

**LEDGE ROCK CENTER COMMERCIAL
METROPOLITAN DISTRICT (“DISTRICT”)**

8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Phone: 303-779-5710

NOTICE OF SPECIAL MEETING AND AGENDA

DATE:	May 26, 2022
TIME:	12:00 p.m., or as soon thereafter as possible
LOCATION:	Microsoft Teams Videoconference
ACCESS:	<p>You can attend the meeting in any of the following ways:</p> <ul style="list-style-type: none"> a. To attend via Microsoft Teams Videoconference: https://teams.microsoft.com/l/meetup-join/19%3ameeting_Mjg2NjhmNTktZmQ3ZS00MjdhLTkyOTQtMmQyMDliZTZkOTY4%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%2278e91a46-bdcc-4fe5-980c-8ff3dcc70755%22%7d b. To attend via telephone, dial 720-547-5281 and enter the following additional information: <ul style="list-style-type: none"> a. Meeting ID: 904 962 521#

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Amy Carroll	President	May, 2023
John Schlup	Secretary/Treasurer	May, 2023
Lucas Schlup	Vice President, Asst. Secretary/Asst. Treasurer	May, 2023
Michel Schlup	Vice President, Asst. Secretary/Asst. Treasurer	May, 2025
James Shipton	Vice President, Asst. Secretary/Asst. Treasurer	May, 2025

I. ADMINISTRATIVE MATTERS

A. Present disclosures of potential conflicts of interest.

- B. Confirm quorum, location of meeting, and posting of meeting notice. Approve agenda.
- C. Public Comment. Members of the public may express their views to the Board on matters that affect the District that are otherwise not on the agenda. Comments will be limited to three (3) minutes per person.
- D. Discuss Updates regarding May 3, 2022 Regular Director Election.
- E. Consider Election of Officers for the District.
- F. Ratify approval of Master Service Agreement by and between the District and CliftonLarsonAllen LLP and related statement(s) of work for accounting and management services (enclosure).
- G. Discuss Section 32-1-809, C.R.S., reporting requirements (Transparency Notice) and mode of eligible elector notification (post on SDA website).
- H. Discuss and authorize of District's insurance and Special District Association Membership in 2022.
- I. Review and consider approval of minutes from the December 14, 2021 Organizational Board Meeting (enclosure).

II. FINANCIAL MATTERS

- A. Discuss and consider approval of Bank and use of Bill.com.
- B. Consider appointment of District Accountant to prepare 2023 Budget.

III. LEGAL MATTERS

- A. Review and Consider Approval and Ratification of the Amended and Restated Intergovernmental Agreement between the District and The Town of Johnstown (enclosure).
- B. Ledge Rock Center Project Monument and Signage Evaluation and Recommendation (enclosure).
 - 1. Review and consider approval of the Construction Agreement for Monumentation and Signage between the District and Carson Development, Inc. in the amount of \$1,513,466.28 (enclosure).
- C. Ledge Rock Water and Sewer Pipeline – Grading Evaluation and Recommendation (enclosure).

- 1. Review and consider approval of Construction Agreement for Ledge Rock Water and Sewer Pipeline – Grading between the District and Carson Development, Inc. in the amount of \$3,340,474.15 (enclosure).
- D. Review and Consider Approval and Ratification of Service Agreements with District Consultants:
 - 1. Proposal for Cost Verification for Capital Improvements and Cost Certification Services between the District and Ranger Engineering (enclosure).
 - 2. Proposal for Engineering Services between the District and Terra Forma (enclosure).
- E. Review and Consider Approval and Ratification of Ledge Rock Water and Sewer Pipeline Escrow Agreement between the District, The Town of Johnstown, Ledge Rock Center, LLC and UMB Bank, N.A. (enclosure).
- F. Review and Consider Approval and Ratification of First Amendment to Development and Reimbursement Agreement between the District, The Town of Johnston and Ledge Rock Center, LLC (enclosure).
- G. Review and Consider Approval and Ratification of Agreement Concerning Purchase and Sale of Real Property for Ledge Rock Center Commercial between the District, The Town of Johnston and Ledge Rock Center, LLC (enclosure).

IV. MANAGER MATTERS

- A. Discuss and Authorize District Manager to Secure and Transfer District Website and updates to District Disclosures.
- B. Discuss and Approve Physical Posting Location within the District Boundaries.
- C. Management Report and District Matters.
- D. Other.

V. DIRECTOR MATTERS

- A. Other.

VI. OTHER BUSINESS

VII. EXECUTIVE SESSION, pursuant to Colorado Open Meeting Law §24-6-402(4) to consult with or receive advice from attorney regarding specific legal items, if necessary.

VIII. ADJOURNMENT

The next regular meeting is scheduled for _____, 2022 at ____ .m.



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

April 26, 2022

Board of Directors
 Ledge Rock Center Commercial Metro District
 8390 E. Crescent Pkwy., Ste. 300
 Greenwood Village, CO 80111

Dear Board of Directors:

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for Ledge Rock Center Commercial Metro District (“you,” “your,” “board of directors” or “the district”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

Scope of professional services

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal control as part of any services.

Board of director responsibilities

The board of directors of the district acknowledge and understand that our role is to provide the services identified in one or more SOWs issued per this MSA and that the board of directors of the district has certain responsibilities that are fundamental to our undertaking to perform the identified services. The district may engage CLA to perform management functions to help the board of directors of the district to meet your responsibilities, but the board of directors of the district acknowledges its roll in management of the district.

Responsibilities and limitations related to nonattest services

For all nonattest services we may provide to you, you agree to oversee all management services; evaluate the adequacy and results of the services; ensure that your data and records are complete; and accept responsibility for the results of the services.

Fees and terms

See the applicable SOW for the fees for the services.

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 engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures permitted by this MSA through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA's electronic payment platform, or any other client initiated payment method approved by CLA. CLA's electronic online bill pay platform claconnect.com/billpay accepts credit card and Automated Clearing House (ACH) payments. Instructions for making direct bank to bank wire transfers or ACH payments will be provided upon request.

Other fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one percent (1.00%), which is an annual percentage rate of 12%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable if and as provided by Colorado law.

Limitation of remedies

You agree that in no event shall any CLA party be liable to you for any indirect, special, incidental, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages related to CLA's acts or omissions in performance of our duties under the terms of this MSA or any SOW issued under this MSA.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. Any legal or equitable action brought by the district to recover on a dispute shall be commenced within the applicable statute of limitations under Colorado state statutes and case law.

CLA shall be authorized to the following cash access services:

- Using any or a combination of the following methods and approval processes, we will pay your vendors and service providers based upon invoices that you have reviewed and approved:
 - Paper checks – we will prepare the checks for your approval and wet ink signature.
 - Payments using Bill.com – we will only release payments after you have electronically approved and authorized such payments.

- ACH/Wire – we will use this method as needed/as requested, with your approval.

We understand that you will designate one or more members of the board of directors to approve disbursements using the above methods.

- If applicable, access the entity credit card for purposes of purchasing products and services on your behalf up to a certain limit that will be discussed with you and documented separately.
- Obtain administrator access to your bank accounts for purposes of performing the duties documented in our engagement letter identified above.
- Take deposits to the bank that include cash.
- If applicable, have access to cash-in-kind assets, such as coupons.
- If applicable, initiate direct deposits or sign checks as part of the payroll processing function.

Board of Directors' responsibilities relevant to CLA's access to your cash

All members of your board of directors are responsible for the processes below; however, we understand that you will designate one or more board of directors to review and give approvals for disbursements. All approvals must be documented in writing, either electronically or manually, then formally ratified in board meetings and documented in the meeting minutes.

- Approve all invoices and check payments.
- Approve all new vendors and customers added to the accounting system.
- Approve non-recurring wires to external parties.
- Pre-approve for recurring wires, then board of directors will ratify approval.
- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
- Approve all credit card statements prior to those expenses being processed in the accounting system and subsequently paid.
- Approve (or delegate to the CLA controller if applicable) all customer and vendor credit memos and accounts receivable amounts written off.
- Review and approve (or delegate to the CLA controller if applicable) all bank statements and affiliated monthly reconciliations.

Other provisions

Except as expressly permitted by the "Consent" section of this agreement, CLA shall not disclose any confidential, proprietary, or privileged information of the district or you to any person or party, unless the district or you authorizes us to do so, it is published or released by the district, 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



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See nexia.com/member-firm-disclaimer for details.

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.

Pursuant to authority given by law or regulation, we may be requested to make certain workpapers available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

You acknowledge and agree that this agreement and the pricing structure and billing rates of CLA are sensitive information which you shall not furnish or otherwise disclose to any third party without the prior written consent of CLA or as required by the Colorado Open Records Act, Section 24-72-200.1 *et seq.*, C.R.S. (“CORA”).

Insurance:

CLA shall acquire and maintain in full force and effect, during the entire term of the MSA, the insurance coverages set forth in below in order to protect the district including its board of directors, and CLA from claims that arise out of or result from the operations under this MSA by the CLA or its affiliates or by anyone acting on their behalf or for which they may be liable. Failure to maintain the insurance policies shall be a material breach of this MSA and the district may request certificates of insurance reflecting the coverages outlined below.

- A. Workers’ Compensation Insurance.
- B. Commercial General Liability Insurance.
- C. Commercial Automobile Liability Insurance
- D. General Professional Liability.
- E. Network Security (Cyber) Liability Insurance.
- F. Excess/Umbrella Liability Coverage.

The relationship of CLA with the district shall be solely that of an independent contractor and nothing in this agreement shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

If applicable, accounting standards and procedures will be suggested that are consistent with those normally utilized in a district of your size and nature. Internal controls may be recommended relating to the safeguarding of the district’s assets. If fraud is initiated by your employees or other service providers, your insurance is responsible for covering any losses.

The district agrees that CLA will assume fiduciary responsibility on the district’s behalf during the course of this agreement only if provided in SOWs issued under this MSA; and the parties, in entering into this MSA, do not intend to create an overarching fiduciary relationship.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, it is not appropriate for you to upload protected health information using such applications. All protected health information contained in a document or file that you plan to transmit to us via a web application must be redacted



by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all protected health information, please contact us to discuss other potential options for transmitting the document or file.

Annual Appropriation and Budget

The district does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. CLA expressly understands and agrees that the district's obligations under this MSA shall extend only to monies appropriated for the purposes of this MSA by the board of directors and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this MSA shall be construed or interpreted as a delegation of governmental powers by the district, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the district or statutory debt limitation, including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. No provision of this MSA shall be construed to pledge or to create a lien on any class or source of district funds. The district's obligations under this MSA exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this MSA.

Governmental Immunity

Nothing in this MSA shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the district, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the district and, in particular, governmental immunity afforded or available to the district pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

No Third-Party Beneficiaries

It is expressly understood and agreed that enforcement of the terms and conditions of this MSA, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this MSA shall give or allow any such claim or right of action by any third party. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this MSA shall be deemed to be an incidental beneficiary only.

