Obligee have executed a Contract dated September 23, 2022, for the construction of the Interim Lutz Stormwater Detention Pond (hereinafter "**Contract**"), which is by reference made a part hereof.

NOW, THEREFORE, the condition of this obligation is such that, if the Principal shall promptly make payment to all claimants as hereinafter defined for all labor and material used or reasonably required for the use in the performance of the Contract, then this obligation shall be void; otherwise it shall remain in full force and effect, subject to the following conditions:

1. A claimant shall be defined as one having a direct contract with the Principal or with a Subcontractor of the Principal for labor, material, or both, used or reasonably required for use in the performance of the Contract; labor and material being construed to include, but not be limited to, that part of water, gas, power, light, heat, oil, gasoline, telephone service or rental of equipment directly applicable to the Contract.
2. The above-named Principal and Surety hereby jointly and severally agree with the Obligee that every claimant, as herein defined, who has not been paid in full before the expiration of ninety (90) days after the date on which the last of such claimant's work or labor was done or performed, or materials were furnished by such claimant, may sue on this Bond for the use of such claimant, prosecute the suit to final judgment for sums as may be justly due claimant, together with interest at the rate of eight percent (8%) per annum, and have execution thereon. The Obligee shall not be liable for the payment of any costs or expenses of any such suit, and the Surety hereby agrees to pay and defend the Obligee against any claims brought under this Bond and indemnify the Obligee for any judgments, and save harmless the Obligee from all costs and damages which it may suffer by reason of failure to do so, and in addition to such obligations, shall reimburse and repay the Obligee all outlay and expense including attorney fees and related costs which the Obligee may incur in making good any default.

\*dba HEI Civil

\*\*Casualty and Surety Company of America

3. No suit or action shall be commenced hereunder by any claimant:

- a) Unless the claimant, other than one having a direct contract with the Principal, shall have given written notice to the Obligee and either the Principal or the Surety within six (6) months after such claimant did or performed the last of the work or labor, or furnished the last of the material for which said claim is made, stating with substantial accuracy the amount claimed and the name of the party to whom the materials were furnished, or for whom the work or labor was done or performed. Such notice shall be served by mailing the same by registered mail or certified mail, postage prepaid, in an envelope addressed to the Principal, Owner or Surety, at any place where an office is regularly maintained for the transaction of business, or served in any manner in which legal process may be served in the State in which the Project is located, save that such service need not be made by a public officer.
- b) After the expiration of **one (1) year** following the date on which the Principal ceased work on the above-described Project, it being understood, however, that, if any limitation embodied in this Bond is prohibited by any law controlling construction hereof, such limitation shall be deemed to be amended as to be equal to the minimum period of limitation permitted by such law.
- c) Other than in a state court of competent jurisdiction in and for the county of the state in which the Project, or any part thereof, is situated, and not elsewhere.
- d) In addition, if the Principal or its subcontractor shall fail to duly pay for any labor, materials, team hire, sustenance, provisions, provender, or other supplies used or consumed by such Principal or its subcontractor in performance of the Contract or shall fail to duly pay any person who supplies laborers, rental machinery, tools or equipment in the prosecution of the Work, then the Surety shall pay the same in an amount not exceeding the sum specified in this Bond together with interest at a rate of eight percent per annum.
- e) The amount of this Bond shall be reduced by and to the extent of any payment or payments made in good faith hereunder, inclusive of the payment by Surety of statutory claims which may be filed of record for the Project, whether or not the claim or the amount of such claim be presented under and against this Bond.

Signed this 31st day of October, 2022.

Hudick Excavating, Inc. dba HEI Civil  
Principal

ATTEST:

\_\_\_\_\_  
(Principal) Secretary

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

[SEAL]

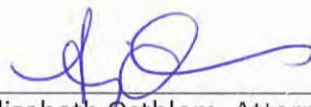
Address:

5460 Montana Vista Way  
Castle Rock, CO 80108

Travelers Casualty and Surety Company of America  
Surety

ATTEST:

  
\_\_\_\_\_  
(Surety) ~~Secretary~~ Witness

By:   
Its: Elizabeth Ostblom, Attorney-in-Fact

[SEAL]

Address:

One Tower Square  
Hartford, CT 06183

By: N/A  
Attorney-in-Fact

\_\_\_\_\_  
(Address)

**NOTE:** This Bond is given under and subject to the provisions of Section 38-26-101 et. seq., C.R.S., and must be accompanied by a Power of Attorney effectively dated. Date of Bond must not be prior to date of Agreement. If Principal is a partnership, all partners should execute Bond.

**IMPORTANT:** Surety companies executing Bonds must appear on the Treasury Department's most current list (Circular 570 as amended) and be authorized to transact business in the state where the Project is located.

(Power of Attorney Attached)

**END OF SECTION**





**Travelers Casualty and Surety Company of America**  
**Travelers Casualty and Surety Company**  
**St. Paul Fire and Marine Insurance Company**

**POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That Travelers Casualty and Surety Company of America, Travelers Casualty and Surety Company, and St. Paul Fire and Marine Insurance Company are corporations duly organized under the laws of the State of Connecticut (herein collectively called the "Companies"), and that the Companies do hereby make, constitute and appoint **Elizabeth Ostblom** of **DENVER**, their true and lawful Attorney(s)-in-Fact to sign, execute, seal and acknowledge any and all bonds, recognizances, conditional undertakings and other writings obligatory in the nature thereof on behalf of the Companies in their business of guaranteeing the fidelity of persons, guaranteeing the performance of contracts and executing or guaranteeing bonds and undertakings required or permitted in any actions or proceedings allowed by law.

IN WITNESS WHEREOF, the Companies have caused this instrument to be signed, and their corporate seals to be hereto affixed, this 21st day of April, 2021.



State of Connecticut

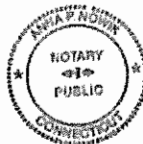
City of Hartford ss.

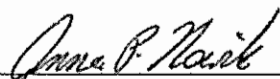
By:   
 Robert L. Raney, Senior Vice President

On this the 21st day of April, 2021, before me personally appeared **Robert L. Raney**, who acknowledged himself to be the Senior Vice President of each of the Companies, and that he, as such, being authorized so to do, executed the foregoing instrument for the purposes therein contained by signing on behalf of said Companies by himself as a duly authorized officer.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission expires the 30th day of June, 2026



  
 Anna P. Nowik, Notary Public

This Power of Attorney is granted under and by the authority of the following resolutions adopted by the Boards of Directors of each of the Companies, which resolutions are now in full force and effect, reading as follows:

**RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President, any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary may appoint Attorneys-in-Fact and Agents to act for and on behalf of the Company and may give such appointee such authority as his or her certificate of authority may prescribe to sign with the Company's name and seal with the Company's seal bonds, recognizances, contracts of indemnity, and other writings obligatory in the nature of a bond, recognizance, or conditional undertaking, and any of said officers or the Board of Directors at any time may remove any such appointee and revoke the power given him or her; and it is

**FURTHER RESOLVED**, that the Chairman, the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President may delegate all or any part of the foregoing authority to one or more officers or employees of this Company, provided that each such delegation is in writing and a copy thereof is filed in the office of the Secretary; and it is

**FURTHER RESOLVED**, that any bond, recognizance, contract of indemnity, or writing obligatory in the nature of a bond, recognizance, or conditional undertaking shall be valid and binding upon the Company when (a) signed by the President, any Vice Chairman, any Executive Vice President, any Senior Vice President or any Vice President, any Second Vice President, the Treasurer, any Assistant Treasurer, the Corporate Secretary or any Assistant Secretary and duly attested and sealed with the Company's seal by a Secretary or Assistant Secretary; or (b) duly executed (under seal, if required) by one or more Attorneys-in-Fact and Agents pursuant to the power prescribed in his or her certificate or their certificates of authority or by one or more Company officers pursuant to a written delegation of authority; and it is

**FURTHER RESOLVED**, that the signature of each of the following officers: President, any Executive Vice President, any Senior Vice President, any Vice President, any Assistant Vice President, any Secretary, any Assistant Secretary, and the seal of the Company may be affixed by facsimile to any Power of Attorney or to any certificate relating thereto appointing Resident Vice Presidents, Resident Assistant Secretaries or Attorneys-in-Fact for purposes only of executing and attesting bonds and undertakings and other writings obligatory in the nature thereof, and any such Power of Attorney or certificate bearing such facsimile signature or facsimile seal shall be valid and binding upon the Company and any such power so executed and certified by such facsimile signature and facsimile seal shall be valid and binding on the Company in the future with respect to any bond or understanding to which it is attached.

I, **Kevin E. Hughes**, the undersigned, Assistant Secretary of each of the Companies, do hereby certify that the above and foregoing is a true and correct copy of the Power of Attorney executed by said Companies, which remains in full force and effect.

Dated this 31st day of October, 2022.



  
 Kevin E. Hughes, Assistant Secretary

**To verify the authenticity of this Power of Attorney, please call us at 1-800-421-3880.**  
**Please refer to the above-named Attorney(s)-in-Fact and the details of the bond to which this Power of Attorney is attached.**

**NOTICE OF AWARD**

Brighton, Colorado  
Date: September 23, 2022

TO: Hudick Excavating, Inc.

PROJECT: Interim Lutz Stormwater Detention Pond Improvements

The Owner, having duly considered the Bid Form submitted on September 16, 2022, for the Work covered by the Contract Documents titled "Lutz Interim Stormwater Detention Pond Improvements" in the amount of Six Hundred Thirty-two Thousand, Five Hundred Fifty-two Dollars and zero cents (\$632,552.00) and it appearing that the price and other information in your Bid Form is fair, equitable and to the best interest of the Owner, the offer in your Bid Form is hereby accepted.

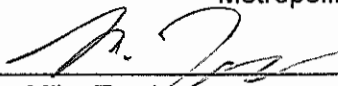
In accordance with the terms of the Contract Documents, you are required to execute the Agreement in three (3) counterparts within ten (10) consecutive days from and including the date of this Notice of Award.

In addition, you are required to furnish at said time your Performance Bond, Labor and Materials Payment Bond, Certificates of Insurance on ACORD Form 27 and copies of applicable insurance policies evidencing compliance with the requirements for insurance as stated in the Contract Documents.

The Bid Security submitted with your Proposal will be returned upon execution of the Agreement, furnishing of the required Performance Bond, Labor and Materials Payment Bond, Certificates of Insurance on ACORD Form 27 and copies of applicable insurance policies within the time limit specified. In the event that you should fail to execute the Agreement and provide the executed Performance Bond and Labor and Materials Payment Bond within the time limit specified, said security will be retained by the Owner as liquidated damages and not as a penalty for the delay and extra work caused thereby.

You are required to return an acknowledged copy of this Notice of Award to Owner.

Prairie Center  
Metropolitan District No. 3

  
By: Mike Tamblyn  
Title: President

**NOTICE TO PROCEED**


Brighton , Colorado  
Date: 10/27/2022

TO: Hudick Excavating, Inc. (dba HEI Civil)  
Attn: Scott Cowee

You are hereby authorized to proceed on October 31, 2022, or within ten (10) consecutive calendar days thereafter, with the Work as set forth in the Contract Documents.

You are to notify the Engineer forty-eight (48) hours before starting work.

**PRAIRIE CENTER METROPOLITAN  
DISTRICT NO. 3**

  
\_\_\_\_\_  
By: Mike Tamblyn  
Title: President

**ACKNOWLEDGEMENT OF RECEIPT OF NOTICE TO PROCEED:**

Receipt of the above Notice to Proceed is hereby acknowledged this 1 day of NOVEMBER, 2022.

  
\_\_\_\_\_  
CONTRACTOR

By: SCOTT COWEE  
Title: PM

**END OF SECTION**



**CHANGE ORDER**

**Project:** Interim Lutz Stormwater Detention Pond Improvements

**Date of Issuance:** \_\_\_\_\_

**Owner:** PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3

**Change Order No.:** \_\_\_\_\_

**Address:** 141 UNION BLVD. SUITE 150, LAKEWOOD, CO 80228

**Contractor:**

**Owner's Representative:**

\_\_\_\_\_

You are directed to make the following changes in the Contract Documents:

**Description:** \_\_\_\_\_

\_\_\_\_\_

**Purpose of Change Order:** \_\_\_\_\_

\_\_\_\_\_

**Attachments (List Documents Supporting Change):** \_\_\_\_\_

\_\_\_\_\_

**CHANGE IN CONTRACT PRICE:**

Original Contract Price:

\$

Previous Change Orders:  
Order:

No. \_\_\_\_\_ to No. \_\_\_\_\_

\$

**CHANGE IN CONTRACT TIME:**

Original Contract Time:

(days or dates)

Net Change from Previous Change

(days)

Contract Price Prior to this Change Order:  
Change Order:

\$

Net Increase of this Change Order:  
Order:

\$

Net Decrease of this Change Order:  
Order:

\$

Net Change of this Change Order:  
Order:

\$

Contract Price with All Approved Change  
Change Orders:

\$

Contract Time Prior to this

(days or date)

Net Increase of this Change

(days)

Net Decrease of this Change

(days)

Net Change of this Change

(days)

Contract Time with all Approved  
Orders:

(days or date)

---

RECOMMENDED:

APPROVED:

APPROVED:

BY: \_\_\_\_\_  
Engineer

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

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

**END OF SECTION**

**NOTICE OF FINAL PAYMENT**

**NOTICE** is hereby given that the **PRAIRIE CENTER METROPOLITAN DISTRICT NO. 3** of Adams County, Colorado, will make final payment at Brighton, Colorado, on \_\_\_\_\_, 20\_\_\_\_, at the hour of \_\_\_\_\_.m. to \_\_\_\_\_ of \_\_\_\_\_, of \_\_\_\_\_, Colorado for all work done by said Contractor(s) in construction or work on the Interim Lutz Stormwater Detention Pond Project, performed within City of Brighton, County of Adams, State of Colorado.

Any person, co-partnership, association of persons, company or corporation that has furnished labor, materials, team hire, sustenance, provisions, provender, or other supplies used or consumed by such contractors or their subcontractors, in or about the performance of the work contracted to be done or that supplies rental machinery, tools, or equipment to the extent used in the prosecution of the work, and whose claim therefor has not been paid by the contractors or their subcontractors, at any time up to and including the time of final settlement for the work contracted to be done, is required to file a verified statement of the amount due and unpaid, and an account of such claim, to Prairie Center Metropolitan District No. 3, \_\_\_\_\_ on or before the date and time hereinabove shown for final payment. Failure on the part of any claimant to file such verified statement of claim prior to such final settlement will release Prairie Center Metropolitan District No. 3, its directors, officers, agents, and employees, of and from any and all liability for such claim.

**BY ORDER OF THE BOARD OF DIRECTORS  
PRAIRIE CENTER METROPOLITAN DISTRICT, NO. 3**

By: /s/ \_\_\_\_\_  
Secretary

First Publication: \_\_\_\_\_, 20\_\_\_\_

Last Publication: \_\_\_\_\_, 20\_\_\_\_

\_\_\_\_\_  
(Name of Newspaper)

**END OF SECTION**

## **SUPPLEMENTARY CONDITIONS**

### **PART 2 SCHEDULES**

L. Schedules required by Part 14.01 A may be handwritten, in graphic or text form.

### **WARRANTY START DATE**

The effective start date of the **one year** warranty period is the date that Owner or another public entity as may be appropriate finally accepts improvements for the required warranty period. (See General Conditions Part 14.10 A).

### **END OF SECTION**

**ADDENDA AND MODIFICATIONS  
NUMBER 1  
AUGUST 31, 2022**

1.01 GENERAL

The following changes, additions, and/or deletions are, by issuance of this Section 00900, made a part of the Project Manual for Prairie Center Metropolitan District No. 3 dated August 31, 2022, as if originally contained therein. Execution of the acknowledgement of receipt shall be the bidders acceptance of the conditions herein set forth. This Section 00900 shall be submitted with and attached to the submitted Bid Form. Failure to do so may result in rejection of the Bid.

1.03 ADDITION TO THE BID DOCUMENTS

A. The Project Bid Schedule for the Lutz Interim Detention Pond Project has been added.

ACKNOWLEDGEMENT OF RECEIPT

Receipt is acknowledged this 8/31 day of 2022.