Personal Identifying Information

During the performance of this MSA, the district may disclose Personal Identifying Information to CLA. "Personal Identifying Information" means a social security number; a personal identification number; a password; a pass code; an official state or government-issued driver's license or identification card number; a government passport number; biometric data, as defined in § 24-73-103(1)(a), C.R.S.; an employer, student, or military identification number; or a financial transaction device, as defined in § 18-5-701(3), C.R.S. In compliance with § 24-73-102, C.R.S., CLA agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to CLA; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

CLA agrees to report within twenty-four (24) hours to the district's board of directors any Data Security Incidents that may result in the unauthorized disclosure of Personal Identifying Information. For the purposes of this MSA "Data Security Incident" is defined to mean any actual or reasonably suspected: (a) unauthorized use of, or unauthorized access to, CLA systems; (b) inability to access business and other proprietary information, data, or the CLA systems due to a malicious use, attack, or exploit of such business and other proprietary information or systems; (c) unauthorized access to, theft of, or loss of business and other proprietary information, or of storage devices that could reasonably contain such information; (d) unauthorized use of business and other proprietary information or data for purposes of actual or reasonably suspected theft, fraud, or identity theft; (e) unauthorized disclosure of business and other proprietary information or data.

Consent to use financial information

Annually, we assemble a variety of benchmarking analyses using data obtained through our client engagements. Some of this benchmarking information is published and released publicly. However, the information that we obtain is confidential, as required by the AICPA Code of Professional Conduct. Your acceptance of this MSA will serve as your consent to use of Ledge Rock Center Commercial Metro District information, excluding Personal Identifying Information, in these cost comparison, performance indicator, and/or benchmarking reports.

Technology

CLA may, at times, use third-party software applications to perform services under this agreement. CLA can provide a copy of the application agreement at your request. You acknowledge the software vendor may have access to your data.

Counterpart Execution

This MSA may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

Electronic Signatures

The parties consent to the use of electronic signatures pursuant to the Uniform Electronic Transactions Act, Sections 24-71.3-101, et seq., Colorado Revised Statutes, as may be amended from time to time. The MSA, and any other documents requiring a signature hereunder, may be signed electronically by the parties in a manner acceptable to the district. The parties agree not to deny the legal effect or enforceability of the MSA solely because it is in electronic form or because an electronic record was used in its formation. The parties agree not to object to the admissibility of the MSA in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

MSA Modification

The MSA may not be amended, altered, or otherwise changed except by a written agreement signed by authorized representatives of the parties.

Termination of MSA

Either party may terminate this MSA at any time by giving 30 days written notice to the other party. In that event, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

Agreement

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

Sincerely,

CliftonLarsonAllen LLP



Carrie Bartow, CPA
Principal
Carrie.Bartow@CLAconnect.com

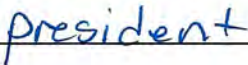
Response:

This agreement correctly sets forth the understanding of Ledge Rock Center Commercial Metro District.

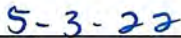
APPROVED:



Signature



Title



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 Ledge Rock Center Commercial Metro District (“you” and “your”) dated April 26, 2022. The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of professional services

Carrie Bartow, 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 a designated individual
 - Prepare billings, record billings, enter cash receipts, and track revenues
 - Reconcile certain accounts regularly and prepare journal entries
 - Prepare depreciation schedules



CLA is an independent member of Nexia International, a leading, global network of independent accounting and consulting firms. See nexia.com/member-firm-disclaimer for details.

- 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 – additional information is provided below.
- Assist the district’s board of directors in monitoring actual expenditures against appropriation/budget.
- 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 nonattest 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 (SSARs) 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. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. 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, the Application for Exemption from Audit (if an audit is not required), we will not issue reports on budget, 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 best 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 - \$425
Chief Financial Officer	\$200 - \$385
Controller	\$180 - \$250
Senior	\$140 - \$180
Staff	\$ 80 - \$150
Administrative support	\$ 80 - \$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. 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.

Additional provisions required by CRS 8-17.5-102(2)(a)(I) and (II)

Unlawful employees, contractors, and subcontractors

We shall not knowingly employ or contract with a worker without authorization to perform work under this contract. We shall not knowingly contract with a subcontractor that (a) knowingly employs or contracts with a worker without authorization to perform work under this contract or (b) fails to certify to us that the subcontractor will not knowingly employ or contract with a worker without authorization to perform work under this contract. [CRS 8-17.5-102(2)(a)(I) and (II)]

Verification regarding workers without authorization

We have verified or attempted to verify through participation in the E-Verify Program or the Department Program [as defined in CRS 8-17.5-101(3.3) and (3.7) of the state of Colorado that we do not employ and contract workers without authorization.

Limitation regarding E-Verify Program and the Department Program

We shall not use the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while performing this contract. [CRS 8-17.5-102(2)(b)(II)]

Duty to terminate a subcontractor and exceptions

If we obtain actual knowledge that a subcontractor performing work under this contract knowingly employs or contracts with a worker without authorization, we shall, unless the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with a worker without authorization.

- (1) Notify the subcontractor and the district within three days that we have actual knowledge that the subcontractor is employing or contracting with a worker without authorization; and
- (2) Terminate the subcontract with the subcontractor if, within three days of receiving notice that we have 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. [CRS 8-17.5-102(2)(b)(A) and (B)]

Duty to comply with state investigation

We shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to CRS 8-17.5-102(5). [CRS 8-17.5-102(2)(b)(IV)]

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

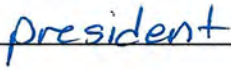


Carrie Bartow, CPA
Principal
Carrie.Bartow@CLAconnect.com


APPROVED:



Signature



Title



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 Ledge Rock Center Commercial Metro District (“you” and “your”) dated April 26, 2022. The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of professional services

Carrie Bartow, CPA, 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 all tenants with proper PIF documentation and placards for display.
- Coordinate with tenants to ensure proper disclosure and calculation of PIF.
- Designated receiving agent for PIF payments.
- Receive, receipt and deposit PIF payments.
- Coordinate with accountant on revenue distribution.
- Maintain and monitor PIF receipts and records.
- Quarterly compliance checks at retail locations.
- Follow-up correspondence with retailers from compliance checks.
- Coordination with leasing agent or legal counsel as necessary.

CLA shall be authorized to the following cash access services:

- Obtain administrator access to your bank accounts for purposes of performing the duties documented in our engagement letter identified above.
- Take deposits to the bank that include cash.

Board of Directors responsibilities relevant to CLA’s access to your cash

Someone with management or board of directors’ designated authority is responsible for the processes below. All approvals must be documented in writing, either electronically or manually, or formally approved and documented in the minutes of the district board meeting:

- Approve all invoices and check payments.
- Approve all new vendors and customers added to the accounting system

- Get approval for non-recurring wires to external parties.
- Get pre-approval for recurring wires, then Board will ratify approval.
- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
- Approve all credit card statements prior to those expenses being processed in the accounting system and subsequently paid.
- Approve (or delegate to the CLA controller if applicable) all customer and vendor credit memos and accounts receivable amounts written off.
- Review and approve (or delegate to the CLA controller if applicable) all bank statements and affiliated monthly reconciliations.

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 STANDARD HOURLY RATES SERVICES:

- | | |
|----------------------------------|---------------|
| • Principals | \$300 - \$425 |
| • Public managers | \$150 - \$225 |
| • Assistant public managers | \$135 - \$150 |
| • Public management analysts | \$100 - \$135 |
| • District administrators | \$125 - \$140 |
| • Records retention coordinators | \$ 95 - \$110 |

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.

Additional provisions required by CRS 8-17.5-102(2)(a)(I) and (II)

Unlawful employees, contractors, and subcontractors

We shall not knowingly employ or contract with a worker without authorization to perform work under this contract. We shall not knowingly contract with a subcontractor that (a) knowingly employees or contract with a worker without authorization to perform work under this contract or (b) fails to certify to us that the subcontractor will not knowingly employ or contract with a worker without authorization to perform work under this contract. [CRS 8-17.5-102(2)(a)(I) and (II)]

Verification regarding workers without authorization

We have verified or attempted to verify through participation in the E-Verify Program or the Department Program [as defined in CRS 8-17.5-101(3.3) and (3.7) of the state of Colorado that we do not employ or contract workers without authorization.

Limitation regarding E-Verify Program and the Department Program

We shall not use the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while performing this contract. [CRS 8-17.5-102(2)(b)(II)]

Duty to terminate a subcontractor and exceptions

If we obtain actual knowledge that a subcontractor performing work under this contract knowingly employs or contracts with a worker without authorization, we shall, unless the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with a worker without authorization.

- (1) Notify the subcontractor and the district within three days that we have actual knowledge that the subcontractor is employing or contracting with a worker without authorization; and
- (2) Terminate the subcontract with the subcontractor if, within three days of receiving notice that we have actual knowledge that the subcontractor is employing or contracting with a worker without authorization, the subcontractor does not stop employing or contracting with the illegal alien. [CRS 8-17.5-102(2)(b)(A) and (B)]

Duty to comply with state investigation

We shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to CRS 8-17.5-102(5). [CRS 8-17.5-102(2)(b)(IV)]

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

A handwritten signature in blue ink that reads "Carrie Bartow". The signature is fluid and cursive, with the first name "Carrie" and last name "Bartow" clearly legible.

Carrie Bartow, CPA

Principal

Carrie.Bartow@CLAconnect.com

APPROVED:

A. C. Cull

Signature

president

Title

5-3-22

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 Management 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 Ledge Rock Center Commercial Metro District (“you” and “your”) dated April 26, 2022. The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

Scope of professional services

Carrie Bartow, CPA, 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.

Scope of Public Management Services

CLA will perform the following services for the District:

District Board of Directors (“Board”) Meetings

- Coordination of all Board meetings;
- Meeting Attendance: District Manager and/or designee will attend all Board meetings;
- Preparation and distribution of agenda and informational materials;
- Preparation of meeting minutes for all meetings;
- Preparation and posting of legal notices required in conjunction with the meetings;
- Other details incidental to meeting preparation and follow-up.

Recordkeeping

- Maintain lists of persons and organizations for correspondence;
- Vendor listing as needed or requested by the Board;
- Repository of all District records and act as Custodian of records for purposes of CORA (as that term is defined in the District’s Resolution Designating an Official Custodian for Purposes of the Colorado Open Records Act, Sections 24-72-201 *et seq.*, C.R.S.).

Communications

- 24/7 answering and paging services;
- Website administration. It is recommended that the District have a website; however, CLA will not provide a website for the District on CLA’s website. CLA will oversee daily management and maintenance of the District website as needed or requested by the District;
- Respond to routine inquiries, questions and requests for information regarding the District;
- Periodic reports to the Board regarding the status of District matters and actions taken or contemplated by the District Manager on behalf of the District as requested by the Board;
- Provide liaison and coordination with municipal, county and state governmental agencies.

Contract Administration

- Insurance administration, including risk evaluation, comparison of coverage, processing claims, completion of applications, monitoring expiration dates, processing routine written and telephone correspondence;
- In conjunction with District counsel, ensure all contractors and sub-contractors maintain the required insurance coverage for the District's benefit;
- Bidding, contract and construction administration and supervision of project processes assigned by the Board and project contractors;
- Confer with and coordinate legal, accounting, engineering, auditing and other professional services to the District by those professionals and consultants retained by the District as directed by the Board (CLA itself will not and cannot provide legal services);
- Represent the District with other entities and bodies as requested by the Board (but not as its representative for legal matters);
- Coordinate with and/or at Board direction, supervise District vendors

Document Administration

- Provide coordination and administration for the continuing revision of the District's Rules and Regulations;
- Provide framed aerial photographic mapping of the District, if requested;
- In conjunction with and at the direction of the District's legal counsel, coordinate all elections for the District in accordance with state law, including preparation of election materials, publications, legal notices, training session for election judges and general election assistance; CLA will not serve as the Designated Election Official ("DEO");
- Administer any legal documents, permits, or agreements that relate to or District facilities and any Rules and Regulations adopted by the Board.

Accounts Payable Services to be Provided:

- Receive and process all invoices;
- Coordinate review, approval and coding of all invoices with District Accountant and Board to ensure timely payment

In addition to these services, when, in the professional opinion of the District Manager, other services are necessary, the District Manager shall recommend the same to the Board or perform such services and report to the Board the nature of such services, the reason they were required, and the result achieved; provided however, with the exception of emergencies, that if such additional services are expected to cost more than \$2,000.00, the District Manager shall discuss such costs with the Board and receive prior authorization to perform such 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.

CLA'S 2022 STANDARD HOURLY RATES FOR PUBLIC MANAGEMENT SERVICES:

- Principals \$300 - \$425
- Public managers \$190 - \$240
- Assistant public managers \$110 - \$150
- Public management analysts \$110 - \$150
- District administrators \$125 - \$145
- Records retention coordinators \$ 90 - \$115

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.

Additional provisions required by CRS 8-17.5-102(2)(a)(I) and (II)

Unlawful employees, contractors, and subcontractors

We shall not knowingly employ or contract with a worker without authorization to perform work under this contact. We shall not knowingly contract with a subcontractor that (a) knowingly employs or contracts with a worker without authorization to perform work under this contract or (b) fails to certify to us that the subcontractor will not knowingly employ or contract with a worker without authorization to perform work under this contact. [CRS 8-17.5-102(2)(a)(I) and (II)]

Verification regarding workers without authorization

We have verified or attempted to verify through participation in the E-Verify Program or the Department Program [as defined in CRS 8-17.5-101(3.3) and (3.7) of the state of Colorado that we do not employ or contract workers without authorization.

Limitation regarding E-Verify Program and the Department Program

We shall not use the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while performing this contract. [CRS 8-17.5-102(2)(b)(II)]

Duty to terminate a subcontractor and exceptions

If we obtain actual knowledge that a subcontractor performing work under this contract knowingly employs or contracts with a worker without authorization, we shall, unless the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with a worker without authorization.

- (1) Notify the subcontractor and the district within three days that we have actual knowledge that the subcontractor is employing or contracting with a worker without authorization; and
- (2) Terminate the subcontract with the subcontractor if, within three days of receiving notice that we have 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. [CRS 8-17.5-102(2)(b)(A) and (B)]

Duty to comply with state investigation

We shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to CRS 8-17.5-102(5). [CRS 8-17.5-102(2)(b)(IV)]

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



Carrie Bartow, CPA

Principal

Carrie.Bartow@CLAconnect.com

APPROVED:



Signature

President

Title

5-3-22

Date

RECORD OF PROCEEDINGS

MINUTES OF THE ORGANIZATIONAL MEETING OF

LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT

HELD
December 14, 2021

The Organizational Meeting of the Board of Directors of Ledge Rock Center Commercial Metropolitan District (the “Board”), was held via teleconference, at 9:00 a.m., on Tuesday, December 14, 2021.

ATTENDANCE

Directors in Attendance:

Amy Carroll, President and Chairperson

John Schlup, Secretary/Treasurer

James Shipton, Vice President/Asst. Secretary/Asst. Treasurer

Lucas Schlup, Vice President/Asst. Secretary/Asst. Treasurer

Directors Absent but Excused:

Michel Schlup, Vice President/Asst. Secretary/Asst. Treasurer

Also in Attendance:

David O’Leary, Esq. and Brendan Desmond; Spencer Fane, LLP

Shannon McEvoy and Brendan Campbell; Pinnacle Consulting Group

ADMINISTRATIVE ITEMS

The Organizational Meeting of the Board of Directors of the Ledge Rock Center Commercial Metropolitan District (the “District”) was called to order by Mr. O’Leary at 9:00 a.m. He noted that a quorum was present for the Board of Directors. All Board Members also confirmed that prior to the meeting they had been notified of the meeting and all Board Members confirmed their qualification to serve on the Boards.

Conflicts of Interest: Mr. O’Leary discussed the law relating to conflicts of interest and ethical standards for public officials, and the statutory requirements to disclose any potential conflict of interest to the Board and to the Colorado Secretary of State. Mr. O’Leary further advised the Board regarding the requirements pertaining to general and specific conflicts. Mr. O’Leary indicated that appropriate forms disclosing potential conflicts had previously been sent to and completed by each of the Directors at least 72 hours in advance of the meeting as required by statute. Mr. O’Leary noted additional potential conflicts and questions should be submitted to Spencer Fane LLP for review and preparation of applicable disclosure statements in advance of each meeting. Mr. O’Leary discussed the obligations of individual Directors

RECORD OF PROCEEDINGS

to ensure that state law regarding disclosure of potential conflicts of interest is properly satisfied. Mr. O'Leary's office will assist the Directors in filing forms completed by the Directors in connection with each District's meetings at which matters giving rise to potential conflicts are discussed. The Board reviewed the agenda for the meeting, following with each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

Agenda: The Board reviewed the agenda. Following discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup, and upon vote, unanimously carried, it was

RESOLVED to approve the agenda, as presented.

Meeting Notice: Mr. O'Leary reported that Notice of the Organizational Board Meeting had been properly posted within the District's boundaries at least 72 hours in advance of the meeting and provided, as required by the statute. The Notice also included the agenda items.

Confirming Filing of Oaths and Organizational Documents: Mr. O'Leary reported that the Findings, Orders and Decrees creating the District was entered by the Weld County District Court for the District and certified copies of such Decrees have been recorded with the Weld County Clerk and Recorder, and will be filed with the Division of Local Government and Weld County Assessor.

Affidavits of Qualifications: Affidavits of Qualifications for each of the Board members for the Ledge Rock Center Commercial Metropolitan District were reviewed, approved, and executed by the Board members. Mr. O'Leary noted that they will be properly filed.

Service Plans, District Organization, District Powers and Election Results: Mr. O'Leary reported that the District Service Plan was approved by the Town of Johnstown and reported on the election results noting that all issues had passed.

Open Meeting Requirements: Mr. O'Leary discussed the open meeting requirements with the Boards.

Election of Officers: The Board turned to the issue of electing Officers for the District and discussed the duties of the Board, and the offices of

RECORD OF PROCEEDINGS

President, Vice-President, Secretary/Treasurer, and Assistant Secretary/Assistant Treasurer. Upon motion duly made by Director A. Carroll, seconded by Director J. Shipton, and upon vote, unanimously carried, the Officers of each of the Districts were elected as follows:

President and Chairperson – Amy Carroll
 Secretary/Treasurer – John Schlup
 Vice President/Asst. Secretary/Asst. Treasurer – Michel Schlup
 Vice President/Asst. Secretary/Asst. Treasurer – James Shipton
 Vice President/Asst. Secretary/Asst. Treasurer – Lucas Schlup

Adoption of Seal: Mr. O’Leary discussed with the Board the need for a District Seal and recommended ordering two sets – one for legal counsel and one for district management. The Board authorized the purchase of two sets of District Seals.

Ratify Past Actions: Following review and discussion, upon motion duly made by Director A. Carroll seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to ratify all past actions related to the organization of the District.

Engagement of Consultants: The Board considered the engagement of District consultants. Following review and discussion, upon motion duly made by Director A. Schlup, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to review and consider the engagement of the following consultants, subject to review of the engagement agreements:

- 1) Pinnacle Consulting Group, Inc. as accountant, manager, and administrator for the District, and;
- 2) Terra Forma, as the District engineer.
- 3) Spencer Fane, LLP as general legal counsel to the District.

Annual Administrative Matters Resolution: Mr. O’Leary presented the Annual Administrative Matters Resolution to the Board. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to approve the Annual Administrative Matters Resolution and to hold special board meetings when needed, at the offices of Pinnacle Consulting Group, Inc., 550 West Eisenhower Blvd,

RECORD OF PROCEEDINGS

Loveland, CO 80537, or Spencer Fane, LLC, 1700 Lincoln Street, Suite 2000, Denver, CO 80203, or virtually.

Resolution Concerning Online Posting of Notice of Public Meetings: Mr. O’Leary presented the Resolution Concerning Online Notice of Public Meetings and discussed the need to establish a website for the District. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to adopt the Resolution Concerning Online Notice of Public Meetings and directed District Management to establish a website for the District.

Election Resolution: The Board considered approval of the 2022 Election Resolution. Following review and discussion, and upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to approve the 2022 Election Resolution.

Payment of Organizational Costs: Mr. O’Leary discussed the ability of the developer to request reimbursement by the District for advances relating to the costs to form and organize the District. The Board Treasurer will collect, and forward invoices and proof of payment related to the form and organization costs to the District Manager for reimbursement documentation review and any certifications necessary.

Special District Map Disclosure: Mr. O’Leary presented the Special District Map Disclosure document for review by the Board.

Special District Disclosure re Common Questions: Mr. O’Leary presented the Special District Disclosure document for review by the Board.

Worker’s Compensation Insurance: Mr. O’Leary noted that the Division of Local Government requires a Resolution to Exclude from Worker’s Compensation if the Board elects not to obtain worker’s compensation insurance for Board members. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to approve the Resolution to Exclude from Worker’s Compensation and the State of Colorado Worker’s Compensation Exclusion forms for the Boards, and to direct the District manager to file these with the appropriate parties.

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Indemnification Resolution: Mr. O’Leary presented the Governmental Immunity and Indemnification Resolution for Directors and Employees of Ledge Rock Center Commercial Metropolitan District. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to adopt the Indemnification Resolution for Ledge Rock Center Commercial Metropolitan District.