Hudak Excavating, Inc  
Name of Bidder

Tessa Swiger  
Authorized Officer

Junior Estimator  
Title

Attachments:  
Project Bid Schedule – Lutz Interim Stormwater Detention Pond

**ADDENDUM NO. 1**

**END OF SECTION**

## ADDENDA AND MODIFICATIONS

### NUMBER 2

SEPTEMBER 6, 2022

#### 1.01 GENERAL

The following changes, additions, and/or deletions are, by issuance of this Section 00900, made a part of the Project Manual for Prairie Center Metropolitan District No. 3 dated August 29, 2022, as if originally contained therein. Execution of the acknowledgement of receipt shall be the bidders acceptance of the conditions herein set forth. This Section 00900 shall be submitted with and attached to the submitted Bid Form. Failure to do so may result in rejection of the Bid.

#### 1.02 REVISIONS TO PLANS

A. Sheet 20 has been revised as indicated (clouded);The revised sheet is enclosed as part of this Addendum.

#### 1.03 REVISIONS TO BID SCHEDULE

A. The Bid Schedule has been revised as describe below:

1. Item No. 15 has been updated from 1 EA to **2 EA**.
2. Item No. 19 has been updated from 683 CY to **414 CY**.
3. Item No. 20 has been updated from 107 CY to **99 CY**.

B. Bid Schedule REV1 has been enclosed as part of this Addendum and supersedes all previous Bid Schedules.

#### 1.04 CLARIFICATIONS

A. The following addresses Bidder questions that have been received:

Q1: Can we have CAD Files for Bidding Purposes?

**A: Yes, CAD file has been uploaded as part of this Addendum**

Q2: Do you have a Bid Bond Form you'd like us to use?

**A: Yes, this is currently be prepared and will be issued once complete.**

Q3: Can you provide a project budget for Bonding Purposes?

**A: Bonding will be based upon the Awarded Bidder's amount.**

Q4: When is the anticipated start date?

**A: Assume September 23, 2022**

Q5: How long will we need to maintain the Seeding?

A: Until 70% of cover is established.

Q6: Can we leave the excess dirt on site?

A: Possibly, up to a certain amount however the exact location is to be determined; Excess dirt and unusable muck may need to be exported. An alternate bid item has been added to the Bid Schedule to account for this assuming a haul route of 2 miles one way. Exact location is TBD.

Q7: Who is responsible for Materials Testing?

A: Owner will provide materials testing.

Q8: Who is responsible for survey?

A: Owner will provide survey.

Q9: Will we need to obtain a State Storm Water permit?

A: Yes, the Contractor should be the State permittee and is responsible for the fees associated. The SWMP is currently being prepared and will be issued once complete.

Q10: Is the project tax exempt?

A: Yes, a certificate is available and will be sent to the Awarded Bidder.

#### ACKNOWLEDGEMENT OF RECEIPT

Receipt is acknowledged this 26 day of 2022.

Hudak Excavating, Inc  
Name of Bidder

Tessa Swiger  
Authorized Officer

Junior Estimator  
Title

#### Attachments:

Revised Sheet 20  
Bid Schedule REV1  
CAD File (Enclosed separately)

#### ADDENDUM NO. 2

END OF SECTION

**ADDENDUM NO. 3 NOT ISSUED**



**ADDENDA AND MODIFICATIONS  
NUMBER 4  
SEPTEMBER 6, 2022**

1.01 GENERAL

The following changes, additions, and/or deletions are, by issuance of this Section 00900, made a part of the Project Manual for Prairie Center Metropolitan District No. 3 dated August 29, 2022, as if originally contained therein. Execution of the acknowledgement of receipt shall be the bidders acceptance of the conditions herein set forth. This Section 00900 shall be submitted with and attached to the submitted Bid Form. Failure to do so may result in rejection of the Bid.

1.02 ADDITION TO CONTRACT DOCUMENTS

A. A Bid Bond has been added as a requirement to bid this project.

1. A Bid Bond form is enclosed as part of this addendum.

2. The Bid Bond form is required to be completed and submitted as part of the Contractor's bid submittal.

ACKNOWLEDGEMENT OF RECEIPT

Receipt is acknowledged this 9<sup>th</sup> day of 2022.

Hudick Excavating, Inc  
Name of Bidder

Tessa Savigor  
Authorized Officer

Junior Estimator  
Title

Attachments:  
Bid Bond form

**ADDENDUM NO. 4**

**END OF SECTION**

**ADDENDA AND MODIFICATIONS  
NUMBER 5  
SEPTEMBER 8, 2022**

1.01 GENERAL

The following changes, additions, and/or deletions are, by issuance of this Section 00900, made a part of the Project Manual for Prairie Center Metropolitan District No. 3 dated August 29, 2022, as if originally contained therein. Execution of the acknowledgement of receipt shall be the bidders acceptance of the conditions herein set forth. This Section 00900 shall be submitted with and attached to the submitted Bid Form. Failure to do so may result in rejection of the Bid.

1.02 BID BOND CLARIFICATION

A. The Bid Advertisement and Bid Bond form contained conflicting information regarding the percentage amount for the Bid bond.

1. ***Disregard the Bid Advertisement stating the Bid Bond at 10%.***
2. ***Bid Bond shall be at 5%, per the actual bond form issued with Addendum No. 4.***

1.03 PRE-BID MEETING (ONSITE)

A. The following are enclosed from yesterday's onsite Pre-Bid meeting:

1. Pre-Bid Meeting Minutes
2. Pre-Bid Sign-In Sheet

1.04 BID SUBMITTAL CLARIFICATION

A. Directions are enclosed showing the location of Conference Room A at 7200 S. Alton Way in Centennial.

1. If you are dropping off your bid prior to 12:30 on September 16, Please leave at JR Engineering on the 4<sup>th</sup> floor. Attn: Tim Graf
2. After 12:30 on September 16, please come to Conference Room A as indicated on the attached directions.

ACKNOWLEDGEMENT OF RECEIPT

Receipt is acknowledged this 7/8 day of 2022.

Hudick Excavating, Inc

Name of Bidder

Tessa Swigon

Authorized Officer

Junior Estimator

Title

Attachments:

- Pre-Bid Meeting Minutes
- Pre-Bid Meeting Sign-In Sheet
- Directions to Conference Rm. A and JR Engineering

ADDENDUM NO. 5

END OF SECTION

**ADDENDA AND MODIFICATIONS  
NUMBER 6  
SEPTEMBER 9, 2022**

1.01 GENERAL

The following changes, additions, and/or deletions are, by issuance of this Section 00900, made a part of the Project Manual for Prairie Center Metropolitan District No. 3 dated August 29, 2022, as if originally contained therein. Execution of the acknowledgement of receipt shall be the bidders acceptance of the conditions herein set forth. This Section 00900 shall be submitted with and attached to the submitted Bid Form. Failure to do so may result in rejection of the Bid.

1.02 REVISION TO PLANS

A. Sheet 25 has been revised as indicated (clouded); the revised sheet is enclosed as part of this Addendum.

1. Storm manhole at Sta. 40+80.32 has been revised from 4'Ø to 5'Ø manhole.

ACKNOWLEDGEMENT OF RECEIPT

Receipt is acknowledged this 9<sup>th</sup> day of 2022.

Hudick Excavating, Inc  
Name of Bidder

Tessa Swiger  
Authorized Officer

Junior Estimator  
Title

Attachments:  
Revised Sheet 25

**ADDENDUM NO. 6**

**END OF SECTION**

EXHIBIT A - CONTRACTOR'S BID

Prairie Center Metropolitan District  
Lutz Interim Stormwater Detention Pond  
Project Bid Schedule

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	COST
1	Mobilization	1	LS	\$ 27,250.00	\$ 27,250.00
2	Clearing and Grubbing	5	AC	\$ 4,515.00	\$ 22,575.00
3	Dewatering	1	LS	\$ 19,250.00	\$ 19,250.00
4	Removal of 8-inch Pipe	10	LF	\$ 83.50	\$ 835.00
5	Remove and Reset of 24-inch Boulder	95	CY	\$ 178.50	\$ 16,957.50
6	Removal of Concrete Trail	293	SY	\$ 24.00	\$ 7,032.00
7	Remove Wetwell manhole	1	EA	\$ 6,125.00	\$ 6,125.00
8	Removal of 4-inch Pipe	13	LF	\$ 77.50	\$ 1,007.50
9	Remove and reset existing Type III Barricades	2	EA	\$ 534.50	\$ 1,069.00
10	Unclassified Excavation (CIP)	5,156	CY	\$ 15.50	\$ 79,918.00
11	Muck Excavation	1,512	CY	\$ 26.00	\$ 39,312.00
12	Water Quality Wall Repair	1	LS	\$ 1,050.00	\$ 1,050.00
13	8" PVC C900 (Class 150) Outlet Pipe	424	LF	\$ 84.50	\$ 35,828.00
14	18" HDPE Pipe	134	LF	\$ 92.50	\$ 12,395.00
15	Connect to Existing Outlet Pipe	2	EA	\$ 2,143.00	\$ 4,286.00
16	Manhole, Storm (5 Feet Dia.) (5-10 Foot)	2	EA	\$ 7,980.50	\$ 15,961.00
17	Outlet Structure	1	LS	\$ 60,615.00	\$ 60,615.00
18	4' Trickle Channel	659	LF	\$ 82.25	\$ 54,202.75
19	Riprap, Type M (24") [Spillway]	414	CY	\$ 85.75	\$ 35,500.50
20	Concrete [10' Trail]	99	CY	\$ 620.00	\$ 61,380.00
21	Connect to Existing Storm Sewer	1	EA	\$ 4,660.00	\$ 4,660.00
22	Concrete cut-off wall [Spillway]	120	LF	\$ 322.25	\$ 38,670.00
23	Concrete Washout Structure	1	EA	\$ 1,650.00	\$ 1,650.00
24	Vehicle Tracking Control	2	EA	\$ 3,621.00	\$ 7,242.00
25	Stabilized Staging Area	1	LS	\$ 338.00	\$ 338.00
26	Outlet Protection	4	EA	\$ 718.50	\$ 2,874.00
27	Silt Fence	508	LF	\$ 2.00	\$ 1,016.00
28	Sediment Control Log	595	LF	\$ 3.60	\$ 2,142.00
29	Seeding & Mulching (Upland)	9	AC	\$ 1,308.75	\$ 11,778.75
30	Stockpile	1	LS	\$ 39,220.00	\$ 39,220.00

**Bid Alternate**

ITEM NO.	DESCRIPTION	QUANTITY	UNIT	UNIT PRICE	
1A	Muck Export (Assume 2-mile one-way haul route)	1,512	CY	\$ 13.50	\$ 20,412.00

Total Bid Schedule: \$ 632,552.00

Total Bid Schedule Written in Words: Six hundred twenty-six thousand five hundred fifty-two dollars and zero cents

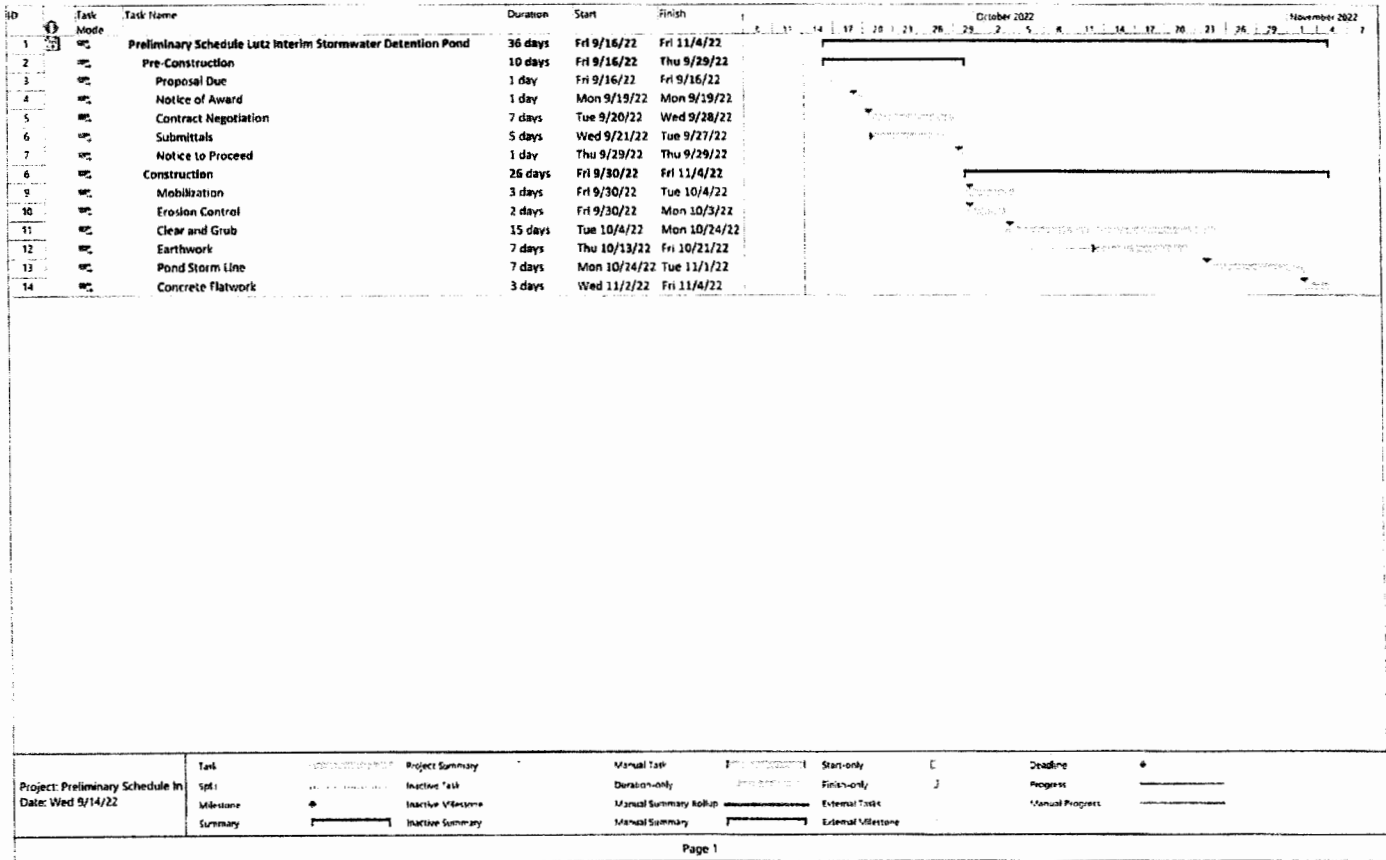
Contractor's Name: Hudick Excavating, Inc

Address: 5460 Montana Vista Wy, Castle Rock, CO 80108

Phone: 303-688-9500

Email: tessa.swiger@heicivil.com

EXHIBIT B - PRELIMINARY PROJECT SCHEDULE





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
10/28/2022

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Moody Insurance Agency, Inc. 8055 East Tufts Avenue Suite 1000 Denver CO 80237	<b>CONTACT NAME:</b> Moody Insurance Agency <b>PHONE (A/C No. Ext):</b> (303) 824-6600 <b>E-MAIL ADDRESS:</b> certrequest@moodyins.com	<b>FAX (A/C No):</b> (303) 370-0118
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> Hudick Excavating Inc., DBA: HEI Civil 5460 Montana Vista Way Castle Rock CO 80108	<b>INSURER A:</b> Cincinnati Insurance Companies NAIC # 2000	
	<b>INSURER B:</b> Pinnacol Assurance 41190	
	<b>INSURER C:</b> United Fire & Casualty Company 13021	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	

**COVERAGES** CERTIFICATE NUMBER: 22.23 Master REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input checked="" type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:			EPP0566743	02/01/2022	02/01/2023	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO OWNED AUTOS ONLY <input checked="" type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS NON-OWNED AUTOS ONLY			EBA0566743	02/01/2022	02/01/2023	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
A	<input checked="" type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$			EPP0566743	02/01/2022	02/01/2023	EACH OCCURRENCE \$ 10,000,000 AGGREGATE \$ 10,000,000
B	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	4189089	02/01/2022	02/01/2023	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
C	Scheduled Equip / Leased & Rented Installation Floater			60486706	02/01/2022	02/01/2023	Equipment Limit 33,000,000 Equipment Deductible 2,500 Instal Floater Limit 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