Colorado Open Records Act Policy and Resolution: Mr. O’Leary presented the Resolution Adopting Policies and Fee Schedule for the Handling of Record Requests Under the Colorado Open Records Act (“CORA”). Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to approve the Resolution Adopting Policies and Fee Schedule for the Handling of Record Requests Under the Colorado Open Records Act (“CORA”).

Insurance Coverage: The Boards discussed insurance coverage for Public Official’s Liability and General Liability and membership to the Special District Association of Colorado. The Board will discuss obtaining insurance coverage through the Colorado Special District’s Property and Liability Pool, when and if needed. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to ratify Spencer Fane’s action to obtain the Directors’ and Treasurer’s Bonds for the district and to file them with the District Court and Division of Local Government as required by law, and authorized District Management to obtain the appropriate coverage when needed.

Special District Association of Colorado Membership: The Board determined to waive membership in the Special District Association of Colorado at this time.

Selection of Bank: The Board discussed the establishment of a District operating account. The Board will provide direction to the District Accountant regarding where to open a bank account for the Districts.

PDPA Numbers, FEIN, and State Tax Exemption Numbers: Mr. O’Leary reported that Public Deposit Protection Act Numbers (PDPA),

RECORD OF PROCEEDINGS

Federal Employer Identification Numbers (FEIN), and the Colorado State Tax Exemption Numbers would need to be requested and assigned for each District by the Colorado Department of Regulatory Agencies' Division of Banking, the Federal Department of Treasury, and the Colorado Tax Division, respectively. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to authorize the Board President to sign the applications for the PDPA, FEIN, and Sales Tax Exemption forms and to file the forms with the appropriate parties on behalf of the District.

Intent to Levy Taxes: Pursuant to Section 39-1-110(1), C.R.S., Mr. O'Leary discussed the statutory requirement for a Notice of New District and Intent to Levy Taxes to be filed with the County Assessor before July 1 for any new District that intends to certify a mill levy in December. Mr. O'Leary reported that the Weld County Assessor and Weld County Treasurer were notified of the formation of the District and the intent to levy taxes for 2021 payable in 2022 as applicable.

2021 Budget Hearing: Mr. O'Leary reported that notice of the hearing to consider adoption of 2021 Budget was published in accordance with state budget law. Upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, the Board opened the 2021 Budget Hearing to the public. There being no public input, the public hearing portion of the budget discussion was closed. Mr. Campbell reviewed with the Boards the 2021 budget, which detailed estimated revenues and expenditures for each District.

General Fund Expenditures \$0
Mill levy is 0.000 mills.

Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, it was unanimously

RESOLVED to approve the Resolution to Adopt the 2021 Budget, set the Mill Levy, and appropriate sums of money and approve execution of the Certification of Mill Levy. The Board further authorized District staff to make non-material adjustments to the documents if necessary.

2022 Budget Hearing: Mr. O'Leary reported that notice of the hearing to consider adoption of the 2022 Budget was published in accordance with state budget law. Upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, the

RECORD OF PROCEEDINGS

Board opened the 2022 Budget Hearing to the public. There being no public input, the public hearing portion of the budget discussion was closed. Mr. Campbell reviewed with the Board the 2022 budget, which detailed estimated revenues and expenditures for each District.

General Fund Expenditures: \$50,000 was budgeted
 Capital Fund Expenditures \$60,000,000 was budgeted
 Mill levy is 0.000 mills.

Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, it was unanimously

RESOLVED to approve the Resolution to Adopt the 2022 Budget, set the Mill Levies, and appropriate sums of money and approve execution of the Certification of Mill Levies. The Board further authorized District staff to make non-material adjustments to the documents if necessary.

Consumer Data Privacy Policy: Mr. O'Leary presented the Resolution Adopting Protections for Consumer Data Privacy Policy. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to adopt the Resolution Adopting Protections for Consumer Data Privacy Policy.

Developer Funding and Reimbursement Agreements: The Board reviewed the Funding and Reimbursement Agreement for Operations and Maintenance and Capital Costs. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to approve the Funding and Reimbursement Agreement for Operations and Maintenance and Advance and Reimbursement Agreement for Capital Costs, subject to final approval by the developer.

Intergovernmental Agreements: Mr. O'Leary reviewed the Intergovernmental Agreement between Ledge Rock Center Commercial Metropolitan District and the Town of Johnstown. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

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RESOLVED to approve the Intergovernmental Agreement between Ledge Rock Center Commercial Metropolitan District and the Town of Johnstown.

Improvement Acquisition Agreement and Adoption of Reimbursement Resolution: The Board reviewed the Improvement Acquisition Agreement and Reimbursement Resolution. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to approve the Improvement Acquisition Agreement and Reimbursement Resolution, subject to final approval by the developer.

Bylaws: The Board reviewed the Bylaws. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to approve the District Bylaws.

Engage in Public Bidding Improvements: The Board discussed the Development and Requested Authorization to Engage in Public Bidding for Public Improvements. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to approve the Authorization to Engage in Public Bidding for Public Improvements.

Issues and Authorization regarding proposed bond issuance and engagement of consultants: The Board discussed Issues and requested Authorization regarding proposed bond issuance and engagement of consultants. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to authorize the District consultants and officers to coordinate and address any pending or future issues and authorizations regarding proposed bond issuance and authorized the engagement of bond and financial consultants to facilitate any necessary actions. Any updated or final agreements shall be brought back to the Board for further review and authorizations or approvals as required.

Development and Reimbursement Agreement and Escrow Agreement with Town, Developer and Ledge Rock Center Commercial Metropolitan District: The Board discussed the Development and

RECORD OF PROCEEDINGS

Reimbursement Agreement and Escrow Agreement with Town, Developer and Ledge Rock Center Commercial Metropolitan District. Following review and discussion, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon vote, unanimously carried, it was

RESOLVED to approve the Development and Reimbursement Agreement and Escrow Agreement with Town, Developer and Ledge Rock Center Commercial Metropolitan District and authorized such further actions as necessary to coordinate what is needed by the Town for hearings or approvals.

Development in the Districts: Mr. O'Leary discussed with the Board future development in the District and pending hearings and matters for the Town to consider.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director A. Carroll, seconded by Director J. Schlup and, upon unanimous vote, the meeting was adjourned at 9:30 a.m.

Respectfully submitted,

/s/

Shannon McEvoy

Recording Secretary for the Meeting

**AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT BETWEEN
THE TOWN OF JOHNSTOWN, COLORADO
AND
LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT**

THIS AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT is made and entered into to be effective as of the ___ day of _____, 2022, by and between the TOWN OF JOHNSTOWN, a home-rule municipal corporation of the State of Colorado (“Town”), and LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT, a quasi-municipal corporations and political subdivision of the State of Colorado (the “District”). The Town and the District are collectively referred to as the “Parties.”

RECITALS

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District’s Service Plan approved by the Town on September 8, 2021 by Resolution 2021-28, as amended by the Town by the Amended and Restated Service Plan approved by the Town on June 6, 2022 (collectively, the “Service Plan”); and

WHEREAS, the Service Plan makes reference to the execution of an intergovernmental agreement between the Town and the District; and

WHEREAS, the Town and the District have determined it to be in the best interests of their respective taxpayers and property owners to enter into this Intergovernmental Agreement (“Agreement”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

COVENANTS AND AGREEMENTS

1. Operations and Maintenance Limitation. The primary purpose of the District is to provide for the planning, design, acquisition, construction, installation, relocation, redevelopment and financing of the Public Improvements for the use and benefit of all anticipated inhabitants and taxpayers of the District. The District shall only operate and maintain those Public Improvements that are not accepted for ownership, operations and maintenance by the Town or other appropriate entity in a manner consistent with the Approved Development Plan, the Operations and Maintenance Intergovernmental Agreement, other rules and regulations of the Town and the Town Code.

For any Public Improvement that is not conveyed to the Town or other entity as directed by the Town, the District shall administer, operate, maintain, repair, remove, or replace such Public Improvement in compliance with the applicable standards of the Town and the terms of the Operations and Maintenance Intergovernmental Agreement. The District shall not have the authority to issue any Bonds until the District and the Town have entered into the Operations and Maintenance Intergovernmental Agreement. The District shall hold an election to approve a ballot

issue or issues required to commit to the financial obligations in the Operations and Maintenance Intergovernmental Agreement. Until such time as such ballot issue is approved, the District shall have no authority to incur Debt or certify a mill levy.

2. Trails and Amenities. The District may own, operate, and maintain trails and related amenities within the District. All parks and trails shall be open to the general public, including Town residents who do not reside in the District, free of charge, unless otherwise specified in an intergovernmental agreement with the Town.

3. Fire Protection, Ambulance and Emergency Services Limitation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain fire protection facilities or services, unless such facilities and services are provided pursuant to an intergovernmental agreement with the Town. The authority to plan for, design, acquire, construct, install, relocate, redevelop or finance fire hydrants and related improvements installed as part of the water system shall not be limited by this provision. The District shall not be authorized to provide for ambulance or emergency medical services unless the provision of such service is approved by the Town in an intergovernmental agreement.

4. Television Relay and Translation Limitation. The District shall not be authorized to plan for, design, acquire, construct, install, relocate, redevelop, finance, operate or maintain television relay and translation facilities and services, other than for the installation of conduit as a part of a street construction project, unless such facilities and services are provided pursuant to an intergovernmental agreement with the Town.

5. Telecommunication Facilities. The District agrees that no telecommunication facilities owned, operated or otherwise allowed by the District shall affect the ability of the Town to expand its public safety telecommunication facilities or impair the Town's existing telecommunication facilities.

6. Construction Standards Limitation. The District shall ensure that the Public Improvements are designed and constructed in accordance with the standards and specifications of the Town and of other governmental entities having proper jurisdiction. The District shall obtain the Town's approval of civil engineering plans and applicable permits for construction and installation of Public Improvements prior to performing such work.

7. Zoning and Land Use Requirements; Sales and Use Tax. The District shall be subject to all of the Town's zoning, subdivision, building code and other land use requirements. The District shall not exercise any exemption from Town sales or use tax, whether directly or indirectly.

8. Growth Limitations. The District acknowledges that the Town shall not be limited in implementing Town Council or voter approved growth limitations, even though such actions may reduce or delay development within the District and the realization of District's revenue.

9. Conveyance. The District agrees to convey to the Town, at no expense to the Town and upon written notification from the Town, any real property owned by the District that is necessary, in the Town's sole discretion, for any Town capital improvement projects for

transportation, utilities or drainage, streets or trails, unless such conveyance interferes with the public improvements needed for the District or project. The District shall, at no expense to the Town and upon written notification from the Town, transfer to the Town all rights-of-way, fee interests and easements owned by the District that the Town determines are necessary for access to and operation and maintenance of the Public Improvements to be owned, operated and maintained by the Town, consistent with an Approved Development Plan.

10. Privately Placed Debt Limitation. Prior to the issuance of any Privately Placed Debt, including but not limited to any Developer Debt, the District shall obtain the certification of an External Financial Advisor approved by the Town, in the form substantially as follows:

We are [I am] an External Financial Advisor within the meaning of the District's Service Plan.