RE: S 27th Ave & Prairie Center Pkwy, Brighton, CO 80601

**CERTIFICATE HOLDER** **CANCELLATION**

Prairie Center Metropolitan District No.3 2221 S 27th Avenue Brighton CO 80601	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE <i>Moody Insurance Agency</i>
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## Additional Named Insureds

### Other Named Insureds

Dan Hudick Bill Hudick d/b/a H & H Machinery	Additional Named Insured
Grand Canyon II, LLC	Limited Liability Company, Additional Named Insured
H & H Machinery, LLC	Limited Liability Company, Additional Named Insured
HEI Civil	Doing Business As
HEI, LLC	Additional Named Insured
MCG-PI, LLC	Limited Liability Company, Additional Named Insured
Montana Vista Association LLC	Limited Liability Company, Additional Named Insured
Montana Vista Center Property Owners Assn, Inc.	Additional Named Insured
Montana Vista Development, LLC	Limited Liability Company, Additional Named Insured
Montana Vista Holdings, LLC	Limited Liability Company, Additional Named Insured
Montana Vista Offices II, LLC	Limited Liability Company, Additional Named Insured
Montana Vista Offices LLC	
Moses Construction Group, LLC dba MCG Civil	Limited Liability Company, Additional Named Insured





# ADDITIONAL REMARKS SCHEDULE

AGENCY Moody Insurance Agency, Inc.		NAMED INSURED Hudick Excavating Inc., DBA: HEI Civil	
POLICY NUMBER		EFFECTIVE DATE:	
CARRIER	NAIC CODE		

**ADDITIONAL REMARKS**

**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,**  
**FORM NUMBER:** 25      **FORM TITLE:** Certificate of Liability Insurance: Notes

Excess Liability Policy (1st Layer):  
 Policy Number: AEC442545300  
 Policy Effective Dates: 6/29/2022-2/1/2023  
 Insurer: Zurich American Insurance Co  
 Occurrence: \$5,000,000 in Excess of \$10,000,000  
 Other Aggregate: \$5,000,000 in Excess of \$10,000,000

Excess Liability Policy (2nd Layer):  
 Policy Number: EXC4368391  
 Policy Effective Dates: 6/29/2022-2/1/2023  
 Insurer: Great American Assurance Co  
 Occurrence: \$5,000,000 in Excess of \$15,000,000  
 Other Aggregate: \$5,000,000 in Excess of \$15,000,000

Excess Liability Policy (3rd Layer):  
 Policy Number: NHA098505  
 Policy Effective Dates: 6/29/2022-2/1/2023  
 Insurer: RSUI Indemnity Co  
 Occurrence: \$5,000,000 in Excess of \$20,000,000  
 Other Aggregate: \$5,000,000 in Excess of \$20,000,000

Excess liability in total of \$25,000,000

Pollution Liability Policy:  
 Policy Number: PCAB50179870222  
 Policy Effective Dates: 2/1/2022-2/1/2023  
 Insurer: Westchester Surplus Lines Insurance (NAIC # 10172)  
 Contractors Pollution Liability Limit: \$1,000,000 Each Pollution Condition  
 Contractors Pollution Liability Limit: \$2,000,000 General Aggregate  
 Contractors Pollution Liability Deductible: \$10,000  
 ENV-3100(08/04) - Blanket Additional Insured when required by written request  
 ENV-3101(08/04) - Primary and Non-contributory when required by written request  
 ENV-3143(03/05) - Blanket Waiver of Subrogation when required by written request

General Liability  
 GA472 – Blanket Additional Insured, Ongoing Operations when required by Written Contract  
 GA472 – Blanket Additional Insured, Completed Operations when required by written contract  
 GA472 – Blanket Waiver of Subrogation Status When Required by Written Contract  
 GA472 – Form Attached Includes:  
 Primary and Non-contributory  
 GA233 Broadened Contractual Liability- Work Within 50 feet of Railroad Property

Automobile Liability  
 AA288 - Blanket Additional Insured Status When Required by Written Contract  
 AA288 – Blanket Waiver of Subrogation Status When Required by Written Contract  
 AA288 – Form Attached Includes:  
 Primary and Non-contributory

Workers Compensation  
 359-B Form Attached Includes:  
 Blanket Waiver of Subrogation status applies when required by written contract.

Umbrella Liability  
 Coverage is follow form of the underlying general liability, automobile, and employers liability policies.  
 US 4096 11 16 Additional Insured and Primary and Non-Contributory as required by written contract or agreement.  
 Policy form includes Waiver of Subrogation status if in the underlying and if required by written contract or agreement.

**IMPORTANT:**  
 Please note that policy forms will not be sent out in hard copy. If you require copies of policy forms or endorsements, please submit your request to CertRequest@moodyins.com and reference the insured's name.

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# COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM

Various provisions in this Coverage Part restrict this insurance. Read the entire Coverage Part carefully to determine rights, duties and what is and is not covered.

Throughout this Coverage Part the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Coverage Part. The words "we", "us" and "our" refer to the Company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II - WHO IS AN INSURED**.

Other words and phrases that appear in quotation marks have special meaning. Refer to **SECTION V - DEFINITIONS**.

## SECTION I - COVERAGE

### A. Insuring Agreement

1. We will pay on behalf of the insured the "ultimate net loss" which the insured is legally obligated to pay as damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies:
  - a. Which is in excess of the "underlying insurance"; or
  - b. Which is either excluded or not insured by "underlying insurance".
2. This insurance applies to "bodily injury", "personal and advertising injury" or "property damage" only if:
  - a. The "bodily injury", "personal and advertising injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and
  - b. The "bodily injury" or "property damage" occurs during the policy period shown in the Declarations; or
  - c. The "personal and advertising injury" results from an "occurrence" that takes place during the policy period shown in the Declarations; and
  - d. Prior to the "coverage term" in which "bodily injury" or "property damage" occurs, or a "personal and advertising injury" offense is committed, you did not know, per Paragraph 5. below, that the "bodily injury" or "property damage" had occurred or had begun to occur, in whole or in part, or

that the "personal and advertising injury" offense had been committed or had begun to be committed, in whole or in part.

3. "Bodily injury" or "property damage" which:
  - a. Occurs during the "coverage term"; and
  - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have occurred;

includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the "coverage term" in which it first became known by you.

4. "Personal and advertising injury" caused by an offense which:
  - a. Was committed during the "coverage term"; and
  - b. Was not, prior to the "coverage term", known by you, per Paragraph 5. below, to have been committed;

includes any continuation, change or resumption of that "personal and advertising injury" offense after the end of the "coverage term" in which it first became known by you.

5. You will be deemed to know that "bodily injury" or "property damage" has occurred, or that a "personal and advertising injury" offense has been committed at the earliest time when any "authorized representative":
  - a. Reports all, or any part, of the "bodily injury", "personal and advertising injury" or "property damage" to us or any other insurer;
  - b. Receives a written or verbal demand or claim for damages because of the "bodily injury", "personal and advertising injury" or "property damage";
  - c. First observes, or reasonably should have first observed, the "bodily injury" or "property damage", or the offense that caused the "personal and advertising injury";
  - d. Becomes aware, or reasonably should have become aware, by any means, other than as described in c. above, that "bodily injury" or "prop-

erty damage" had occurred or had begun to occur, or that the "personal and advertising injury" offense had been committed or had begun to be committed; or

- e. Becomes aware, or reasonably should have become aware, of a condition from which "bodily injury", "personal and advertising injury" or "property damage" is substantially certain to occur.

6. The amount we will pay for damages is limited as described in **SECTION III - LIMITS OF INSURANCE.**

No other obligation or liability to pay sums or perform acts or services is covered, unless expressly provided for under **SECTION I - COVERAGE, C. Defense and Supplementary Payments.**

**B. Exclusions**

This insurance does not apply to:

**1. Asbestos**

Any liability arising out of, attributable to or any way related to asbestos in any form or transmitted in any manner.

**2. Breach of Contract, Failure to Perform, Wrong Description and Violation of Another's Rights**

"Personal and advertising injury":

- a. Arising out of breach of contract, except an implied contract to use another's advertising idea in your "advertisement";
- b. Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement";
- c. Arising out of the wrong description of the price of goods, products or services stated in your "advertisement"; or
- d. Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

**3. Contractual Liability**

Any liability for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "bodily injury", "personal

and advertising injury" or "property damage":

- a. That the insured would have in the absence of the contract or agreement; or
- b. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury", "personal and advertising injury" or "property damage" occurs subsequent to the execution of the contract or agreement.

**4. Damage to Impaired Property or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- a. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**5. Damage to Property**

"Property damage" to property owned by any insured, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property.

**6. Damage to Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**7. Damage to Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**8. Distribution of Material in Violation of Statutes**

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

**9. Electronic Chatrooms or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**10. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate "electronic data".

**11. Employer's Liability Limitation**

Any liability arising from any injury to:

- a. An "employee" of the insured sustained in the "workplace";
- b. An "employee" of the insured arising out of the performance of duties related to the conduct of the insured's business; or
- c. The spouse, child, parent, brother or sister of that "employee" as a consequence of a. or b. above.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply when such insurance is provided by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance, or

would have been provided by such listed "underlying insurance" except for the exhaustion by payment of claims of its limits of insurance, and then only for such hazards for which coverage is provided by such "underlying insurance", unless otherwise excluded by this Coverage Part.

**12. Employment-Related Practices**

Any liability arising from any injury to:

- a. A person arising out of any:
  - (1) Refusal to employ that person;
  - (2) Termination of that person's employment; or
  - (3) Other employment-related practices, policies, acts or omissions including but not limited to coercion, criticism, demotion, evaluation, failure to promote, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- b. The spouse, child, parent, brother or sister of that person as a consequence of any injury to that person at whom any of the employment-related practices described in Paragraphs (1), (2), or (3) above is directed.

This exclusion applies:

- a. Whether the insured may be liable as an employer or in any other capacity; and
- b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.

**13. Expected or Intended Injury**

"Bodily injury" or "property damage" which may reasonably be expected to result from the intentional or criminal acts of the insured or which is in fact expected or intended by the insured, even if the injury or damage is of a different degree or type than actually intended or expected.

However, this exclusion does not apply to:

- a. "Bodily injury" resulting from the use of reasonable force to protect persons or property; or
- b. "Bodily injury" or "property damage" resulting from the use of reasonable force to prevent or eliminate danger

in the operation of "autos" or watercraft.

**14. Falsity, Prior Publication, Criminal Act and Media and Internet Type Businesses**

"Personal and advertising injury":

- a. Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity;
- b. Arising out of oral or written publication of material whose first publication took place before the later of the following:
  - (1) The inception of this Coverage Part; or
  - (2) The "coverage term" in which insurance coverage is sought;
- c. Arising out of a criminal act committed by or at the direction of the insured; or
- d. Committed by an insured whose business is:
  - (1) Advertising, broadcasting, publishing or telecasting;
  - (2) Designing or determining content of web-sites for others; or
  - (3) An Internet search, access, content or service provider.

However, Paragraph d. does not apply to Paragraphs 17.a., b., c., d. and i. of "personal and advertising injury" under **SECTION V - DEFINITIONS**.

For the purposes of Paragraph d., the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**15. Infringement of Copyright, Patent, Trademark or Trade Secret**

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights.

However, this exclusion does not apply to infringement in your "advertisement", of copyright, trade dress or slogan.

**16. Pollutant - Auto**

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":

- (1) That are, or that are contained in any property that is:
  - (a) Being transported or towed by, handled, or handled for movement into, onto or from, an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
  - (b) Otherwise in the course of transit by or on behalf of the insured; or
  - (c) Being stored, disposed of, treated or processed in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion;
- (2) Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the insured for movement into or onto an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; or
- (3) After the "pollutants" or any property in which the "pollutants" are contained are moved from an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion to the place where they are finally delivered, disposed of or abandoned by the insured.

Paragraph (1) above does not apply to "bodily injury" or "property damage" arising from fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their

behalf in any other fashion or its parts, if:

- (a) The "pollutants" escape, seep, migrate, or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (b) The "bodily injury" or "property damage" does not arise out of the operation of any equipment listed in Paragraphs f.(2) and (3) of the definition of "mobile equipment".

However, this exception to Paragraph (1) does not apply if the fuels, lubricants, or other operating fluids, exhaust gases or other similar "pollutants" are intentionally discharged, dispersed, emitted or released.

Paragraphs (2) and (3) above do not apply to an "occurrence" that occurs away from premises owned by or rented to an insured with respect to "pollutants" not in or upon an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of an "auto" that an insured owns, hires, borrows, rents, leases, or that is operated on their behalf in any other fashion; and
  - (b) The discharge, dispersal, seepage, migration, release, emission or escape of the "pollutants" is caused directly by such upset, overturn or damage.
- b. Any liability caused by "pollutants" and arising from the operation, maintenance, use, "loading or unloading" of an "auto", for which insurance coverage is excluded by "underlying insurance".

#### 17. Pollutant - Other Than Auto

- a. "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, emission or escape of "pollutants":

- (1) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured.

However, Paragraph a.(1) of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury", if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use by the building's occupants or their guests;
  - (b) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor, and the owner or lessee of such premises, site or location has been added to your "underlying insurance" as an additional insured with respect to your ongoing operations or "your work" performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
  - (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";
- (2) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;



- (3) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible;
- (4) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

However, Paragraph a.(4) of this exclusion does not apply to the following if such liability is covered by "underlying insurance" listed in the Schedule of Underlying Insurance, but only to the extent insurance is provided at the "underlying limit" specified in the Schedule of Underlying Insurance for the "underlying insurance" listed and subject to all its terms, limitations and conditions:

- (a) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by

such insured, contractor or subcontractor;

- (b) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (c) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire"; or

- (5) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations, if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of, "pollutants".

- b. "Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release, escape or emission of "pollutants" at any time.

- c. Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or

- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

However, this Paragraph c. does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement,

or such claim or "suit" by or on behalf of a governmental authority.

- d. Any liability caused by "pollutants", for which insurance coverage is excluded by "underlying insurance".

#### 18. Recall of Products, Work or Impaired Property

Any liability or damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a. "Your product";
- b. "Your work"; or
- c. "Impaired Property";

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

#### 19. Unauthorized Use of Another's Name or Product

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatag or any other similar tactics to mislead another's potential customers.

#### 20. Uninsured / Underinsured Motorist

Any liability or obligation to any insured or anyone else under any uninsured motorist, underinsured motorist, automobile no-fault or first party personal injury law.

#### 21. War

Any liability, however caused, arising directly or indirectly, out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack by any government, sovereign or authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

#### 22. Workers' Compensation

Any liability or obligation of the insured under any workers' compensation, unemployment compensation, disability benefits or similar law. However, this exclusion does not apply to liability of others assumed by you under an "insured contract" in existence at the time of "occurrence".

#### C. Defense and Supplementary Payments

1. We will have the right and duty to defend the insured against any "suit" seeking damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies. We will have no duty to defend the insured against any "suit" seeking damages for "bodily injury", "personal and advertising injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result when:
  - a. The applicable limits of the "underlying insurance" and any other insurance have been exhausted by payment of claims; or
  - b. Damages are sought for "bodily injury", "personal and advertising injury" or "property damage" which are not covered by "underlying insurance" or other insurance.
2. Our right and duty to defend ends when the applicable Limits of Insurance, as stated in the Declarations, has been exhausted by payment of claims.
3. We have no duty to investigate, settle or defend any claim or "suit" other than those circumstances described in Paragraph C.1. However, we do have the right to participate in the investigation, settlement or defense of any claim or "suit" to which this insurance applies. If we exercise this right, we will do so at our expense.
4. If there is no underlying insurer or other insurance obligated to do so, we will pay the following when we provide a defense:
  - a. All expenses we incur.
  - b. The cost of bail bonds up to \$3,000. We do not have to furnish these bonds.
  - c. The cost of bonds to appeal a judgment or award in any claim or "suit" we defend and the cost of bonds to

release attachments, but only for bond amounts within the applicable Limits of Insurance. We do not have to furnish these bonds.