We [I] certify that (1) the net effective interest rate (calculated as defined in Section 32-1-103(12), C.R.S.) to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable considering the financial circumstances of the District and all Districts pledging revenue to the repayment of the Debt.

The issuing District shall submit written notice to the Town Manager of the name of the proposed External Financial Advisor prior to the engagement of the External Financial Advisor which shall either be approved or objected to by the Town within twenty (20) days of the submittal of such written notice to the Town Manager. If the Town Manager does not object to such selection within the twenty (20) day period, the Town Manager's approval shall be deemed to have been given to the District retaining the External Financial Advisor named in the written notice.

Within ten (10) days subsequent to the issuance of Privately Placed Debt, the District shall provide the Town with copies of the relevant Debt documents, the External Financial Advisor Certification and the Bond Counsel Opinion addressed to the District and the Town regarding the issuance of the Debt.

11. Inclusion Limitation. Upon petition and written consent of the property owners, and as provided by the Special District Act, the District may include all property with the Inclusion Area Boundaries, and shall provide written notice to the Town of all such inclusions concurrently therewith. The District shall not include within their boundaries any property outside the Inclusion Area Boundaries without the prior written consent of the Town. The District shall only include within its boundaries property that has been annexed to the Town and no portion of any of the District shall ever consist of property not within the Town's corporate boundaries.

12. Overlap Limitation. The boundaries of the District shall not overlap with any other metropolitan district without the prior written consent of the Town.

13. Maximum Debt Authorization. The District shall not issue Debt in excess of Two Hundred Four Million, Eight Hundred Ninety Four Thousand, and Zero Dollars (\$204,894,000). Refunded Debt, wherein the initial Debt issuance counted toward the Maximum Debt Authorization shall not count against the Maximum Debt Authorization set forth herein.

14. Recurring Fee Limitation. The District may impose and collect Recurring Fees for administrative, operations and maintenance expenses and for services, programs or facilities furnished by the District. Any Recurring Fees for administrative, operations and maintenance expenses not specifically set forth in the Financial Plan, including a subsequent increase in such Recurring Fees, shall be subject to review and approval by the Town. At the discretion of the Town Manager, Town review and, if appropriate, approval shall be provided by the Town Manager in writing or referred by the Town Manager to Town Council. If the Town does not respond to a request for the imposition of the Recurring Fee or an increase in such Recurring Fee within forty-five (45) days of receipt of a written request from the District, the Town shall be deemed to have approved the ability of the District to impose or increase the Recurring Fee as described in the request. Any Recurring Fees imposed or increased for operation and maintenance expenses without approval as set forth herein shall constitute a material departure from the Service Plan. The revenue from a Recurring Fee shall not be used to pay for Debt.

15. Monies from Other Governmental Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds or other funds available from or through governmental or non-profit entities for which the Town is eligible to apply, except pursuant to an intergovernmental agreement with the Town. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

16. Consolidation Limitation. The District shall not file a request with any Court to consolidate with another Title 32 district without the prior written consent of the Town.

17. Public Improvement Fee Limitation. The District shall not collect, receive, spend or pledge to any Debt or use to pay for operations and maintenance services, any fee, assessment, tax or charge which is collected by a retailer in the District on the sale of goods or services by such retailer and which is measured by the sales price of such goods or services, except pursuant to an intergovernmental agreement with the Town. The District shall have the authority to receive a Credit PIF applied to Taxable Transactions during the Credit PIF Period only pursuant to the terms of the Development and Reimbursement Agreement. The District shall have the authority to receive an Add-on PIF only pursuant to the terms of the Development and Reimbursement Agreement. The Credit PIF and Add-on PIF may be applied by private covenant only pursuant to the terms of the Development and Reimbursement Agreement.

18. Bankruptcy Limitation. It is expressly intended that all of the limitations contained in this Service Plan, including, but not limited to, those pertaining to the Maximum Debt Mill Levy, Developer Debt Mill Levy Imposition Term, the Maximum Mill Levy Imposition Term, and the Recurring Fees, that have been established under the authority of the Town to approve a Service Plan with conditions pursuant to Section 32-1-204.5, C.R.S.:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent an amendment to the Service Plan; and

(b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code (11 U.S.C.) Section 903, and are also included in the “regulatory or electoral approval necessary under applicable nonbankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under Bankruptcy Code Section 943(b)(6).

The filing of any bankruptcy petition by the District shall constitute, simultaneously with such filing, a material departure of the express terms of this Service Plan, and thus an express violation of the approval of this Service Plan.

19. Water Rights/Resources Limitation. Water to satisfy the needs of the Project shall be dedicated by the Developer to the Town or, in the discretion of Town Council, paid by cash in-lieu of such dedication. The District shall not acquire, own, manage, adjudicate or develop water rights or resources except pursuant to an intergovernmental agreement with the Town. If the District provide a non-potable irrigation system, which would be owned, operated and maintained by the District, the District would be permitted to manage the raw water for the District irrigation water system in the manner set forth in a subsequently executed intergovernmental agreement with the Town.

20. Eminent Domain Limitation. Absent the prior written approval of the Town, the District shall not exercise its statutory power of eminent domain or dominant eminent domain for the purpose of condemning property outside of the Service Area. Additional approval from the Town shall not be required prior to the District’s exercise of its statutory power of eminent domain or dominant eminent domain with respect to property within the Service Area. In no event shall the District exercise their statutory power of dominant eminent domain to condemn property owned by the Town.

21. Covenant Enforcement and Design Review Services. The District shall have the power, but not the obligation, to provide Covenant Enforcement and Design Review Services within the District in accordance with the Colorado Statutes as they are amended from time to time. The Town shall not bear any responsibility for Covenant Enforcement and Design Review Services within the boundaries of the District. The Town’s architectural control, design review and other zoning, land use, development, design and other controls are separate requirements that must be met in addition to any similar controls or services undertaken by the District.

22. Special Improvement District. The District shall not be entitled to create a special improvement district pursuant to Section 32-1-1101.7, C.R.S., unless otherwise provided pursuant to an intergovernmental agreement with the Town.

23. Reimbursement Agreement with Adjacent Landowners. If the District utilizes reimbursement agreements to obtain reimbursements from adjacent landowners for costs of improvements that benefit the third-party landowners, such agreements shall be done in accordance with Town Code. Any and all resulting reimbursements received for such

improvement shall be used to re-pay the cost of the Public Improvement that is the subject of the reimbursement agreement or shall be deposited in the District's Debt service fund and used for the purpose of retiring Debt. The District shall maintain an accurate accounting of the funds received and disbursed pursuant to reimbursement agreements.

24. Land Purchase Limitation. Proceeds from the sale of Debt and other revenue of the District may be used to pay the Developer for the acquisition from the Developer of any real property, easements or other interests not required to be dedicated for public use pursuant to Approved Development Plan(s) or the Town Code or development requirements. Proceeds from the sale of Debt shall not be used to pay: (a) the Developer for any real property conveyed by the Town to the Developer; or (b) property conveyed to the District from the Developer that was conveyed from the Town to the Developer; or (c) property conveyed from the Town to the District.

25. Reimbursement or Payment of Public Improvement Related Costs. Prior to the reimbursement to the Developer for costs incurred in the organization of the District, or for funds expended on the District behalf related to the Public Improvements; and prior to the payment by the District of an invoice related to a Public Improvement cost, or for the acquisition of any part of the Public Improvements, the District shall receive a Cost Verification Report. Upon request, the District shall provide the Cost Verification Reports to the Town.

26. Developer Reimbursement of Administration, Operations and Maintenance Related Costs. Prior to the reimbursement to the Developer for costs incurred or for funds expended on behalf of the District related to the administration of the District or the operation and maintenance of the Public Improvements, the District shall receive the report of an accountant retained by the District, who is independent of the Developer and licensed in Colorado, verifying that, in such accountant's professional opinion, the reimbursement of the funds advanced for such administration, operations or maintenance costs, are, in such accountant's opinion, receivable and related to the administration, operations or maintenance of the District or the Public Improvements. Upon request, the District shall provide the report to the Town.

27. Board Meetings and Website Limitations. Once an End User owns property in the Service Area, the District's Board meeting(s) shall be conducted within the boundaries of the Town or conducted virtually via internet or telephone platform available for free access by the public. The District shall establish and maintain a public website and shall include the name of the Project or a name that allows property owners and tenants of the District to readily locate the District online and shall also include an updated street map for those properties within the Service Area that have constructed streets that are open for public use. In addition, the District shall timely post a copy of all of the following documents on its public website: (a) each call for nominations, required pursuant to Section 1-13.5-501, C.R.S., (b) the transparency notices provided pursuant to 32-1-809, C.R.S, (c) each recorded declaration of covenants if the District provides Covenant Enforcement and Design Review Services, (d) a copy of this Service Plan and all amendments thereto, (e) all approved budgets, audits, meeting minutes, Board orders and resolutions, (f) any Rules and Regulations adopted by the Board, and (g) all meeting agendas and meeting packets.

28. Transfer Fee Limitation. The District shall not be authorized to collect or spend revenue from a transfer fee on the sale of real property within the District, except pursuant to an intergovernmental agreement with the Town.

29. Financial Review. The Town shall be permitted to conduct periodic reviews of the financial powers of the District in the Service Plan in the manner and form provided in Section 32-1-1101.5, C.R.S. As provided in the statute, the Town may conduct the first financial review in the fifth calendar year after the calendar year in which a special district's ballot issue to incur general obligation indebtedness was approved by its electors. After such fifth calendar year and notwithstanding the provisions of the statute, the Town may conduct the financial review at any time, by providing sixty (60) days written notice to the District, except that the Town may not conduct a financial review within sixty (60) months of the completion of its most recent financial review. The Town's procedures for conducting a financial review under this Paragraph, and the remedies available to the Town as a result of such financial review, shall be identical to those provided for in Section 32-1-1101.5(2), C.R.S. The District shall be responsible for payment of the Town consultant and legal and administrative costs associated with such review, and the Town may require a deposit of the estimated costs thereof.

30. Use of Proceeds and Revenues Limitations. Proceeds from the sale of Debt instruments and other revenue of the District may be used to pay the Developer within the District for any real property, easements or other interests not required to be dedicated for public use by the Town Code or development requirements and as further proscribed in the Land Purchase Limitations in Paragraph 24, and for the cost of any capital improvements, costs of issuance of any Debt or other facilities, services and improvements authorized by the Service Plan. The District shall have ability to use CPIF and Add-on PIF revenues or any other revenues of the District to pay Debt service, to pay for capital improvements authorized by this Service Plan, and after termination of the Credit PIF, may use Add-on PIF Revenues in addition to other revenues for operation, maintenance, and administrative costs of the District. Additionally, if the Developer constructs the public infrastructure and conveys it to the District in return for a reimbursement obligation from the District, prior to making such reimbursement for such amounts, the District must receive a Cost Verification Report.