- d. Reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including the actual loss of earnings.
  - e. All costs taxed against the insured in the "suit".
5. If there is no underlying insurer obligated to do so, we will pay the following for an "occurrence" to which this insurance applies, even if we have no duty to provide a defense:
- a. Prejudgment interest awarded against the insured on that part of the judgment we become obligated to pay and which falls within the applicable Limit of Insurance. If we make an offer to pay the applicable Limits of Insurance, we will not pay any prejudgment interest based on the period of time after the offer.
  - b. All interest awarded against the insured on the full amount of any judgment that accrues:
    - (1) After entry of the judgment; and
    - (2) Before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit of Insurance.
6. The payments described in Paragraphs 4. and 5. above will not reduce the Limits of Insurance provided by this Coverage Part when defense or supplementary payments provided by the "underlying insurance" do not reduce their Limits of Insurance. However, when defense or supplementary payments provided by the "underlying insurance" reduce their Limits of Insurance then such expense payments paid by us will reduce the Limits of Insurance provided by this Coverage Part.
7. If we are prevented by law or otherwise from carrying out any of the provisions of **SECTION I - COVERAGE, C. Defense and Supplementary Payments**, we will pay any expense incurred with our written consent.

## SECTION II - WHO IS AN INSURED

1. Except for liability arising out of the ownership, maintenance, occupancy or use of an "auto":
  - a. If you are designated in the Declarations as:
    - (1) An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
    - (2) A partnership or joint venture, you are an insured. Your members, partners and their spouses are also insureds, but only with respect to the conduct of your business.
    - (3) A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
    - (4) An organization other than a partnership, joint venture, or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders. Each of the following is also a Named Insured:
      - (a) Any "subsidiary" company of such organization, including any "subsidiary" of such "subsidiary":
        - 1) Existing at the inception of this Coverage Part; or
        - 2) Formed or acquired on or after the inception of this Coverage Part.
      - (b) Any other company controlled and actively managed by such organization or any "subsidiary" thereof:
        - 1) At the inception of this Coverage Part; or
        - 2) If the control and active management thereof is acquired on or after the inception of this Coverage Part.
  - (5) A trust, you are an insured. Your trustees are also insureds, but only

- with respect to their duties as trustees.
- b. Each of the following is also an insured:
    - (1) Any "employee" of yours while acting within the scope of their duties as such.
    - (2) Any person or organization while acting as your real estate manager.
    - (3) Any person or organization having proper temporary custody of your property if you die, but only:
      - (a) With respect to liability arising out of the maintenance or use of that property; and
      - (b) Until your legal representative has been appointed.
    - (4) Your legal representative if you die, but only with respect to duties as such.
2. Only with respect to liability arising out of the ownership, maintenance, occupancy or use of an "auto":
    - a. You are an insured.
    - b. Anyone else while using with your permission an "auto" you own, hire or borrow is also an insured except:
      - (1) The owner or any other person or organization (except your "executive officers" or principals) from whom you hire or borrow an "auto", unless such persons or organizations are insureds in your "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance". This exception does not apply if the "auto" is a trailer or semi-trailer connected to an "auto" you own.
      - (2) Your "employee", if the "auto" is owned by that "employee" or a member of his or her household, unless:
        - (a) Such "employee" is an insured with respect to that "auto" in the "underlying insurance" listed in the Schedule of Underlying Insurance, and then only for such hazards for which coverage is provided by such "underlying insurance"; or
        - (b) The "bodily injury" or "property damage" is sustained by a co-"employee" of such "employee".
- (3) Someone using an "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos", unless that business is yours.
  - (4) Anyone other than your "employees", partners (if you are a partnership), members (if you are a limited liability company), or a lessee or borrower or any of their "employees", while moving property to or from an "auto".
- c. Anyone liable for the conduct of an insured described in Paragraphs 2.a. and b. above is also an insured, but only if they are provided insurance coverage for such liability by valid and collectible "underlying insurance" listed in the Schedule of Underlying Insurance and then only for such hazards for which coverage is provided by such "underlying insurance".
3. At your option and subject to the terms of this insurance, any additional insureds not addressed by Paragraphs 1. and 2. above covered in the "underlying insurance" listed in the Schedule of Underlying Insurance are also insureds, but only to the extent that insurance is provided for such additional insureds thereunder.
- No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture, or limited liability company that is not shown as a Named Insured in the Declarations.

### SECTION III - LIMITS OF INSURANCE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
  - a. Insureds;
  - b. Claims made or "suits" brought; or
  - c. Persons or organizations making claims or bringing "suits".
2. The Aggregate Limit is the most we will pay for all damages:
  - a. Included in the "products-completed operations hazard";
  - b. Because of "bodily injury" by disease sustained by your "employees" arising out of and in the course of their employment by you; or

- c. Because of "bodily injury", "personal and advertising injury" or "property damage" not included within a. or b. above. However, this Aggregate Limit will not apply to damages which are not subject to an Aggregate Limit in the "underlying insurance".

The Aggregate Limit applies separately to a., b. and c. The Aggregate Limit described in c. will apply only to damages not subject to a. or b. above.

- 3. Subject to the Limit of Insurance described in 2.c. above:

- a. Only in the event that "underlying insurance" specifically listed in the Schedule of Underlying Insurance provides an annual Aggregate Limit of Insurance for damages that would not be subject to 2.a. or b. above that is applicable separately to each:

- (1) Location owned by, or rented or leased to you solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed to operations at only a single location, then the Aggregate Limit described in 2.c. above applies separately to each location owned by, or rented or leased to you.

- (2) Of your construction projects solely with respect to damages which are the result of a claim or "suit" for "bodily injury" or "property damage" which can be attributed only to ongoing operations and only at a single construction project, then the Aggregate Limit described in 2.c. above applies separately to each of your construction projects.

- b. Only with respect to the application of Limits of Insurance described in 3.a. above, the following terms location and construction project will have the following meanings:

- (1) Location means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.

- (2) Construction project means a location you do not own, rent or lease where ongoing improvements, alterations, installation, demolition or maintenance work is performed by you or on your behalf. All connected

ongoing improvements, alterations, installation, demolition or maintenance work performed by you or on your behalf at the same location for the same persons or entities, no matter how often or under how many different contracts, will be deemed to be a single construction project.

- 4. Subject to the limits described in 2. and 3. above, the Each Occurrence Limit is the most we will pay for the "ultimate net loss":

- a. In excess of the applicable limits of "underlying insurance"; or

- b. If an "occurrence" is not covered by "underlying insurance", but covered by the terms and conditions of this Coverage Part,

Because of all "bodily injury", "personal and advertising injury" and "property damage" arising out of any one "occurrence".

We will not pay more than the Limit of Insurance shown in this Coverage Part's Declarations for each "occurrence" because any Personal Umbrella Liability Policy(ies) is / are attached to this policy.

- 5. Subject to the limits described in 2., 3. and 4. above and to the terms and conditions of the "underlying insurance":

- a. If the limits of "underlying insurance" have been reduced by payment of claims, this Coverage Part will continue in force as excess of the reduced "underlying insurance"; or

- b. If the limits of "underlying insurance" have been exhausted by payment of claims, this Coverage Part will continue in force as "underlying insurance".

- 6. The Limits of Insurance of this Coverage Part apply separately to each "coverage term".

#### SECTION IV - CONDITIONS

##### 1. Appeals

If the insured or any insurer who provides the applicable "underlying insurance" elects not to appeal a judgment which exceeds the "underlying limit", we may elect to do so at our own expense. We shall be liable for the taxable costs and disbursements and interest incidental thereto, but in no event shall this provision increase our liability beyond:

- a. Our applicable Limits of Insurance for all "ultimate net loss";

- b. Our applicable Defense and Supplementary Payments as described in SEC-

**TION I - COVERAGE, C. Defense and Supplementary Payments; and**

- c. The expense of such appeal.
- 2. Audit**

If this Coverage Part is subject to Audit, as indicated in the Declarations, then the following Condition applies:

- a. The premium shown in the Premium Computation Endorsement as Advance Premium is a deposit premium. At the close of each audit period, we will compute the earned premium for that period. If:
  - (1) The earned premium is less than the deposit premium, we will return the excess to the first Named Insured; or
  - (2) The earned premium is greater than the deposit premium, the difference will be due and payable to us by the first Named Insured upon notice from us. The due date for audit and retrospective premiums is the date shown as the due date on the bill.

However, in no event will the earned premium be less than the Minimum Premium stated in the Premium Computation Endorsement.

- b. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

**3. Bankruptcy**

Bankruptcy or insolvency of the insured or the insured's estate shall not relieve us of any obligations under this Coverage Part.

**4. Duties in the Event of Occurrence, Claim or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" which may result in a claim or "suit". To the extent possible, notice should include:
  - (1) How, when and where the "occurrence" took place;
  - (2) The names and addresses of any injured persons and witnesses; and
  - (3) The nature and location of any injury or damage arising out of the "occurrence".

This requirement applies only when the "occurrence" is known to an "authorized representative".

- b. If a claim is made or "suit" is brought against any insured that is likely to involve this Coverage Part, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

This requirement will not be considered breached unless the breach occurs after such claim or "suit" is known to an "authorized representative".

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

**5. First Named Insured**

The person or organization first named in the Declarations will act on behalf of all other insureds where indicated in this Coverage Part.

**6. Legal Action Against Us and Loss Payments**

- a. No legal action may be brought against us unless there has been full compliance with all the terms of this Coverage Part nor until the amount of the insured's obligation to pay has been finally determined as provided below. No person or organization has any right under this Coverage Part to bring us into any action to determine the liability of the insured.
- b. We shall be liable for payment of the "ultimate net loss" for any "occurrence" to which this Coverage Part applies:
  - (1) For "occurrences" not covered by "underlying insurance"; or

- (2) In excess of the "underlying limit" applicable to the "occurrence" only after the insurers who provide the applicable "underlying insurance" have paid or become obligated to pay the amount of the "underlying limit" applicable to the "occurrence".

Our payment will be made following final determination of the amount of the insured's obligation to pay either by final judgment against the insured or by written agreement with the insured, the claimant, the underlying insurers and us.

## 7. Liberalization

If, within 60 days prior to the beginning of this Coverage Part or during the policy period, we make any changes to any forms or endorsements of this Coverage Part for which there is currently no separate premium charge, and that change provides more coverage than this Coverage Part, the change will automatically apply to this Coverage Part at the latter of:

- a. The date we implemented the change in your state; or
- b. The date this Coverage Part became effective; and

Will be considered as included until the end of the current policy period. We will make no additional premium charge for this additional coverage during the interim.

## 8. Maintenance of Underlying Insurance

- a. While this Coverage Part is in effect, the insured shall maintain in force the "underlying insurance" listed in the Schedule of Underlying Insurance as collectible insurance. The terms, conditions and endorsements of "underlying insurance" will not materially change and renewals or replacements of "underlying insurance" will not be more restrictive in coverage.
- b. Limits of "underlying insurance" will not be reduced, except for any reduction or exhaustion in the aggregate limits of insurance due to payment of claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement, Paragraph 2.** of this Coverage Part.
- c. In the event you fail or neglect to maintain "underlying insurance" as required, this Coverage Part will apply as though such "underlying insurance" was in force and collectible at the time a claim is presented to us which is in accordance with **SECTION I - COVERAGE, A. Insuring Agreement, Paragraph 2.** of this Coverage Part.

- d. The limits of "underlying insurance" shall be deemed applicable, regardless of any defense which the insurer who provides the "underlying insurance" may assert because of the insured's failure to comply with any Condition of the policy or the inability of the insurer to pay by reason of bankruptcy or insolvency.

## 9. Other Insurance

This insurance is excess over, and shall not contribute with any other insurance, whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Coverage Part.

## 10. Premium

The premium for this Coverage Part shall be as stated in the Declarations. The advance and anniversary premiums are not subject to adjustment, except as stated in the Declarations, or as stated in an endorsement issued by us to form a part of this Coverage Part.

You shall maintain records of such information as is necessary for premium computation, and shall, if requested by us, send copies of such records to us at the end of the "coverage term" and at such times during the policy period as we may direct.

## 11. Representations

- a. By acceptance of this Coverage Part, you agree that the statements in the Declarations are your agreements and representations, that this Coverage Part is issued in reliance upon the truth of such representations and that this Coverage Part embodies all agreements existing between you and us or any of our agents relating to this insurance.
- b. However, to the extent that the following applies in the "underlying insurance" listed specifically in the Schedule of Underlying Insurance, it will also apply to this Coverage Part:

Based on our reliance upon your representations as to existing hazards, if unintentionally you should fail to disclose all such hazards at the inception date of this Coverage Part, we will not reject coverage under this Coverage Part based solely on such failure.

## 12. Separation of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
  - b. Separately to each insured against whom claim is made or "suit" is brought.
- 13. Transfer of Rights of Recovery Against Others to Us**

- a. If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.
- b. Any recoveries shall be applied as follows:
  - (1) First, we will reimburse anyone, including the insured, the amounts actually paid by them that were in excess of our payments;
  - (2) Next, we will be reimbursed to the extent of our actual payment; and
  - (3) Lastly, any amounts left after meeting the obligations outlined in (1) and (2) above will be distributed to anyone else known to us at the time a recovery is made and who is legally entitled to such recovery.

Expenses incurred in the recovery shall be apportioned among all interests in the ratio of their respective recoveries as finally settled. If there is no recovery as a result of our attempts, we shall bear all of the recovery expenses.

- c. If prior to an "occurrence" to which this Coverage Part would apply, you and the issuer of your applicable "underlying insurance" listed specifically in the Schedule of Underlying Insurance waive any right of recovery against a person or organization for injury or damage, we will also waive any rights we may have against such person or organization.

**14. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. "Advertisement" includes a publicity article. For the purposes of this definition:
  - a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
  - b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an "advertisement".
2. "Authorized representative" means:
  - a. If you are:
    - (1) An individual, you and your spouse are "authorized representatives".
    - (2) A partnership or joint venture, your members, your partners, and their spouses are "authorized representatives".
    - (3) A limited liability company, your members and your managers are "authorized representatives".
    - (4) An organization other than a partnership, joint venture or limited liability company, your "executive officers" and directors are "authorized representatives". Provided you are not a publicly traded organization, your stockholders are also "authorized representatives".
    - (5) A trust, your trustees are "authorized representatives".
  - b. Your "employees" assigned to manage your insurance program, or assigned to give or receive notice of an "occurrence", claim or "suit" are also "authorized representatives".
3. "Auto" means:
  - a. Any land motor vehicle, trailer or semi-trailer designed for travel on public roads; or
  - b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

"Auto" does not include "mobile equipment".



4. "Bodily injury" means bodily harm or injury, sickness, disease, disability, humiliation, shock, fright, mental anguish or mental injury, including care, loss of services or death resulting from any of these at any time.
5. "Coverage term" means the following individual increment, or if a multi-year policy period, increments, of time, which comprise the policy period of this Coverage Part:
  - a. The year commencing on the Effective Date of this Coverage Part at 12:01 AM standard time at your mailing address shown in the Declarations, and if a multi-year policy period, each consecutive annual period thereafter, or portion thereof if any period is for a period of less than 12 months, constitute individual "coverage terms". The last "coverage term" ends at 12:00 AM standard time at your mailing address shown in the Declarations on the earlier of:
    - (1) The day the policy period shown in the Declarations ends; or
    - (2) The day the policy to which this Coverage Part is attached is terminated or cancelled.
  - b. However, if after the issuance of this Coverage Part, any "coverage term" is extended for an additional period of less than 12 months, that additional period of time will be deemed to be part of the last preceding "coverage term".
6. "Coverage territory" means anywhere.
7. "Electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
8. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
9. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any similar governing document.
10. "Hostile fire" means one that becomes uncontrollable or breaks out from where it was intended to be.
11. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
  - a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
  - b. You have failed to fulfill the terms of a contract or agreement,
 

if such property can be restored to use by:

    - a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
    - b. Your fulfilling the terms of the contract or agreement.
12. "Insured contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for "property damage" by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
  - d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
  - e. An elevator maintenance agreement;
  - f. That part of any other contract or agreement pertaining to your business, other than a contract or agreement pertaining to the rental or lease of any "auto", (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury", "property damage" or "personal and advertising injury" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement; or
  - g. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

Paragraphs f. and g. do not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury", "property damage" or "personal and advertising injury" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing. However, if such liability is insured by valid and collectible "underlying insurance" as listed in the Schedule of Underlying Insurance, this Paragraph (1) shall not apply for such hazards for which insurance coverage is afforded by such "underlying insurance";
  - (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
    - (a) Preparing, approving or failing to prepare or approve maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
    - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage;
  - (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in Paragraph (2) above and supervisory, inspection, architectural or engineering activities;
  - (4) That indemnifies an advertising, public relations or media consulting firm for "personal and advertising injury" arising out of the planning, execution or failure to execute marketing communications programs. Marketing communications programs include but are not limited to comprehensive marketing campaigns; consumer, trade and corporate advertising for all media; media planning, buying, monitoring and analysis; direct mail; promotion; sales materials; design; presentations; point-of-sale materials; market research; public relations and new product development;
  - (5) Under which the insured, if an advertising, public relations or media consulting firm, assumes liability for "personal and advertising injury" arising out of the insured's rendering or failure to render professional services, including those services listed in Paragraph (4), above;
  - (6) That indemnifies a web-site designer or content provider, or Internet search, access, content or service provider for injury or damage arising out of the planning, execution or failure to execute Internet services. Internet Services include but are not limited to design, production, distribution, maintenance and administration of web-sites and web-banners; hosting web-sites; registering domain names; registering with search engines; marketing analysis; and providing access to the Internet or other similar networks;
  - (7) Under which the insured, if a web-site designer or content provider, or Internet search, access, content or service provider, assumes liability for injury or damage arising out of the insured's rendering or failure to render Internet services, including those listed in Paragraph (6), above;
  - (8) That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
  - (9) That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of an "auto" over a route or territory that person or organization is authorized to serve by public authority.
13. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" includes supervisors furnished to you by the labor leasing firm. "Leased worker" does not include a "temporary worker".
14. "Loading or unloading" means the handling of property:
- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
  - b. While it is in or on an aircraft, watercraft or "auto"; or

- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

15. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;

- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

16. "Occurrence" means:

- a. An accident, including continuous or repeated exposure to substantially the same general harmful conditions, that results in "bodily injury" or "property damage"; or
- b. An offense that results in "personal and advertising injury".

All damages arising from the same accident, continuous or repeated exposure to substantially the same general harmful conditions, act or offense shall be deemed to arise from one "occurrence" regardless of:

- (1) The frequency of repetition;
- (2) The number or kind of media used; or
- (3) The number of claimants.

17. "Personal and advertising injury" means injury, including "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. Abuse of process;
- d. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- e. Defamation of character, including oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;

- f. Oral or written publication, in any manner, of material that violates a person's right of privacy;
  - g. The use of another's advertising idea in your "advertisement";
  - h. Infringing upon another's copyright, trade dress or slogan in your "advertisement"; or
  - i. Discrimination, unless insurance coverage therefor is prohibited by law or statute.
18. "Pollutants" mean any solid, liquid, gaseous, or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals, petroleum, petroleum products and petroleum by-products, and waste. Waste includes materials to be recycled, re-conditioned or reclaimed. "Pollutants" include, but are not limited to, substances which are generally recognized in industry or government to be harmful or toxic to persons, property or the environment regardless of whether the injury or damage is caused directly or indirectly by the "pollutants" and whether:
- a. The insured is regularly or otherwise engaged in activities which taint or degrade the environment; or
  - b. The insured uses, generates or produces the "pollutant".
19. "Products-completed operations hazard":
- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
    - (1) Products that are still in your physical possession; or
    - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
      - (a) When all of the work called for in your contract has been completed.
      - (b) When all of the work to be done at the site has been completed, if your contract calls for work at more than one site.
      - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.
- Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.
- b. Does not include "bodily injury" or "property damage" arising out of:
    - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
    - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.
20. "Property damage" means:
- a. Physical injury to or destruction of tangible property including all resulting loss of use. All such loss of use shall be deemed to occur at the time of the physical injury or destruction that caused it; or
  - b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, "electronic data" is not tangible property.
21. "Subsidiary" means any organization in which more than 50% of the outstanding securities or voting rights representing the present right to vote for election of directors is owned or controlled, directly or indirectly, in any combination, by one or more of the Named Insureds.
22. "Suit" means a civil proceeding in which money damages because of "bodily injury", "personal and advertising injury" or "property damage" to which this insurance applies are alleged. "Suit" includes:
- a. An arbitration proceeding in which such money damages are claimed and to which the insured must submit or does submit with our consent;
  - b. Any other alternative dispute resolution proceeding in which such money damages are claimed and to which the insured submits with our consent; or
  - c. An appeal of a civil proceeding.

23. "Temporary worker" means a person who is furnished to you to:
- a. Substitute for a permanent "employee" on leave; or
  - b. Meet seasonal or short-term workload conditions.
24. "Ultimate net loss" means the sum actually paid or payable in the settlement or satisfaction of the insured's legal obligation for damages, covered by this insurance, either by adjudication or compromise. "Ultimate net loss" does not include Defense and Supplementary Payments as described in **SECTION I - COVERAGE, C. Defense and Supplementary Payments** of this Coverage Part.
25. "Underlying insurance" means the insurance listed in the Schedule of Underlying Insurance and the insurance available to the insured under all other insurance policies applicable to the "occurrence". "Underlying insurance" also includes any type of self-insurance or alternative method by which the insured arranges for funding of legal liabilities that affords coverage that this Coverage Part covers.
26. "Underlying limit" means the total of the applicable limits of all "underlying insurance" less the amount, if any, by which the applicable limit of the applicable policy listed in the Schedule of Underlying Insurance has been reduced solely by payment of loss resulting from claims which are in accordance with **SECTION I - COVERAGE, A. Insuring Agreement, Paragraph 2.** of this Coverage Part.
27. "Workplace" means that place and during such hours to which the "employee" sustaining injury was assigned by you, or any other person or entity acting on your behalf, to work on the date of "occurrence".
28. "Your product":
- a. Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
      - (a) You;
      - (b) Others trading under your name; or
      - (c) A person or organization whose business or assets you have acquired; and
    - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of your product; and
    - (2) The providing of or failure to provide warnings or instructions.
  - c. Does not include vending machines or other property rented to or located for the use of others but not sold.
29. "Your work":
- a. Means:
    - (1) Work or operations performed by you or on your behalf; and
    - (2) Materials, parts or equipment furnished in connection with such work or operations.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
    - (2) The providing of or failure to provide warnings or instructions.

# NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT

This endorsement modifies insurance provided under the following:

## COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

### A. SECTION I - COVERAGE, B. Exclusions is modified to add the following:

This insurance does not apply to:

1. Any liability:
  - a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters or Nuclear Insurance Association of Canada, or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
  - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which (1) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (2) the insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Any liability resulting from the "hazardous properties" of "nuclear material", if
  - a. The "nuclear material" (1) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured or (2) has been discharged or dispersed therefrom,
  - b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of by or on behalf of an insured; or
  - c. The injury or damage arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if

such facility is located within the United States of America, its territories or possessions or Canada, this Exclusion c. applies only to "property damage" to such "nuclear facility" and any property thereat.

### B. SECTION V - DEFINITIONS is hereby modified to add the following definitions:

1. "Hazardous properties" include radioactive, toxic or explosive properties;
2. "Nuclear material" means "source material", "special nuclear material" or "by-product material";
3. "Source material", "special nuclear material" and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof;
4. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor";
5. "Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".
6. "Nuclear facility" means:
  - a. Any "nuclear reactor";
  - b. Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or utilizing "spent fuel", (3) or handling, processing or packaging "waste";
  - c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear materials", if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of

plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations con-

ducted on such site and all premises used for such operations;

- 7. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;
- 8. "Property damage" includes all forms of radioactive contamination of property.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## AUTOMATIC NON-CONTRIBUTORY COVERAGE ENDORSEMENT - WHERE REQUIRED BY WRITTEN CONTRACT

This endorsement modifies insurance provided under the following:

### COMMERCIAL UMBRELLA LIABILITY COVERAGE PART

#### SCHEDULE

<b>LIMITS OF INSURANCE:</b> \$ 10 ,000,000 Each Occurrence Limit \$ 10 ,000,000 Aggregate Limit	
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COMMERCIAL UMBRELLA LIABILITY COVERAGE FORM, US 101 and US 101 UM, is amended as follows:

**A. SECTION III - LIMITS OF INSURANCE** is amended to add the following:

7. For the purposes of this endorsement only, the Limits of Insurance stated in the Schedule of this endorsement and described below will apply on a "non-contributory basis" within the parameters set forth in **SECTION III - LIMITS OF INSURANCE** of the Coverage Part to which this endorsement is attached:

We will not pay more on behalf of a "non-contributory additional insured" than the lesser of:

- a. The Limits of Insurance stated in the Schedule of this endorsement; or
- b. The limits of insurance required in a written contract on a "non-contributory basis" for such "non-contributory additional insured", but only to the extent the required limits of insurance are in excess of the "underlying insurance"; or
- c. The Limits of Insurance available after the payment of "ultimate net loss" on any insured's behalf from any claim or "suit".

This provision is included within and does not act to increase the Limits of Insurance stated in the Declarations.

**B. SECTION IV - CONDITIONS** is amended as follows:

1. Condition **9. Other Insurance** is amended to add the following:

It is agreed that this condition does not apply to the "non-contributory additional insured's" own insurance program.

This exception to the Other Insurance Condition shall only apply if the applicable "underlying insurance" applies on a "non-contributory basis" for such "non-contributory additional insured" and only to the extent of the specific limits of insurance required in a written contract or agreement on a "non-contributory basis" that is in excess of the "underlying insurance".

2. The following condition is added:

15. As a precedent to the receipt of insurance coverage hereunder, the "non-contributory additional insured" must give written notice of such claim or "suit", including a demand for defense and indemnity, to any other insurer who had coverage for the claim or "suit" under its policies. Such notice must demand the full coverage available and the "non-contributory additional insured" shall not waive or limit such other available coverage.

This condition does not apply to the "non-contributory additional insured's" own insurance program.

**C. SECTION IV - DEFINITIONS** is amended to add the following:

30. "Non-contributory additional insured" means any person or organization:

- a. Qualifying as an additional insured under **SECTION II - WHO IS AN INSURED**, Paragraph 3. of the Cover-



age Part to which this endorsement is attached; and

- b. Being granted additional insured status on a "non-contributory basis" in the "underlying insurance" as required in a written contract between an additional insured and a Named Insured provided:

- (1) The written contract or agreement is executed before the "occurrence" resulting in "bodily injury", "personal and advertising injury" or "property damage" for which coverage is being sought under this endorsement; and

- (2) The written contract or agreement requires a specific limit of insurance on a "non-contributory basis" that is in excess of "underlying insurance".

31. "Non-contributory basis" means that the limits of insurance of the Coverage Part to which this endorsement is attached apply to insured loss on behalf of the "non-contributory additional insured" prior to limits of insurance from other insurance in which the "non-contributory additional insured" is a named insured.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CinciPlus®**  
**BUSINESS AUTO XC+®**  
**(EXPANDED COVERAGE PLUS)**  
**ENDORSEMENT**

This endorsement modifies insurance provided by the following:

**BUSINESS AUTO COVERAGE FORM**

With respect to the coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by this endorsement.

**A. Blanket Waiver of Subrogation**

**SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 5. Transfer of Rights of Recovery Against Others to Us** is amended by the addition of the following:

We waive any right of recovery we may have against any person or organization because of payments we make for "bodily injury" or "property damage" arising out of the operation of a covered "auto" when you have assumed liability for such "bodily injury" or "property damage" under an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution or the "insured contract".

**B. Noncontributory Insurance**

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance c.** is replaced by the following:

- c. Regardless of the provisions of Paragraph a. above, this Coverage Form's Liability Coverage is primary and we will not seek contribution from any other insurance for any liability assumed under an "insured contract" that requires liability to be assumed on a primary noncontributory basis.

**C. Additional Insured by Contract**

**SECTION II - LIABILITY COVERAGE, A. Coverage, I. Who is an Insured** is amended to include as an insured any person or organization with which you have agreed in a valid written contract to provide insurance as is afforded by this policy.

This provision is limited to the scope of the valid written contract.

This provision does not apply unless the valid written contract has been:

1. Executed prior to the accident causing "bodily injury" or "property damage"; and
2. Is still in force at the time of the "accident" causing "bodily injury" or "property damage".

**D. Employee Hired Auto**

**1. Changes in Liability Coverage**

The following is added to the **Section II - Liability Coverage, A. Coverage, 1. Who is an Insured:**

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

**2. Changes in General Conditions**

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 5. Other Insurance** is amended by replacing Paragraph 5.b. with the following:

- b. For Hired Auto Physical Damage Coverage the following are deemed to be covered "autos" you own:

- (1) Any covered "auto" you lease, hire, rent or borrow; and
- (2) Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

**E. Audio, Visual and Data Electronic Equipment**

**SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit of Insurance** is amended by adding the following:

4. The most we will pay for all "loss" to audio, visual or data electronic equipment and any accessories used with this equipment as a result of any one "accident" is the lesser of:

- a. The actual cash value of the damaged or stolen property as of the time of the "accident";
- b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality; or
- c. \$2,500.

Provided the equipment, at the time of the "loss" is:

- a. Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
- b. Removable from a permanently installed housing unit as described in Paragraph 2.a. above; or
- c. An integral part of such equipment.

**F. Who is an Insured - Amended**

**SECTION II - LIABILITY COVERAGE, A. Coverage, 1. Who is an Insured** is amended by adding the following:

The following are "insureds":

1. Any subsidiary which is a legally incorporated entity of which you own a financial interest of more than 50% of the voting stock on the effective date of this coverage form.

However, the insurance afforded by this provision does not apply to any subsidiary that is an "insured" under any other automobile liability policy, or would be an "insured" under such policy but for termination of such policy or the exhaustion of such policy's limits of insurance.

2. Any organization that is newly acquired or formed by you and over which you maintain majority ownership. The insurance provided by this provision:

- a. Is effective on the date of acquisition or formation, and is afforded for 180 days after such date;
- b. Does not apply to "bodily injury" or "property damage" resulting from an "accident" that occurred before you acquired or formed the organization;
- c. Does not apply to any newly acquired or formed organization that is a joint venture or partnership; and
- d. Does not apply to an insured under any other automobile liability policy, or would be an insured under such a policy but for the termination of such policy or the exhaustion of such policy's limits of insurance.

3. Any of your "employees" while using a covered "auto" in your business or your personal affairs, provided you do not own, hire or borrow that "auto".

**G. Liability Coverage Extensions - Supplementary Payments - Higher Limits**

**SECTION II - LIABILITY COVERAGE, A. Coverage, 2. Coverage Extensions, a. Supplementary Payments** is amended by:

1. Replacing the \$2,000 Limit of Insurance for bail bonds with \$4,000 in (2); and
2. Replacing the \$250 Limit of Insurance for reasonable expenses with \$500 in (4).

**H. Amended Fellow Employee Exclusion**

**SECTION II - LIABILITY COVERAGE, B. Exclusions, 5. Fellow Employee** is modified as follows:

Exclusion 5. **Fellow Employee** is deleted.

**I. Hired Auto - Physical Damage**

If hired "autos" are covered "autos" for Liability Coverage, then Comprehensive and Collision Physical Damage Coverages as provided under **SECTION III - PHYSICAL DAMAGE COVERAGE** of this Coverage Part are extended to "autos" you hire, subject to the following:

1. The most we will pay for "loss" to any hired "auto" is \$50,000 or the actual cash value or cost to repair or replace, whichever is the least, minus a deductible.
2. The deductible will be equal to the largest deductible applicable to any owned "auto" for that coverage, or \$1,000, whichever is less.
3. Hired Auto - Physical Damage coverage is excess over any other collectible insurance.

4. Subject to the above limit, deductible, and excess provisions we will provide coverage equal to the broadest coverage applicable to any covered "auto" you own insured under this policy.