31. Miscellaneous Powers. The District shall have the power to provide any facility, service, or program allowed by C.R.S. § 32-1-1004(1).

32. New Powers. If, after the Service Plan is approved, the Colorado General Assembly grants new or broader powers for metropolitan districts, to the extent permitted by law, any or all such powers shall be deemed to be a part hereof and available to be exercised by the District only following written approval by the Town, subject to the Town's sole discretion.

33. Service Plan Amendment Requirement. Actions of the District which violate the limitations set forth in this Service Plan shall be deemed to be material modifications to this Service Plan and the Town shall be entitled to all remedies available under State and local law to enjoin such actions of the District, including the remedy of enjoining the issuance of additional authorized but unissued debt, until such material modification is remedied.

34. Maximum Debt Mill Levy. The Maximum Debt Mill Levy imposed upon property within the District shall be twenty-five (25) mills subject to an Assessment Ratio Adjustment. For the portion of any aggregate Debt which is equal to or less than fifty percent (50%) of the District's assessed valuation, either on the date of issuance or at any time thereafter, the mill levy to be imposed to repay such portion of Debt shall not be subject to the Maximum Debt Mill Levy and, as a result, the mill levy may be such amount as is necessary to pay the Debt service on such Debt, without limitation of rate.

35. Operations and Maintenance Mill Levy. The Operations and Maintenance Mill Levy shall be a mill levy the District is permitted to impose for payment of the District's administrative, operations and maintenance costs, which shall include, but not be limited to, the funding of operating reserves and sufficient ending fund balances to assure sufficient cash flow to fund expenses as they come due. Prior to the imposition of a mill levy for payment of Debt, the District may impose a maximum Operations and Maintenance Mill Levy of be twenty-five (25) mills. After the imposition of a mill levy for the payment of Debt, the District shall not impose an Operations and Mill Levy that exceeds ten (10) mills, subject to an Assessment Ratio Adjustment, and shall at all times not exceed the maximum mill levy necessary to pay those expenses.

36. Maximum Aggregate Mill Levy. The Maximum Aggregate Mill Levy of the District shall be twenty-five (25) mills, inclusive of the levy for both Debt and the Operations and Maintenance Mill Levy, subject to an Assessment Ratio Adjustment.

37. PIF Revenue. Unless otherwise provided in the Development and Reimbursement Agreement, the imposition of mill levies does not preclude the District from receiving CPIF or Add-on PIF Revenues.

38. Mill Levy Imposition Term.

(a) Developer Debt Mill Levy Imposition Term. Developer Debt shall expire and be forgiven twenty (20) years after the date of the initial imposition by the District of an ad valorem property tax to pay any Debt, unless otherwise provided pursuant to an intergovernmental agreement with the Town. Refunding Bonds that pay off the Developer Debt shall not be subject to this Developer Debt Mill Levy Imposition Term so long as such Refunding Bonds are not owned by the Developer or by a person or party related to the Developer. Developer Debt shall be callable and may be repaid at any time without any prepayment or payment penalty of any kind.

(b) Maximum Debt Mill Levy Imposition Term: In addition to the Developer Debt Mill Levy Imposition Term, the District shall not impose a levy for repayment of any and all Debt (or use the proceeds of any mill levy for repayment of Debt) on any single property developed which exceeds forty (40) years after the year of the initial imposition of a mill levy for Debt payment unless a refunding of a part or all of the Debt will result in a net present value savings as set forth in 11-56-101, *et seq.*, C.R.S.

39. Debt Repayment Sources. Debt may be repaid from CPIF and Add-on PIF Revenue, or any other revenues, gifts, grants, ad valorem taxes, and any source of payment permitted by law and by the Service Plan.

40. Town Approval of Debt Issuance. If the District determines to issue any Debt, the District shall submit to the Town, for the Town's reasonable approval: (i) a financial plan which demonstrates the structure of the proposed Debt issuance, including the anticipated use of net proceeds thereof, and the District's plan to repay the same; and (ii) near final Debt issuance documents. The Town shall have thirty (30) days to review and consent to the same. In any event, the District shall not be permitted to issue any Debt unless and until the District receives a written consent signed by the Town Manager with respect to such Debt issuance. The District shall be responsible for payment of the Town consultant and legal and administrative costs associated with the review contemplated herein, and the Town may require a deposit of the estimated costs thereof.

At least ten (10) business days prior to the issuance of Debt, the District shall provide the Town with the marketing documents that have been or will be published, if any. In its discretion, the Town may require additional financial forecasts and feasibility reports to evaluate the Financial Plan for the proposed Debt issuance. Within ten (10) days subsequent to the issuance of Debt, the District shall provide the Town with the Bond Counsel Opinion addressed to the District and the Town as to the compliance of the Bond issuance with the District's Service Plan and copies of the relevant Debt documents.

41. Dissolution. Upon a determination of the Town Council that the purposes for which the District was created have been accomplished or as set forth in Paragraph 15 above, the District shall file a petition in the District Court for dissolution, pursuant to the applicable State statutes. Except as provided in Paragraph 15 above, dissolution shall not occur until the District has provided for the payment or discharge of all of its outstanding indebtedness and other financial obligations as required pursuant to State statutes. Except as otherwise required in the Intergovernmental Agreement or in the Development and Reimbursement Agreement, dissolution shall not be required if the District elects to finance, construct and acquire the parking areas, common areas, and other common areas, facilities and improvements, as such Public Improvements would be owned, operated and maintained by the District or if the District is responsible for ongoing operations and maintenance under this Service Plan or the Operations and Maintenance Intergovernmental Agreement.

42. 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 address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the Town:	Attn: Town Manager
	Town of Johnstown
	450 S. Parish Avenue
	Johnstown, CO 80534
	Phone: (970) 587-4664

To the District: Ledge Rock Center
 Commercial Metropolitan District
 Attn: District Manager
 c/o CliftonLarsonAllen LLP
 8390 East Crescent Pkwy., Suite 300
 Greenwood Village, CO 80111
 Phone: (303) 779-5710
 Fax: (303) 779-0348
Lisa.Johnson@CLAconnect.com

With a copy to: Spencer Fane LLP
 Attn: David S. O'Leary, Esq.
 1700 Lincoln, Suite 2000
 Denver, CO 80203
 Phone: (303) 839-3800
 Fax: (303) 839-3838
doleary@spencerfane.com

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service 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. Notice may also be provided by electronic mail on the condition that the intended recipient of the electronic mail acknowledges receipt thereof.

43. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and, unless Town Council otherwise requires, without amendment to the Service Plan.

44. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

45. Default/Remedies. Upon the occurrence of any event of breach or default by either Party, the non-defaulting party shall provide written notice to the other Party. The defaulting Party shall immediately proceed to cure or remedy such breach or default, and in any event, such breach or default shall be cured within fifteen (15) days after receipt of the notice. Following the cure period in the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available by law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys' fees, to the extent permitted by law.

46. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado and venue shall be in the County in which the District is located.

47. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

48. 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.

49. 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 Town 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 Town shall be for the sole and exclusive benefit of the District and the Town.

50. 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.

51. 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.

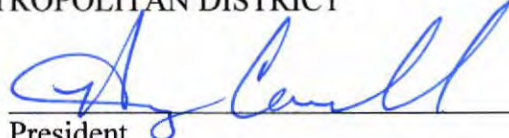
52. Town Consent. Unless otherwise provided herein or provided in an intergovernmental agreement with the Town, references in this Agreement to Town consent or Town approval shall require prior written approval of the Town. At the Town Manager's discretion, the Town Manager shall decide if (1) he or she can provide the written Town approval, if approval is warranted; (2) the matter should be referred to Town Council for consideration and, if appropriate, approval by resolution; (3) the matter requires consideration for approval in the form of an agreement with the Town; or (4) the matter requires an amendment to the Service Plan.

53. No Liability of Town. The Town has no obligation whatsoever to construct any improvements that the District is required to construct, or pay any debt or liability of the District, including any Bonds.

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

55. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Service Plan.

LEDGE ROCK CENTER COMMERCIAL
METROPOLITAN DISTRICT

By: 
President

Attest:


Secretary

TOWN OF JOHNSTOWN, COLORADO

By: _____
Mayor

Attest:

By: _____
Its: _____



May 15, 2022

Ledge Rock Commercial Metropolitan District, Board of Directors
Attn: David O'Leary, doleary@spencerfane.com

RE: Ledge Rock Center Commercial Metropolitan District, Project 02 – Bid Evaluation and Recommendation

The following is the bid evaluation and recommendation for the Ledge Rock Center Commercial Metropolitan District(LRCCMD) Project 02 – Project Monumentation and Signage.

Notes regarding the bid and process:

- Project publicly released for bid on February 9th 2022 with public notice in the Johnstown Breeze newspaper and Denver Daily Journal(online and paper).
- No prebid was held
- One Addendum was issued.
- Bid opening was on February 25th, 2022.

Notes regarding bids received:

- One bidder presented a bid for recognition: Carson Development Inc.,
 - Project Monumentation and Signage - \$1,513,466.28
- Bid did not include the following items:
 - No Bid Bond
 - Bid broken into two signs, third sign not provided.
 - Project schedule not provided, however due to funding issues the schedule is dependent upon issuance of this contract and will be monitored monthly;
 - List of all Material and Equipment Suppliers incomplete, to be provided upon shop review and approval of by the designer of record.

Initial Evaluation:

- 80-foot monument/sign located at southwest corner of projet, identified as sign 1 not part of this bid due to property ownership not secured.
- Initial evaluation of costs are reasonable for these type of monuments and signs.
- Project Management Fee and General Contractor Fee are high at 7%, industry standard is 3-5% for each, however these will be initially allowed but specific detail justifying the percentage will be needed as part of the verification process.
- Only one bidder so no immediate market comparison.
- Final cost acceptance and proof of scope during the verification process will also be considered as part of the full district process.



Scope/Means/Methods:

- Geotech and surveyor contracted directly with the bidder/contractor, this is non typical and will require documentation to the District to verify cost/scope is appropriate and will be accepted as part of final verification and acceptance process.

Project Security:

- During the bidding process not all elements to finalize a recommendation or contract were secured however since bidding additional items have been put in place with a couple still outstanding:
 - Infrastructure Plans – Plans are still being finalized; however the Town has provided an initial approval and acceptance of where the monuments/signs can be placed.
 - Land - The area west of High Plains Boulevard is not under Developer/District ownership, however the Town is permitting work on this property and as this issue is finalized work can move into these areas with an approved District contract or modification to current contracts.
 - Financial Funds
 - Currently no bonds have been issued for the Ledge Rock Commercial Metropolitan District, however an afore mentioned Escrow agreement utilizing Johnstown Plaza reimbursement/bond is being utilized on the Ledge Rock project for the initial work, this work is not part of that scope and will be secured by the following method.
 - Developer as part of their funding agreement with the District shall place 25% of the contract amount or a minimum of three months of the contract work into the District account to cover work in progress for the prime and subcontractors. Additional funds shall be placed within the District account and the percentage of funds will fluctuate on a month by month basis through the contract term until all prime and subcontractors are paid with the exception of any retainage/warranty requirements. Additionally, 10% of the contract amount shall be kept in the District account for the warranty period, either 12 months from initial acceptance by the District or 24 months after initial acceptance for any Public work accepted by the Town.
 - A performance and payment bond is not being provided, however the above condition will cover this requirement.
 - Conditions of the above requirements can be renegotiated if full project funding becomes available and/or if performance and payment bond is issued for the work.