Coverage includes loss of use of that hired auto, provided it results from an "accident" for which you are legally liable and as a result of which a monetary loss is sustained by the leasing or rental concern. The most we will pay for any one "accident" is \$3,000.

If a limit for Hired Auto - Physical Damage is shown in the Schedule, then that limit replaces, and is not added to, the \$50,000 limit indicated above.

#### J. Rental Reimbursement

**SECTION III - PHYSICAL DAMAGE** is amended by adding the following:

1. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of a "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductible applies to this coverage.
2. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:
  - a. The number of days reasonably required to repair the covered "auto". If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you; or
  - b. 30 days.
3. Our payment is limited to the lesser of the following amounts:
  - a. Necessary and actual expenses incurred; or
  - b. \$50 per day.
4. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
5. We will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under **SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions**.

#### K. Transportation Expense - Higher Limits

**SECTION III - PHYSICAL DAMAGE COVERAGE, A. Coverage, 4. Coverage Extensions** is amended by replacing \$20 per day with \$50 per day, and \$600 maximum with \$1,500 maximum in **Extension a. Transportation Expenses**.

#### L. Airbag Coverage

**SECTION III - PHYSICAL DAMAGE COVERAGE, B. Exclusions, 3.a.** is amended by adding the following:

However, the mechanical and electrical breakdown portion of this exclusion does not apply to the accidental discharge of an airbag. This coverage for airbags is excess over any other collectible insurance or warranty.

#### M. Loan or Lease Gap Coverage

1. **SECTION III - PHYSICAL DAMAGE COVERAGE, C. Limit of Insurance** is deleted in its entirety and replaced by the following, but only for private passenger type "autos" with an original loan or lease, and only in the event of a "total loss" to such a private passenger type "auto":
  - a. The most we will pay for "loss" in any one "accident" is the greater of:
    - (1) The amount due under the terms of the lease or loan to which your covered private passenger type "auto" is subject, but will not include:
      - (a) Overdue lease or loan payments;
      - (b) Financial penalties imposed under the lease due to high mileage, excessive use or abnormal wear and tear;
      - (c) Security deposits not refunded by the lessor;
      - (d) Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
      - (e) Carry-over balances from previous loans or leases, or
    - (2) Actual cash value of the stolen or damaged property.
  - b. An adjustment for depreciation and physical condition will be made in determining actual cash value at the time of "loss".

2. **SECTION V - DEFINITIONS** is amended by adding the following, but only for the purposes of this **Loan or Lease Gap Coverage**:

"Total loss" means a "loss" in which the cost of repairs plus the salvage value exceeds the actual cash value.

**N. Glass Repair - Waiver of Deductible**

**SECTION III - PHYSICAL DAMAGE COVERAGE, D. Deductible** is amended by adding the following:

No deductible applies to glass damage if the glass is repaired in a manner acceptable to us rather than replaced.

**O. Duties in the Event of an Accident, Claim, Suit or Loss - Amended**

**SECTION IV - BUSINESS AUTO CONDITIONS, A. Loss Conditions, 2. Duties in the Event of Accident, Claim, Suit or Loss, a.** is amended by adding the following:

This condition applies only when the "accident" or "loss" is known to:

1. You, if you are an individual;
2. A partner, if you are a partnership;
3. An executive officer or insurance manager, if you are a corporation; or
4. A member or manager, if you are a limited liability company.

**P. Unintentional Failure to Disclose Hazards**

**SECTION IV - BUSINESS AUTO CONDITIONS, B. General Conditions, 2. Concealment, Misrepresentation or Fraud** is amended by adding the following:

However, if you unintentionally fail to disclose any hazards existing on the effective date of this Coverage Form, we will not deny coverage under this Coverage Form because of such failure.

**Q. Mental Anguish Resulting from Bodily Injury**

**SECTION V - DEFINITIONS, C. "Bodily injury"** is deleted in its entirety and replaced by the following:

"Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish and death sustained by the same person that results from such bodily injury, sickness or disease. "Bodily injury" does not include mental anguish or death that does not result from bodily injury, sickness or disease.

**R. Coverage for Certain Operations in Connection with Railroads**

With respect to the use of a covered "auto" in operations for or affecting a railroad:

1. **Section V - Definitions, H. "Insured contract", 1.c.** is amended to read:
  - c. An easement or license agreement;
2. **Section V - Definitions, H. "Insured contract", 2.a.** is deleted.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## CONTRACTORS ADDITIONAL INSURED - AUTOMATIC STATUS AND AUTOMATIC WAIVER OF SUBROGATION WHEN REQUIRED IN WRITTEN CONTRACT, AGREEMENT, PERMIT OR AUTHORIZATION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

**A. Additional Insured - Owners, Lessees Or Contractors - Automatic Status For Other Parties When Required In Written Contract Or Agreement With You**

**1. Section II - Who Is An Insured** is amended to include as an additional insured any person or organization you have agreed in writing in a contract or agreement to add as an additional insured on this Coverage Part. Such person(s) or organization(s) is an additional insured only with respect to liability for:

**a.** "Bodily injury", "property damage" or "personal and advertising injury" *caused, in whole or in part, by* the performance of your ongoing operations by you or on your behalf, under that written contract or written agreement. Ongoing operations does not apply to "bodily injury" or "property damage" occurring after:

(1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or

(2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project; and

**b.** "Bodily injury" or "property damage" *caused, in whole or in part, by* "your work" performed under that written contract or written agreement and in

cluded in the "products-completed operations hazard", but only if:

(1) The Coverage Part to which this endorsement is attached provides coverage for "bodily injury" or "property damage" included within the "products-completed operations hazard"; and

(2) The written contract or written agreement requires you to provide additional insured coverage included within the "products-completed operations hazard" for that person or organization.

If the written contract or written agreement requires you to provide additional insured coverage included within the "products-completed operations hazard" for a specified length of time for that person or organization, the "bodily injury" or "property damage" must occur prior to the expiration of that period of time in order for this insurance to apply.

If the written contract or written agreement requires you to provide additional insured coverage for a person or organization per only ISO additional insured endorsement form number **CG 20 10**, without specifying an edition date, and without specifically requiring additional insured coverage included within the "products-completed operations hazard", this Paragraph **b.** does not apply to that person or organization.

**2.** If the written contract or written agreement described in Paragraph 1. above specifically requires you to provide additional insured coverage to that person or organization:

**a.** *Arising out of* your ongoing operations or *arising out of* "your work"; or

- b. By way of an edition of an ISO additional insured endorsement that includes *arising out of your ongoing operations or arising out of "your work"*;

then the phrase *caused, in whole or in part, by* in Paragraph A.1.a. and/or Paragraph A.1.b. above, whichever applies, is replaced by the phrase *arising out of*.

- 3. With respect to the insurance afforded to the additional insureds described in Paragraph A.1., the following additional exclusion applies:

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:

- a. The preparing, approving or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- b. Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

- 4. This Paragraph A. does not apply to additional insureds described in Paragraph B.

**B. Additional Insured - State Or Governmental Agency Or Subdivision Or Political Subdivision - Automatic Status When Required In Written Permits Or Authorizations**

- 1. **Section II - Who Is An Insured** is amended to include as an additional insured any state or governmental agency or subdivision or political subdivision you have agreed in writing in a contract, agreement, permit or authorization to add as an additional insured on this Coverage Part. Such state or governmental agency or subdivision or political subdivision is an additional insured only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision issued, in writing, a contract, agreement, permit or authorization.

- 2. With respect to the insurance afforded to the additional insureds described in Paragraph B.1., the following additional exclusions apply:

This insurance does not apply to:

- a. "Bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality; or
- b. "Bodily injury" or "property damage" included within the "products-completed operations hazard."

- C. The insurance afforded to additional insureds described in Paragraphs A. and B.:

- 1. Only applies to the extent permitted by law; and
- 2. Will not be broader than that which you are required by the written contract, written agreement, written permit or written authorization to provide for such additional insured; and
- 3. Does not apply to any person, organization, state, governmental agency or subdivision or political subdivision specifically named as an additional insured for the same project in the schedule of an endorsement added to this Coverage Part.

- D. With respect to the insurance afforded to the additional insureds described in Paragraphs A. and B., the following is added to **Section III - Limits Of Insurance**:

The most we will pay on behalf of the additional insured is the amount of insurance:

- 1. Required by the written contract, written agreement, written permit or written authorization described in Paragraphs A. and B.; or
- 2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

- E. **Section IV - Commercial General Liability Conditions** is amended to add the following:

**Automatic Additional Insured Provision**

This insurance applies only if the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" offense is committed:

- 1. During the policy period; and

2. Subsequent to your execution of the written contract or written agreement, or the issuance of a written permit or written authorization, described in Paragraphs A. and B.
- F. Except when G. below applies, the following is added to **Section IV - Commercial General Liability Conditions, 5. Other Insurance**, and supersedes any provision to the contrary:

**When Other Additional Insured Coverage Applies On An Excess Basis**

This insurance is primary to other insurance available to the additional insured described in Paragraphs A. and B. except:

1. As otherwise provided in **Section IV - Commercial General Liability Conditions, 5. Other Insurance, b. Excess Insurance**; or
  2. For any other valid and collectible insurance available to the additional insured as an additional insured by attachment of an endorsement to another insurance policy that is written on an excess basis. In such case, this insurance is also excess.
- G. The following is added to **Section IV - Commercial General Liability Conditions, 5. Other Insurance**, and supersedes any provision to the contrary:

**Primary Insurance When Required By Written Contract, Agreement, Permit Or Authorization**

Except when wrap-up insurance applies to the claim or "suit" on behalf of the additional insured, this insurance is primary to any other insurance available to the additional insured described in Paragraphs A. and B. provided that:

1. The additional insured is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract, agreement, permit or authorization described in Paragraph A. or B. that this insurance would be primary to any other insurance available to the additional insured.

As used in this endorsement, wrap-up insurance means any insurance provided by a consolidated (wrap-up) insurance program.

**Primary And Noncontributory Insurance When Required By Written Contract, Agreement, Permit Or Authorization**

Except when wrap-up insurance applies to the claim or "suit" on behalf of the additional insured, this insurance is primary to and will not seek contribution from any other insurance available to the additional insured described in Paragraphs A. and B. provided that:

1. The additional insured is a Named Insured under such other insurance; and
2. You have agreed in writing in a contract, agreement, permit or authorization described in Paragraph A. or B. that this insurance would be primary and would not seek contribution from any other insurance available to the additional insured.

As used in this endorsement, wrap-up insurance means any insurance provided by a consolidated (wrap-up) insurance program.

- H. **Section IV - Commercial General Liability Conditions, 9. Transfer Of Rights Of Recovery Against Others To Us** is amended by the addition of the following:

We waive any right of recovery we may have against any additional insured under this endorsement against whom you have agreed to waive such right of recovery in a written contract, written agreement, written permit or written authorization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a written contract, written agreement, written permit or written authorization. However, our rights may only be waived prior to the "occurrence" giving rise to the injury or damage for which we make payment under this Coverage Part. The insured must do nothing after a loss to impair our rights. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce those rights.



NCCI #: WC000313B  
Policy #: 4189089

Hudick Excavating Inc dba HEI Civil  
5460 Montana Vista Way  
Castle Rock, CO 80108

Moody Insurance Agency Inc  
8055 E. Tufts Ave  
Ste 1000  
Denver, CO 80237  
(303) 824-6600

**ENDORSEMENT: Blanket Waiver of Subrogation**

We have the right to recover our payments from anyone liable for an injury covered by this policy. We will not enforce our right against the person or organization named in the Schedule. This agreement applies only to the extent that you perform work under a written contract that requires you to obtain this agreement from us.

This agreement shall not operate directly or indirectly to benefit anyone not named in the Schedule.

**SCHEDULE**

To any person or organization when agreed to under a written contract or agreement, as defined above and with the insured, which is in effect and executed prior to any loss.

Effective Date: January 21, 2022 Expires on: February 1, 2023  
Pinnacol Assurance has issued this endorsement January 21, 2022

# PROPOSAL



November 30, 2022

Prairie Center Metropolitan District #3  
211 North Stadium Boulevard, Suite 201  
Columbia, Missouri 65203

Attention: Mike Tamblyn

Subject: Proposal for  
Subgrade Investigation and Pavement Design  
Prairie Center Retail 2  
Northeast of Prairie Center Parkway and Eagle Boulevard  
Brighton, Colorado  
Proposal No. DN 22-0550

CTL|Thompson, Inc. (CTL|T) presents this proposal to perform a Subgrade Investigation and Pavement Design for the Prairie Center Retail 2 site located northeast of Prairie Center Parkway and Eagle Boulevard in Brighton, Colorado. We reviewed plans provided by Redland and understand the project consists of development of four commercial pads with approximately 650-ft of roadway and associated infrastructure.

## Subgrade Investigation and Pavement Design

We estimate three borings will be necessary to evaluate the subgrade and provide pavement design criteria in accordance with the City of Brighton requirements. Borings will be drilled to depths of 5 to 10 feet. Proposed boring locations are attached (S-1 thru S-3). A detailed Scope of Services is included in Exhibit A.

We should be able to begin drilling within about four weeks after your notice to proceed, weather permitting. The report should be issued about four to five weeks after the completion of drilling. Our fee will be on a lump sum basis of \$3,000.

If you would like us to proceed, please return an executed copy of the Agreement or authorize us to proceed subject to the terms of the Agreement. We appreciate the opportunity to work with you on this project. If you have questions, please call or email.

Very truly yours,

CTL|THOMPSON, INC.

A handwritten signature in blue ink, appearing to read "Ryan Lickteig".

Ryan Lickteig, P.E.  
Project Manager  
[rickteig@ctlthompson.com](mailto:rickteig@ctlthompson.com)

RL/bg

Attachments: Proposed Boring Location Plan  
Service Agreement

Via email: [mtamblyn@thekroenkegroup.com](mailto:mtamblyn@thekroenkegroup.com)  
[tfrazier@redland.com](mailto:tfrazier@redland.com)



## SERVICE AGREEMENT

<b>Parties</b>	This Agreement is entered into this 30th day of November, 2022 between PRAIRIE CENTER METROPOLITAN DISTRICT #3, 211 North Stadium Boulevard, Suite 201, Columbia, Missouri 65203, referred to herein as "Client" and CTL Thompson, Inc., 1971 West 12th Avenue, Denver, Colorado 80204, referred to herein as "CTL T."
<b>Project</b>	Client retains CTL T to provide consulting services in connection with Prairie Center Retail 2, Northeast of Prairie Center Parkway and Eagle Boulevard, Brighton, Colorado, referred to herein as "Project." Client's relationship to the Project is that of "DEVELOPER."
<b>Scope</b>	The scope of CTL T's services is set forth in Exhibit A, which is part of this Agreement.
<b>Fee</b>	<p>CTL T agrees to provide the services set forth in this Agreement for a Lump Sum fee of \$3,000. Post-report consultation will be invoiced on a time and materials basis, as set forth in CTL T's current Fee Schedule (Exhibit B), which is also part of this Agreement.</p> <p>The quoted fee shall remain available to Client for 30 days from the date of this Agreement, after which CTL T may increase the fee.</p> <p>If Client desires to change CTL T's scope of services, Client and CTL T shall execute a written addendum to this Agreement setting forth CTL T's revised scope of services and fee.</p>
<b>Invoices</b>	<p>CTL T may submit interim invoices to Client and will submit a final invoice upon completion of its services. Invoices will detail charges for different personnel and expense classifications, a lump sum fee, or a percentage of completion, as appropriate. A more detailed itemization of charges and back-up data will be provided at Client's request. Payment is due upon presentation of each invoice and is past due thirty (30) days from invoice date. Client shall pay a finance charge of one-and-one half percent (1½%) per month on past due accounts, plus attorney fees and costs associated with collection.</p>
<b>Right-of-Entry</b>	<p>Client shall arrange for and provide CTL T with safe access to the Project property, including access for necessary equipment, to allow CTL T to complete its services. While onsite, CTL T will take reasonable precautions to minimize damage to the Project property, but Client agrees that in the normal course of work some damage may occur, the correction of which shall not be CTL T's responsibility.</p>
<b>Utilities</b>	<p>Client shall be responsible for designating the location of all private utility lines and subterranean structures within the property lines of the Project. CTL T will request responsible utilities to locate off-site lines and public on-site lines when necessary for CTL T's services. Client agrees to defend, indemnify and hold CTL T harmless for damage to utilities or subterranean structures that are not correctly located by Client or the responsible utility.</p>
<b>Samples</b>	<p>CTL T will retain soil and rock samples for thirty (30) days after submitting the report on those samples. Construction materials samples collected and tested, if any, will be disposed of after testing. Further storage or transfer of samples can be arranged at Client's expense, upon written request.</p>
<b>Ownership of Documents</b>	<p>CTL T retains ownership and copyrights of all work product, reports, field data, field notes, laboratory test data, calculations, estimates, design plans, and other documents CTL T prepares in connection with this Agreement. Client is licensed to use these Instruments of Service solely for the purpose they were prepared in furtherance of this Agreement. Client shall not reproduce, use or alter CTL T's Instruments of Service for other projects, or for making future modifications to the Project, without CTL T's prior written consent. If CTL T terminates this Agreement for non-payment, Client shall not be entitled to use CTL T's Instruments of Service for any reason.</p> <p>CTL T shall retain delivered Instruments of Service in electronic form for five (5) years following completion of its services, during which period the Instruments of Service shall be made available to Client during regular business hours.</p>

**Job Site**

Client shall require the construction contractors and subcontractors to assume sole and complete responsibility for job site conditions at the Project, including the safety of persons and property, and for construction means, methods, techniques and sequences. Accordingly, Client shall defend, indemnify and hold CTL|T harmless from all claims for personal injury or property damage sustained due to the negligence of any contractor, subcontractor, or other person not under the control of CTL|T i) in safeguarding the worksite, ii) for using unacceptable materials in construction, iii) in constructing the Project, and iv) for claims arising under workers' compensation laws.

**Standard of Care**

CTL|T shall perform its services under this Agreement in a manner consistent with that level of care and skill ordinarily exercised by members of the profession currently practicing under similar conditions. CTL|T makes no express or implied warranty in connection with the performance of its services.

Client acknowledges that subsurface conditions may vary from those CTL|T encounters at the location where CTL|T performs borings, test pits, surveys, or explorations (if any) and that CTL|T's data, interpretations and recommendations are based solely on the information available to it. Client also acknowledges that the performance of soils depends on variables beyond the control of CTL|T and therefore, CTL|T cannot and does not guarantee the performance of soils at the Project property. CTL|T will be responsible for its data, interpretations and recommendations as indicated above, but shall not be responsible for the interpretation or implementation by others of the information developed.

**Limitations on Claims**

Any claim or cause of action between Client and CTL|T including, but not limited to, claims for contribution and indemnity, shall be deemed to have accrued and the applicable statutes of limitation and repose shall commence to run no later than the date of substantial completion of CTL|T's services under this Agreement. Substantial completion shall be deemed to occur no later than the date CTL|T issues its final invoice under this Agreement.

In the event of a claim, Client agrees that as its sole and exclusive remedy, any claim, demand or suit shall be brought against CTL|T as a corporation only, and not against any of CTL|T's individual employees, engineers, agents, officers, directors or shareholders.

The services CTL|T provides pursuant to this Agreement are solely for the benefit of Client. Neither CTL|T nor Client intends to confer a benefit on any other person or entity. To the extent any other person or entity benefits from the services CTL|T provides, such benefit is purely incidental and such person or entity shall not be deemed a third-party beneficiary of this Agreement.

Client and CTL|T waive claims against each other for consequential, incidental, indirect, special, exemplary or punitive damages arising out of the services CTL|T performs pursuant to this Agreement. This mutual waiver includes, but is not limited to, claims for loss of use, product, rent, income, profit, financing, business, and reputation, for delay damages of any kind, for lost management and labor productivity, lost opportunity to complete other projects, and for increased construction and financing costs.. This waiver extends, without limitation, to all consequential damages due to either party's termination under this Agreement.

**Limitation of Liability**

Client agrees CTL|T's total aggregate liability to Client and others for all injuries, claims, losses, damages, and expenses (including costs, expert fees, attorney fees, and interest) arising out of CTL|T's services for the Project shall be limited to the greater of \$50,000 or CTL|T's fee for the services rendered pursuant to this Agreement. This limitation shall apply regardless of the nature of the claim made or the theory of liability pursued, including but not limited to, negligence, strict liability, breach of contract, breach of warranty, contribution, and indemnity. CTL|T will have no liability to Client or others for damages resulting from the failure of Client or others to follow CTL|T's recommendations.

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<b>Value Engineering</b>	If Client directs CTL T or others to revise the Construction Documents to include value engineering, value reduction, or substitution proposals (VE Proposals) made by others, and CTL T does not recommend acceptance of the VE Proposals, then Client shall release, indemnify, and defend CTL T from and against all claims, damages, losses, liabilities, costs and attorney fees arising from the inclusion of the VE Proposals into the Project.
<b>Insurance</b>	CTL T represents that it, its employees, and the consultants it retains are protected by worker's compensation insurance, and that CTL T has such coverage under commercial general liability, property damage, and professional liability insurance policies as CTL T deems to be adequate. CTL T will provide Certificates for these insurance policies to Client upon written request. CTL T shall in no event be responsible for any loss or damage beyond the amounts, available limits, and conditions of these insurance policies.
<b>Termination</b>	Either party may terminate this Agreement for cause upon seven (7) days written notice if the other party substantially fails to perform its obligations hereunder. Such termination shall not be effective if the substantial failure has been remedied before expiration of the period specified in the written notice. In the event of termination, Client shall pay CTL T for services performed to the termination notice date, plus reasonable termination expenses.
<b>Hazardous Materials</b>	Client represents that Client has made a reasonable effort to evaluate whether hazardous materials are on or near the Project property and has informed CTL T of any information or findings relative to the possible presence of hazardous materials. Should unanticipated hazardous materials be discovered in the course of CTL T's performance of its services, such discovery shall constitute a changed condition mandating a renegotiation of the scope of services, or termination of services. Should the discovery of unanticipated hazardous materials require CTL T to take immediate measures to protect health and safety, Client agrees to pay CTL T for costs incidental to taking such measures and for necessary decontamination or replacement of affected equipment. CTL T agrees to notify Client promptly when it encounters unanticipated or suspected hazardous materials. Client agrees to make any disclosure required by law to appropriate government agencies. Furthermore, Client agrees to defend, indemnify, and hold CTL T harmless from all liability arising from discovery by anyone of hazardous materials or suspected hazardous materials.
<b>Humidity, Moisture Vapor &amp; Mold</b>	Unless specifically stated, services intended to control humidity, moisture vapor, and mold are expressly excluded from this Agreement. Client acknowledges that the growth of mold, some of which may be harmful to human health, can be caused or exacerbated by conditions which occur inside or outside habitable structures. If Client desires services intended to reduce humidity, moisture vapor and mold, CTL T can provide such services for an additional fee. If such services are not expressly undertaken by CTL T, Client agrees to indemnify, defend and hold CTL T harmless from all claims alleging that CTL T caused, contributed to, or failed to prevent injury and damage related to the presence of humidity, moisture vapor or mold.
<b>Work by Others</b>	In performing services under this Agreement, CTL T shall be entitled to rely upon the accuracy and completeness of information, reports, recommendations, and design services provided by Client, contractors, or other consultants, and CTL T shall have no liability for claims or damages resulting from errors and omissions in the same.
<b>Applicable Law</b>	The law of the State of Colorado shall govern the validity of this Agreement, and its interpretation, enforcement, and performance. Should any provision of this agreement be found to be unenforceable, the remainder of this Agreement shall nonetheless remain valid and binding.

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**Entire Agreement**

This Agreement shall be the entire agreement between Client and CTL|T and shall supersede any other agreement relating to the subject matter hereof. In case of conflict or inconsistency between this Agreement and any other contract documents, this Agreement shall control. Notwithstanding any other provision in this Agreement, if Client authorizes CTL|T to proceed with its services or if CTL|T begins performance of its services, this Agreement shall become an enforceable agreement between the parties regardless of whether either party has signed this Agreement.

**Authorization**
**CTL|T**
**Client**

*Signature*
*Signature*
**Ryan Lickteig, P.E.**
*Name*
*Name*
**Project Manager**
*Title*
*Title*
**November 30, 2022**
*Date*
*Date*

## Exhibit A Scope of Services

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### SUBGRADE INVESTIGATION AND PAVEMENT DESIGN

1. Contact Underground Utility Notification Service of Colorado to locate buried utilities in conflict with the dill locations.
2. Drill and sample 3 exploratory borings using a 4-inch diameter, continuous-flight, truck-mounted auger drill. The borings will be drilled to depths of 5 to 10 feet, or to practical auger drilling refusal, whichever comes first.
3. Boring locations will be determined with limited precision using a Leica GS18 GPS unit referencing NAD83.
4. Obtain samples from the borings to evaluate the engineering characteristics of the various soils and bedrock encountered.
5. Perform laboratory testing on typical samples to determine classification and support properties for pavement analysis. Testing will be assigned and conducted according to City of Brighton requirements.
6. Analyze laboratory test results to evaluate options and alternatives for pavement including concrete, full-depth asphalt, and asphalt over base course.
7. Analyze laboratory test results to evaluate need for and methods to mitigate impacts of expansive soils on pavement performance.
8. Summarize the results of field and laboratory investigations and present results of the analyses in a report that will include:
  - a. A site plan showing the locations of the borings, proposed pavement areas;
  - b. Descriptions of existing site conditions and proposed construction;
  - c. Graphical logs of the borings;
  - d. Laboratory test results in graphical or tabular form;
  - e. Discussion of ground modification alternatives, if appropriate;
  - f. Alternative pavement types and recommended thicknesses;
  - g. Geotechnical site development considerations;
  - h. Surface and subsurface drainage considerations; and
  - i. Recommended preparation and compaction criteria for subgrade and pavement materials.

An electronic (pdf) copy of the report will be provided upon completion of the investigation, signed by a Professional Engineer registered in the State of Colorado. Paper copies of the report can be provided at your request.



## Exhibit C Fee Schedule

EFFECTIVE JANUARY 2022

Personnel	Includes analysis and preparation of reports, calculation time, travel, consultation, sample preparation and direct supervision of the CTL T project.		
	Engineering Technician I	\$ 65	/ hour
	Engineering Technician II / Secretarial	70	/ hour
	Engineering Technician III / CADD / Draftsperson	75	/ hour
	Senior Engineering Technician	100	/ hour
	Environmental Technician	80	/ hour
	Industrial Hygienist Technician	85	/ hour
	Senior Industrial Hygienist / Environmental Technician	105	/ hour
	Staff Engineer / Geologist / Scientist	110	/ hour
	Project Engineer / Geologist / Scientist	120	/ hour
	Project Manager	140	/ hour
	Associate	170	/ hour
	Principal	210	/ hour
	Senior Principal	265	/ hour
	Expert Consultation / Witness	Quote on Request	
Field Investigation Services	Drilling and Sampling with a 4-inch Auger	\$ 195	/ hour
	Drilling and Sampling with Hollow Auger	210	/ hour
	Drilling and Sampling with Track-Mounted Rig or Rotary Drill	Cost	+ 15%
	Drilling Rig Mobilization	Hourly Rate	
	Metro Area		
	Outlying Areas (Over 75 Miles)	2.70	/ mile
	Auto or Pickup Mileage (Out of Town Mobilization)	0.60	/ mile
	Labor, Out-of-Town Living Expenses, Travel Costs, Equipment Rental, Subconsultants	Cost	+ 15%
	Coring (2 Hour Minimum)	150	/ hour
	Asphalt Core Thickness (Per Core)	50	/ each
	Asphalt Core Density (Per Lift)	50	/ each
	Deflection Testing - Benkelman Beam, Operator & Truck	225	/ hour
	Bond Testing	150	/ hour
Construction Observation and Materials Testing Services*	Earthwork Compaction Testing / Denver TPI	\$ 80	/ hour
	Drilled Pier Installation	75	/ hour
	Asphalt Placement and Compaction	80	/ hour
	Concrete Strength Testing:		
	Testing & Cylinder Pick Up	65	/ hour
	Cylinders	17	/ cyl
	Flexural Beams	55	/ beam
	On Site Curing Service	300	/ month
	Maturity Meter Method	2,500	/ mix
	Data Loggers - Probes	(100-140) Cost	+ 15%
	Moisture Emissions Testing	85	/ hour
	Moisture Kit or Probes	75	/ each
	Shotcrete Includes Preparation and Report (Set of 5)	350	/ set
	Floor Flatness (FF and FL and/or 10-Foot Straightedge)	110	/ hour
	Reinforcement Placement Observation	75	/ hour
	Masonry Special Inspection	85	/ hour
	Proof Load of Anchor or Dowels	100	/ hour
	Weld & Bolt Inspection	100	/ hour
	Framing Observation	100	/ hour
	Post Tension - Strat Observation - Elongation Measurements	85	/ hour
	Dampproofing	85	/ hour
	Insulation	85	/ hour
	Sprayed on Fireproofing or Firestopping	100	/ hour
	Report Review / Supervision for Construction Observation and Materials Testing Services	60	/ report
	Overtime Charge Increase for work done on Saturday, Sunday, Holidays and off normal shift hours	25	/ hour
	Fuel charge may be assessed on individual project basis and based on market conditions.		

\*Note: Time is charged for travel, testing and observation and field report preparation (2-hour minimum trip charge)

Soils Laboratory Services	Grain Size Analysis, 1-inch to #200 sieve	(ASTM D3613)	\$	60
	Grain Size Analysis, #200 sieve only	(ASTM D1140)		45
	Hydrometer Analysis	(ASTM D422)		95
	Atterberg Limits (L.L. & P.I.), per set	(ASTM D4318)		85
	Natural Moisture and Density	(ASTM D2216)		20
	Specific Gravity	(ASTM D854)		60
	Unconfined Compression - Soils	(ASTM D2166)		50
	Unconfined Compression with Stress / Strain Curve	(ASTM D2166)		60
	Unconfined Compression - Rock Cores, Peak Load Only**			Quote on Request
	Unconfined Compression - Rock Cores with MOE**			Quote on Request
	Unconfined Compression - Rock Cores, MOE, Poisson's Ratio**			Quote on Request
	One-Dimensional Swell Test	(ASTM D4546)		55
	One-Dimensional Swell Test with Load Back for Swell Pressure	(ASTM D4546)		65
	Soil Suction, Per Point	(ASTM D5298)		60
	One -Dimensional Time Consolidation Test	(ASTM D2435)		
	Set up and Initial Load			185
	Additional Increments			50
	Triaxial or Direct Shear Tests, per point			
	Unconsolidated-Undrained	(ASTM D2850)		140
	Consolidated-Undrained with Pore Pressure	(ASTM D4767)		480
	Standard Proctor Compaction Test	(ASTM D 698)		135
	Modified Proctor Compaction Test	(ASTM D1557)		145
	Relative Density	(ASTM D4253 AND D4254)		220
	California Bearing Ratio (3 Points)	(ASTM D1883)		600
	Hveem Stabilometer (3 Points)	(ASTM D2844)		600
	Resilient Modulus	(AASHTO T307)		1,250
	Permeability			
	Flexible Membrane (Triaxial Cell)	(ASTM D5084)		480
	Remolded Sample (Falling or Constant Head)	(ASTM D2434)		300
	Water Soluble Sulfates	(CDOT CP-L2103)		55
	pH	(AASHTO T289)		50
	Electrical Resistivity, per Specimen (Natural Moisture & Saturated)	(ASTM G57)		120
	Thermal Resistivity			900
Direct Shear	(ASTM D3080)		140	
Rock Testing				
Specific Gravity			55	
Two-Cycle Slake-Durability, per point			115	
Unconfined Compression, per point				
Peak Load Only			120	
With Stress / Strain Curve, Static E and Poisson's Ratio			Quote on Request	
Triaxial Compression - NX Per Point			160	
With Stress / Strain Curve, Static E and Poisson's Ratio			310	
Point Load Test			60	
<i>** Additional for Sample Preparation of Rock Cores</i>				
Specialized Testing and Services	Environmental Services			
	Environmental Assessment, Remediation Design, Underground Storage Tanks, Drilling and Sampling, Methane Hazard, Compliance Assistance, Site Audits, Hazmat Surveys			Quote on Request
	Industrial Hygiene and Safety Services			
	Indoor Air Quality, Asbestos Services, Lead Services, Exposure Assessments, Compliance Assistance, Training, Sampling, Program Development			Quote on Request
	Biological Services			
	Endangered Species Review, Wetlands Delineation, Environmental Assessments			Quote on Request
	Geophysical Services			
	Pier Integrity, Profiles by Reflection or Refraction, Resistivity Surveys, Dynamic Soil Properties			Quote on Request
	Specialized Testing Equipment Charges (Portable Drill Rig, Pressuremeter, Resistivity, Photoionization Device, Field Permeability, Down-Hole Moisture / Density)			Quote on Request
	NDT Equipment (Pulse-Velocity, Windsor Probe Test System, Pachometer, Half-Cell)			44 / hour
Torsional Strength Tests & Calibrations (up to 1 million in lbs.)			Quote on Request	