Recommendation:

Bidding and final resolution for this contract has been very extensive and cumbersome due to the lack of full funding and issues identified above, however the District and the Town have had numerous meetings, discussions and established agreements and understandings to bridge the initial issues until such time as full funding, plan approval or property acquisition is available.



Issuing this contract is in the best interest of the District and subsequently the Town to maintain the initial Developer momentum that has been created and to help maintain the project viability. Recommendation to issue this monumentation and signage project contract to Carson Development, Inc.

Please let me know if you have any questions related to this document and feel free to contact me at 303-257-7653 or todd@terraformas.com.

A handwritten signature in blue ink, appearing to read "Todd A. Johnson", written over a light blue horizontal line.

Todd A. Johnson, P.E, President
LRCMD District Consultant
For and on behalf of:
Terra Forma Solutions, Inc.

CONSTRUCTION AGREEMENT

THIS **CONSTRUCTION AGREEMENT** is made this [____] day of [____], 2022, by and between **LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado located in the County of Weld, State of Colorado (“**Owner**” or “**District**”) and Carson Development Inc., a Corporation located in State of Kansas (“**Contractor**”).”

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 Contractor has experience in providing the Work described in **Exhibit A**, attached hereto and incorporated herein, and is willing to provide such Work to the District for reasonable consideration.

D. The Parties desire to enter into this Construction Agreement to establish the terms by which the Contractor will provide Work 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:

1. DEFINITIONS

A. Defined Terms. All terms not expressly defined herein shall have the same meaning as set forth in the General Conditions.

B. Contract Documents.

1) The “**Contract Documents**” which comprise the entire agreement between Owner and Contractor, and which are attached to this Construction Agreement and are incorporated herein by this reference, consist of the following in the following order of precedence:

- a) This Construction Agreement, as may be amended from time to time;
- b) The Exhibits to this Construction Agreement, as may be amended from time to time;
- c) Special Provisions, if any, as may be amended from time to time;
- d) General Conditions;

- e) Supplemental Conditions, if any, as may be amended from time to time;
- f) Change Orders;
- g) Specifications (Project Specifications);
- h) Drawings;
- i) Field Orders;
- j) Bid Documents;
- k) Notice of Award; and
- l) Notice to Proceed.

2) There are no Contract Documents other than those listed in this section, above. The Contract Documents may only be altered, amended or repealed by a Modification and/or Change Order. In the event of a conflict between this Construction Agreement and the General Conditions, this Construction Agreement shall control.

2. CONTRACT PRICE

For the performance of Work and completion of the Project: **Ledge Rock Center Project Monumentation and Signage** as specified in the Contract Documents, the Contract Price shall be as set forth in **Exhibit B** attached hereto, with a total contract amount not to exceed **\$1,513,466.28 One Million, Five Hundred Thirteen Thousand, Four Hundred Sixty Six and 28/100 dollars**, unless otherwise approved in advance by the Owner through a written Modification and/or Change Order.

3. TAXES

A. Contractor shall pay all sales, consumer, use and other similar taxes required to be paid by it.

B. Owner is exempt from Colorado State sales and use taxes. Accordingly, taxes from which Owner is exempt shall not be included in the Contract Price. Owner shall, upon request, furnish Contractor with a copy of its certificate of tax exemption. Contractor and Subcontractors shall apply to the Colorado Department of Revenue, Sales Tax Division, for an Exemption Certificate and purchase the materials tax free. Contractor and Subcontractors shall be solely liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate, or for any sales tax that is imposed. Contractor and Subcontractors shall indemnify and hold the Owner harmless for any liability related to sales and use tax.

4. ENGINEER / OWNER'S REPRESENTATIVE

A. The Owner hereby designates Terra Forma Solutions, Inc., Point Consulting, LLC, CTL Thompson or as designated by Owners Representative as the “**Engineer**”, who will assume all duties and responsibilities of and who will have the rights and authority assigned to Engineer in the Contract Documents.

B. The Owner hereby designates Terra Forma Solutions, Inc., as “**Owner’s Representative**”, who will assume all duties and responsibilities of, and who will have the rights and authority assigned to Owner’s Representative in the Contract Documents. Owner’s Representative will make him/herself available to perform its services under the Contract Documents. Owner’s Representative may also undertake some duties and responsibilities assigned to Engineer.

5. PERFORMANCE

A. Liens; Lien Waivers. Contractor shall not allow any lien or encumbrance of any sort to be fixed against the District or its property. By executing this Construction Agreement, Contractor acknowledges that the Project is a public project that is not subject to 38-22-101 *et seq.*, C.R.S. (General Mechanics’ Liens), and that 38-26-101 *et seq.*, C.R.S. (Contractor’s Bonds and Lien on Funds) instead applies. Contractor shall provide to the District written lien/claim waivers for all Work in a form approved by the District. Until Contractor provides such lien/claim waivers, the District may withhold from payment to Contractor a sum that District considers sufficient to pay any unpaid claims for Work performed, as set forth in Section 38-26-107, C.R.S. The District is not obligated to pay any of Contractor’s unpaid bills, but after giving notice to Contractor, District may pay Contractor’s unpaid bills and any such payment shall be considered as a payment made to Contractor under this Construction Agreement. Upon the resolution of all claims, if any, filed pursuant to Section 38-26-107, C.R.S., the District shall make final payment, including release of any retainage, to Contractor, in accordance with Section 38-26-107, C.R.S.

B. Compliance with Applicable Law. The Contractor shall provide the Work 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.

C. No Right or Interest in District Assets. The Contractor 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 Construction Agreement or the performance of the Work contemplated herein.

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

E. Limitations on Authority. The Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any debt, contractually bind, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Construction 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 Contractor shall at all times conform to the stated policies established and approved by the District.

F. Independent Contractor Status. The Contractor 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 Contractor or any of its employees, agents, subcontractors or suppliers as employees of the District. The Work to be performed by the Contractor 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 Contractor for the Work performed as provided herein. The District shall not be responsible for the Contractor's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. The Contractor is not entitled to worker's compensation benefits and the Contractor is obligated to pay federal and state income taxes on moneys earned pursuant to this Construction Agreement.

6. CONTRACTOR'S REPRESENTATIONS

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

A. 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.

B. Contractor has carefully studied the Site and has performed all necessary investigations, tests, subsurface investigations to define the latent physical conditions of the construction Site affecting cost, progress, or performance of Project.

C. 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 Contract Price, within the Contract Time, and in accordance with the other terms and conditions of the Contract Documents.

D. Contractor has correlated the results of all such observations, examinations, investigations, tests, reports and data with the terms and conditions of the Contract Documents.

E. Contractor has given Engineer 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.

F. Contractor certifies that less than fifty percent (50%) of the work has been subcontracted.

7. OWNER'S REPRESENTATIONS

Owner makes the following representations:

A. Subject to Annual Budget and Appropriation; District Debt. This Construction Agreement is subject to the provisions of Section 24-91-103.6, C.R.S., as amended. The District has appropriated money equal to or in excess of the Contract Price. The District shall deposit appropriated funds in an amount sufficient to pay all work, including wages, and bills contracted for materials, supplies, and equipment use during a thirty (30)-day period ("**30-Day Draw**

Period”) into a project funds account to be drawn against by the District according to Contractor’s verified invoices (“**Project Funds Account**”), which shall be submitted not less frequently than monthly. This Construction Agreement is subject to annual appropriation by the District. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation within the meaning of any Colorado constitutional provision or statutory limitation.

B. 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 during the 30-Day Draw Period to exceed the amount on deposit in the Project Funds Account. Nor shall Owner 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 Construction Agreement to exceed the amount appropriated for the original Contract 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 Construction Agreement. By executing a Change Order which causes an increase in the Contract 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.

8. INDEMNIFICATION

A. Contractor shall indemnify save harmless and defend the Owner, the Engineer and all of their consultants, directors, officers, agents and employees, from any and all claims, demands, losses, liabilities, actions, lawsuits and expenses (including reasonable attorneys’ fees), arising directly or indirectly, in whole or in part, out of the negligence or any criminal or tortious act or omission of the Contractor or any of its employees, agents, Subcontractors or any person for whom Contractor is responsible, in connection with this Agreement and the scope of services hereunder, whether any such negligence or any criminal or tortious act or omission is within or beyond the scope of its duties or authority. Contractor agrees that the policy limits of the coverage which the Contractor is required to maintain pursuant to the Contract Documents, including property damage insurance and excess coverages, shall not act as limitations on the Contractor’s obligation to indemnify the Owner, Owner’s Representative, and each of their consultants, including the Engineer and their directors, officers, agents and employees.

B. In any and all claims against Owner or Engineer or any of their agents or employees or the Owner’s Representative by any employee of Contractor, any Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation in this Construction Agreement shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any Subcontractor under workers’ or workmen’s compensation acts, disability benefit acts or other employee benefit acts.

9. INSURANCE

A. Contractor shall purchase and maintain during the entire term of this Construction Agreement, including any extensions of the Contract Time through Change Orders, such commercial general liability and other insurance as will provide protection from claims set forth below which may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether such performance is by Contractor, by any Subcontractor, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- 1) Claims under workers' or workmen's compensation, disability benefits and other similar employee benefit acts;
- 2) Claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor's employees;
- 3) Claims for damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees;
- 4) Claims for damages insured by personal injury liability coverage which are sustained (i) by any person directly or indirectly resulting from the employment of such person by Contractor, or (ii) by any person for any other reason;
- 5) Claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- 6) Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle;
- 7) Claims for bodily injury or property damage arising out of completed operations; and
- 8) Claims involving tort liability assumed in this contract, to the extent granted in an unendorsed industry standard ("ISO") Commercial General Liability policy, or broader.

B. The insurance required of Contractor shall include the specific coverages and corresponding limits of liability provided below, or as required by law, whichever is greater, shall meet all requirements specified herein and shall be placed with insurance companies rated at least "A:XIII" by A.M. Best Company. All coverages shall be underwritten by carriers authorized to do business in Colorado and acceptable to Owner. All such insurance shall contain a provision that the coverage afforded will not be canceled, materially changed or renewal refused until at least thirty (30) days' prior written notice has been given to Owner and Engineer. All such insurance shall remain in effect until final payment and at all times thereafter when Contractor may be correcting, removing or replacing defective Work. In addition, Contractor shall maintain Products/Completed Operations insurance for at least eight (8) years after final payment and furnish Owner with evidence of continuation of such insurance at final payment and one (1) year thereafter.