Asphalt	Lottman (Tensile Strength Ratio)	(ASTM D4867) (AASHTO T283) (CDOT 5109)	\$		465
Concrete	Theoretical Maximum Density	(ASTM D2041) (AASHTO T209)			130
Testing	Hveem Properties (Including Theoretical Maximum Density)	(ASTM D6925) (AASHTO T312)			315
	Extraction and Gradation	(ASTM 2172) (AASHTO T164)			265
	Ignition Oven	(ASTM D6307) (AASHTO T308)			174
	Core Density	(ASTM D2725) (AASHTO T166)			60
	Core Thickness	(ASTM D3549)			60
Aggregates	Gradation Analysis (per Fraction)	(ASTM C136) (AASHTO T27)	\$	57 /	each
Laboratory	Gradation Analysis (Pit-Run Samples, Larger than 12-inch)	(ASTM C136) (AASHTO T27)		100 /	hour
Services	Passing No. 200 Sieve	(ASTM C117) (AASHTO T11)		40 /	hour
	Organic Impurities	(ASTM C40) (AASHTO T21)		49 /	each
	Lightweight Particles 2.4	(ASTM C123) (AASHTO T113)		205 /	each
	Lightweight Particles 2.0	(ASTM C123) (AASHTO T113)		205 /	each
	Clay Lumps and Friable Particles	(ASTM C142) (AASHTO T112)		89 /	each
	Pop-out of Lightweight Aggregates	(ASTM C331, C151)		315 /	each
	Sodium Soundness (5-cycle)***	(ASTM C88) (AASHTO T104)		231 /	each
	Sodium Soundness (12-cycle)***	(ASTM C88) (AASHTO T104)		231 /	each
	Magnesium Soundness (5-cycle)***	(ASTM C88) (AASHTO T104)		231 /	each
	Magnesium Soundness (12-cycle)***	(ASTM C88) (AASHTO T104)		231 /	each
	Potential Reactivity	(ASTM C227) Withdrawn		2,000 /	each
	Potential Reactivity - 14 Day	(ASTM C1260 or C1567) (CRD 662) (AASHTO T303)		900 /	each
	Potential Reactivity - 28 Day	(ASTM C1260 or C1567) (CRD 662) (AASHTO T303)		1,000 /	each
	Potential Reactivity - 1 Year	(ASTM C1293)		1,210 /	each
	Alkali Carbonate Reactivity	(ASTM C1105)		1,210 /	each
	Micro Deval	(ASTM D6928) (AASHTO T327)		242 /	set
	Rodded Unit Weight + Voids	(ASTM C29) (AASHTO T19)		60 /	each
	Loose Unit Weight + Voids	(ASTM C29) (AASHTO T19)		60 /	each
	Uncompacted Void Content	(ASTM C1252) (AASHTO T304)		130 /	each
	Specific Gravity / Absorption, Coarse Aggregate	(ASTM C127) (AASHTO T85)		50 /	each
	Specific Gravity / Absorption, Fine Aggregate***	(ASTM C128) (AASHTO T84)		50 /	each
	Staining Test (Lightweight Aggregates)	(ASTM C641)		130 /	each
	Scratch Hardness	(CRD C130)		160 /	each
	Flat and Elongated Particles	(ASTM D4791) (CRD C119)		200 /	each
	L.A. Abrasion - Small-Sized Aggregate	(ASTM C131) (AASHTO T96)		110 /	each
	L.A. Abrasion - Large-Sized Aggregate	(ASTM C535)		145 /	each
	Moisture Content	(ASTM C566) (AASHTO T255)		35 /	each
	Sand Equivalency	(ASTM D2419) (AASHTO T176) (CP 37)		110 /	each
	Fractured Face Determination, Coarse Aggregate	(ASTM D5821) (AASHTO T335)		153 /	each
	Fractured Face Determination, Fine Aggregate			340 /	each
	Aggregate Freeze/Thaw, Fine Aggregate			360 /	each
	Aggregate Freeze/Thaw, Coarse Aggregate	(AASHTO T103)		360 /	each
	Mill Abrasion	(UPBN / BNSF)		242 /	each
	Crushing			135 /	sample
	Blending, Sampling and Miscellaneous Testing			95 /	hour
	Insoluble Residue in Carbonate Aggregates	(ASTM D3042)		190 /	each
	Desorption of Lightweight Aggregates	(ASTM C1761)		300 /	each
	Chloride in Aggregate	(ASTM C1524)		220 /	each

\*\*\* "Rip Rap" Type sample add \$15 to \$25 depending on size.



Concrete	Compressive Strength, Cylinders (Cast by CTL)	(ASTM C39) (AASHTO T22)	\$	17	/	each
Laboratory	Compressive Strength, Cylinders (Cast by Others)	(ASTM C39) (AASHTO T22)		35	/	each
Services	Compressive Strength & Density, Core Samples	(ASTM C42) (AASHTO T24)		52	/	each
	Density / Absorption of Hardened Concrete	(ASTM C642)		114	/	core
	Flexural Strength, Beams	(ASTM C78, C293) (AASHTO T97, T177)		55	/	each
	Splitting Tensile Test, Cylinders	(ASTM C496) (AASHTO T198)		55	/	each
	Modulus of Elasticity Tests (Frame Method)	(ASTM C469)		440	/	set
	Chloride Content, Chemical Analysis	(ASTM C1152)		100	/	each
	Concrete Freeze / Thaw, 300 Cycles	(ASTM C666) (AASHTO T161)		2,200	/	set
	Cracking Tendency of Concrete	(AASHTO T334)		2,000	/	each
	Length Change of Hardened Concrete	(ASTM C157) (AASHTO T160)		350	/	each
	Abrasion Resistance	(ASTM C779)		360	/	each
	Chloride Ion Penetration / Rapid Chloride Permeability	(ASTM C1202) (AASHTO T277)		420	/	each
	Surface Resistivity	(AASHTO T358)		320	/	set
	Scaling Resistance	(ASTM C672)		1,100	/	set
	Pulse Velocity	(ASTM C597)		100	/	hour
	Blocking Assessment	(ASTM C1621)		60	/	each
	Static Segregation	(ASTM C1610)		60	/	each
	Height Change of Hardened Concrete	(ASTM C1090)		500	/	each
	Shear Bond	(ASTM C882)		600	/	each
	Direct Tension of Cores	(ASTM D2936)		330	/	each
	Electrical Conductivity	(ASTM 1760)		400	/	each
	Mixing Fee - Required for Some Tests			525	/	each
Laboratory	3-Point Curve - Cylinders for Compressive Strength		\$	2,400	/	each
Trial Mix	3-Point Curve - Beams for Flexural Strength & Cylinders			2,550	/	each
Batches	CDOT Compressive Mix (Mix Only)			2,000	/	each
	CDOT Flexural Mix (Mix Only)			2,100	/	each
	Single Mix, Compressive Strength			1,500	/	each
	Single Mix, Flexural Strength			1,600	/	each
	Additional Compressive Strength Mixes			600	/	each
	Additional Flexural Strength Mixes			700	/	each
	Mini-Mixes			250	/	each
	Time of Sets			60	/	add
	Mix with Lightweight Aggregate (Additional Charge per Mix)			150	/	add
	Maturity Meter Calibration & Report (Does not include probes)			1,300	/	each
	Maturity Meter Probes			75	/	each
	Roller Compacted Concrete Mix			Quote on Request		
Cement	Sulfate Expansion	(ASTM C452)	\$	710	/	each
Laboratory	Compressive Strength Tests (6 Cubes / Mix)	(ASTM C109) (AASHTO T106)		240	/	set
Services	Additional Cubes	(ASTM C109) (AASHTO T106)		33	/	each
	Flexural Strength - 3 Beams	(ASTM C348)		147	/	each
	Time of Set: Vicat	(ASTM C191) (AASHTO T131)		192	/	each
	Standard Properties	(ASTM C150)		775	/	each
	Density	(ASTM C188) (AASHTO T133)		100	/	each
	Blaine Fineness (Cement)	(ASTM C204) (AASHTO T153)		110	/	each
	False Set - Paste Method	(ASTM C191, C266, C359, C451, C807)		93	/	each
	Chemical Analysis - Cement	(ASTM C114) (AASHTO T105)		317	/	each
	Autoclave Expansion - Cement	(ASTM C151) (AASHTO T107)		241	/	each
	Sulfate Expansion	(ASTM C1012)		1,638	/	each
	Air Content	(ASTM C185) (AASHTO T137)		160	/	each
	Cement Content			819	/	each



Pozzolan Laboratory Services	Blaine Fineness (Pozzolan)	(ASTM C204) (AASHTO T153)	\$	328	/	each
	Loss on Ignition, Moisture	(ASTM C311)		100	/	each
	Fineness, No. 325 Sieve - Pozzolan****	(ASTM C430) (AASHTO T192)		100	/	each
	Density ****	(ASTM C188) (ASTM C604) (AASHTO T133)		100	/	each
	Air Content	(ASTM C185) (AASHTO T137)		160	/	each
	Chemical Analysis (Pozzolan)****	(ASTM C114) (AASHTO T105)		306	/	each
	Strength Activity Index (Pozzolan)****	(ASTM C109) (AASHTO T106)		247	/	each
	Drying-Shrinkage (Mortar Bar Method) ****	(ASTM C157) (AASHTO T160)		247	/	each
	Autoclave Expansion (Pozzolan)****	(ASTM C151) (AASHTO T107)		247	/	each
	Alkali Reactivity	(ASTM C441)		591	/	each
	Available Alkali****	(ASTM C311)		197	/	each
	Standard Properties (****Includes Marked Tests)	(ASTM C618)		1,400	/	each
Masonry Laboratory Services	Block and Segmental Retaining Wall Units:					
	Q-Block Test Series (Compressive, Dimensional, Absorption)	(ASTM C140)	\$	321	/	each
	Compressive Strength Tests (Set of 3)	(ASTM C140)		140	/	set
	Dimension	(ASTM C140)		84	/	set
	Density	(ASTM C140)		140	/	set
	British Shrinkage (Set of 3)	(ASTM C426)		390	/	set
	British Shrinkage - Additional Samples	(ASTM C426)		120	/	each
	Fire Rating (UL618)			223	/	each
	Freeze/Thaw 100 Cycle	(ASTM C1262)		946	/	each
	Freeze/Thaw 150 Cycle	(ASTM C1262)		1,391	/	each
	Brick:					
	Compressive Strength Tests (Set of 5)	(ASTM C67)	\$	223	/	set
	Coefficient of Saturation (Set of 5)	(ASTM C67)		185	/	set
	Absorption Analysis (Set of 5)	(ASTM C67)		167	/	set
	Initial Rate of Absorption (Set of 5)	(ASTM C67)		306	/	set
	Efflorescence (Set of 5)	(ASTM C67)		150	/	set
	Dimensional Analysis (Set of 5)	(ASTM C67)		95	/	set
	Modulus of Rupture (Flexural Strength) (Set of 5)	(ASTM C67)		251	/	set
	Freeze / Thaw, 50 cycle	(ASTM C67)		518	/	each
	Adobe Brick Properties	(ASTM C67)		790	/	each
Mortar and Grout:						
Mortar Mix (6 Cubes Per Mix)	(ASTM C780)	\$	212	/	mix	
Compressive Strength - Field Sampled Mortar (6 Cubes)	(ASTM C109)		150	/	each	
Compressive Strength - Preparation of Cored Grout	(ASTM C42) (ASTM C1019)		56	/	each	
Compressive Strength Prisms:						
Hollow Prisms, Brick or Block	(ASTM C1314)	\$	121	/	each	
Grout Filled Prisms, Brick or Block	(ASTM C1314)		192	/	each	
Dimension Stone Testing	Specific Gravity / Absorption	(ASTM C127) (AASHTO T85)	\$	122	/	each
	Compressive Strength	(ASTM C170)		450	/	set
	Modulus of Rupture	(ASTM C99)		530	/	set
	Freeze / Thaw	(ASTM D5312) (AASHTO T103)		790	/	each
	Flexural Strength	(ASTM C880)		530	/	set
	Saw Cutting (Dimensional Stone)			95	/	hour
Steel Laboratory Services	Ultimate Tensile Strength (Including Post-Tension Strands)	(ASTM A370) (AASHTO T244)	\$	122	/	each
	Ultimate Tensile Strength & Percent Elongation	(ASTM A370) (AASHTO T244)		145	/	each
	Ultimate Tensile Strength & Yield Tensile Strength	(ASTM A370) (AASHTO T244)		145	/	each
	Ultimate Tensile Strength & Area Reduction	(ASTM A370) (AASHTO T244)		145	/	each
Miscellaneous Services	Wood Moisture Content		\$	105	/	each
	Hydraulic Ram Calibration, Less than 200 Ton			500	/	each
	Hydraulic Ram Calibration, 200 Ton & Higher			600	/	each
	Hydraulic Ram Calibration, Same Day Turnaround			120	/	additional
	Petrographic Analysis			Quote on Request		
	Ground Penetrating Radar	(ASTM C457, C295, C856, C1324, C1723)		Quote on Request		
	Report Review (All Laboratory Test Results)			125	/	each
	Report Review (Coring Results)			225	/	each



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Lakewood, CO 80228-1898  
303-987-0835 • Fax: 303-987-2032

## MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski  
Executive Vice-President

DATE: September 2, 2022

RE: Notice of 2023 Rate Increase

A rectangular box containing 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 (8.5%) 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.



October 15, 2022

Dear Client:

Our Firm prides itself on providing the highest level of service in the most efficient manner. In the current economic environment, we are facing increased costs in all areas of the business. In order to continue to provide consistent high-level service we have found it necessary to implement a rate increase.

In accordance with the Firm's fee engagement letter, this letter is to advise you that effective January 1, 2023, the hourly rates of selected attorneys and staff will be adjusted. Hourly rates will be as follows: Shareholders \$425 - \$550; Of Counsel \$380 - \$425; Associates \$275 - \$375; Paralegals and Directors \$225 - \$240; Law Clerks \$150; File Clerks \$30.

Commencing on January 1, 2023, we will begin charging most costs incurred on your behalf as an administrative fee equal to 1% of the legal fees charged in a given month. This fee includes such costs as long-distance telephone calls, research requiring a subscription database, in-office photocopies and faxes, ordinary postage, and messenger and delivery services, and includes a small overhead component. This fee may be adjusted with notice.

This fee is based on our historic experience, as well as client feedback, that invoices that itemize every photocopy, fax, and delivery charge are confusing. Any advances made on behalf of the client as well as major costs, such as major travel expenses, application/submittal/recording fees, election expenses, court costs, publication costs, express delivery, and conference calls and videoconferencing where a third-party provider is used, will be separately invoiced at our actual cost. If you have any questions or concerns about this change, please let us know.

We appreciate your continued trust and confidence in our Firm and look forward to representing your interests in 2023 and beyond.

Very truly yours,

McGEADY BECHER P.C.

A handwritten signature in blue ink that reads "Cheryl L. Matlosz". The signature is written in a cursive, flowing style.

Cheryl L. Matlosz  
Firm Administrator