C. Contractor shall obtain and maintain insurance coverage as provided herein, including the following:

1) Worker's Compensation and Employers' Liability:

- a) State: Statutory;
- b) Employers' Liability: \$500,000 Each Accident; \$500,000 Disease, Policy Limit; \$500,000 Disease, Each Employee;
- c) A Waiver of Subrogation in favor of the Owner, its directors, officers and employees shall be attached to the policy as a separate endorsement.

2) General Liability (Occurrence Form):

- a) Combined Bodily Injury and Property Damage: \$1,000,000 each occurrence; \$1,000,000 Personal and Advertising Injury; \$2,000,000 General Aggregate; \$1,000,000 Products/Completed Operations Aggregate;
- b) The following coverages must be included:
 - i. Premises Operations;
 - ii. Independent Contractor's Protective;
 - iii. Explosion, Collapse;
 - iv. Underground;
 - v. Contractual;
 - vi. Broad Form Property Damage;
 - vii. Personal/Advertising Injury;
 - viii. General Aggregate Limit (applies to each project);
 - ix. Products and Completed Operations Insurance shall be maintained by the Contractor for a minimum of 8 years after final payment, and the Contractor shall continue to provide evidence of such coverage to the Owner on an annual basis during the aforementioned period;
 - x. Subcontractors shall comply with all insurance requirements in this part; and

xi. A waiver of subrogation endorsement in favor of the Owner, its directors, officers and employees shall be attached to the policy as a separate endorsement.

xii. Deletion of the subsidence exclusion.

3) Automobile Liability:

a) Combined Bodily Injury and Property Damage: \$1,000,000 per person; \$1,000,000 each Accident;

b) The following coverages must be included: Owned automobiles, Non-owned and hired automobiles.

4) Umbrella Excess Liability: \$6,000,000 each Occurrence/\$6,000,000 Aggregate.

5) Builder's Risk Insurance.

a) The builder's risk insurance policy shall be on an "all risk" basis for the entire Project and shall include: (1) coverage for any ensuing loss from faulty workmanship, defective materials, and omission or deficiency in design or specifications; (2) coverage against damage or loss caused by earth movement, flood, fire, hail, lightning, wind, explosion, smoke, water damage, theft, vandalism and malicious mischief and machinery accidents and operational testing; (3) coverage for removal of debris, and insuring the buildings, structures, machinery, equipment, facilities, fixtures and all other properties constituting a part of the Project; (4) transit coverage, with sub-limits sufficient to insure the full replacement value of any key equipment item and (5) coverage with sub-limits sufficient to insure the full replacement value of any property or equipment stored either on or off the Site. The policy shall provide for coverage in the event an occupancy or use permit is issued for any portion or portions of the Work prior to Substantial Completion of the Work. Builder's risk insurance shall be written in completed value form and shall protect Contractor and Owner. The amount of such insurance shall be not less than the insurable value of the Work at completion less the value of the materials and equipment insured under installation floater insurance and shall provide for recovery on a "replacement cost" basis.

b) Builder's risk insurance shall provide for losses to be payable to Contractor and Owner as their interests may appear. The policy shall contain a provision that in the event of payment for any loss under the coverage provided the insurance company shall have no rights of recovery against the Contractor or Owner.

6) To the extent that Contractor's work, or work under its direction, may require blasting, explosive conditions, or underground operations, the commercial general liability coverage shall contain no exclusion relative to blasting, explosion, collapse of buildings, or damage to underground property.

7) Insured losses under policies of insurance which include Owner's interests shall be adjusted with Owner and made payable to Owner as trustee for the insureds, as their interests may appear, subject to the requirements of any applicable mortgage clause, and any direction by arbitrators. Owner as trustee shall have the right to adjust and settle losses with the insurers unless one of the parties in interest shall object in writing within 5 days after the occurrence of loss to Owner's exercise of this power and, if such objection be made, arbitrators shall be chosen as provided in the General Conditions or Special Provisions. Owner as trustee shall, in that case, make settlement with the insurers in accordance with the direction of such arbitrators. If distribution of the insurance proceeds by arbitration is required, the arbitrators will direct such distribution. Owner waives all rights against Contractor and Engineer for damage caused by fire or other perils but only to the extent that such damage is covered by insurance and only to the extent that such damage does not fall within the indemnification given by Contractor in this Construction Agreement. Owner shall have no liability for damages caused by fire or other perils.

D. Prior to the commencement of any Work under these Contract Documents, the Contractor shall furnish to the District and Town proof of liability coverage on ACORD Form 25, and proof of coverage under any property policies on ACORD Form 27 or the equivalents, and copies of the applicable insurance policies and policy endorsements to prove that all required insurance is in force. Insurance obtained by the Contractor shall be subject to approval by the Owner for adequacy of protection. Neither approval by the Owner of any insurance supplied by Contractor, nor failure to disapprove such insurance shall relieve the Contractor of its obligation to maintain in full force during the life of the Contract Documents all required insurance as set forth herein. Insurance certificates required by this Construction Agreement shall be attached hereto as **Exhibit D**.

E. No insurance coverages required to be obtained by Contractor pursuant to this Construction Agreement shall have a deductible greater than \$1,000 or as reasonably approved by Owner. The Contractor is solely responsible for the payment of any deductible(s).

F. If any policy required under this Construction Agreement is a claims-made policy, the policy shall provide the Contractor the right to purchase, upon cancellation or termination by refusal to renew the policy, an extended reporting period of not less than one year. The Contractor agrees to purchase such an extended reporting period. The Contractor's failure to purchase such an extended reporting period as required by this Construction Agreement shall not relieve it of any liability under this Construction Agreement. If the policy is a claims-made policy, the retroactive date of any such renewal of such policy shall be not later than the date this Construction Agreement is executed by the parties hereto. If the Contractor purchases a subsequent claims-made policy in place of any prior policy, the retroactive date of such subsequent policy shall be no later than the date this Construction Agreement is executed by the Parties.

G. The Owner and its directors, officers, agents and employees and the Owner's Representative shall be designated as additional insureds on the Contractor's commercial general liability insurance and the automobile liability insurance and the same shall be clearly indicated on the applicable certificates of insurance provided to comply with the requirements of this Construction Agreement.

H. For any claims related to the provision of work or services by the Contractor, Contractor's insurance shall be primary insurance with respect to the Owner and its directors, officers, employees and agents. Any insurance maintained by the Owner (or its directors, officers, employees and agents) shall be excess of Contractor's insurance and shall not contribute with it.

I. Contractor's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

J. Each commercial general liability policy and, though not a general liability policy, any worker's compensation policy, shall waive any right of subrogation against the Owner and its directors, officers, employees and agents through a separate policy endorsement.

K. Any failure on the part of the Contractor to comply with reporting provisions or other conditions of the policies shall not affect the obligation of the Contractor to provide the required coverage to the Owner and its directors, officers, employees and agents. If the Contractor fails to obtain or maintain the required coverage, the Owner may obtain such coverage. The Contractor shall be liable to the Owner for any costs associated in procuring and maintaining in force any such insurance coverage.

10. SURETY / BONDS

A. Contractor shall furnish a Performance Bond and a Labor and Materials Payment Bond in an amount at least equal to the Contract Price as security for the faithful performance and payment of any and all of Contractor's obligations under the Contract Documents. Contractor shall also furnish such other Bonds as are required herein by the Supplementary Conditions. All Bonds shall be in a form reasonably acceptable to the District and be executed by such Sureties authorized to do business in the State of Colorado as are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Audit Staff Bureau of Accounts, U.S. Treasury Department. Each Bond shall be accompanied by a "Power of Attorney" authorizing the attorney in fact to bind the Surety and certified to include the date of the Bond. Bonds required by this Construction Agreement shall be attached hereto as **Exhibit E**.

B. The Performance Bond and Labor and Materials Payment Bond shall be in an amount equal to one hundred percent (100%) of the Contract Price, as indicated by Change Orders and/or Modifications, as security for payment of all wages and bills contracted for materials, supplies, and equipment used in the performance of the Construction Agreement.

C. If the Surety on any bond furnished by Contractor is declared a bankrupt or becomes insolvent, or its right to do business is terminated in any state where any part of the Project is located or it ceases to meet the surety requirements of this Construction Agreement, Contractor shall, within five (5) days thereafter, substitute another bond and Surety acceptable to Owner.

11. DEFAULT

If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Construction 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 Construction Agreement as remaining in full force and effect; or (ii) terminate this Construction 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.

12. TERMINATION

A. Owner May Terminate.

1) Upon the occurrence of any one or more of the following events, Owner may terminate the Construction Agreement:

- a) If Contractor is adjudged a bankrupt or insolvent;
- b) If Contractor makes a general assignment for the benefit of creditors;
- c) If a trustee or receiver is appointed for Contractor or for any of Contractor's property;
- d) If Contractor files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
- e) If Contractor repeatedly fails to supply sufficient skilled workmen or suitable materials or equipment;
- f) If Contractor repeatedly fails to make prompt payments to Subcontractors for labor, materials or equipment;
- g) If Contractor disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
- h) If Contractor disregards the authority of Engineer;
- i) Failure of the Contractor to start the Work on the date given in the Notice to Proceed;
- j) Substantial evidence that progress being made by the Contractor is insufficient to complete the Work within the specified time;
- k) Deliberate failure on the part of the Contractor to observe any requirement of the Specifications (Project Specifications);

l) Failure of the Contractor to promptly make good any defects in materials or Work or any defects of any other nature, the correction of which has been directed in writing by the Engineer;

m) If Contractor fails to remedy any default under the Contract Documents within seven (7) days of receipt of Notice of such default from Owner; or

n) If Contractor otherwise violates in any material way any provisions of the Contract Documents.

2) Before the Construction Agreement is terminated, the Contractor and its Surety will first be notified in writing by the Engineer of the conditions which make termination of the Construction Agreement imminent. Seven (7) days after this notice is given, if a satisfactory effort has not been made by the Contractor or its Surety to correct the conditions, the Owner may declare the Construction Agreement terminated and notify the Contractor and its Surety accordingly. Upon receipt of notice from the Owner that the Construction Agreement has been terminated, the Contractor shall immediately discontinue all operations. The Owner may then proceed with the Work in any lawful manner that it may elect until it is finally completed. Owner may exclude Contractor from the Site and take possession of the Work, incorporate in the Work all materials stored at the Site or for which Owner has paid Contractor but which are stored elsewhere, and finish the Work as Owner may deem expedient. In such case Contractor shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Contract Price exceeds the direct and indirect costs of completing the Work, including compensation for additional professional services, including but not limited to fees and charges of engineers and attorneys and any court or arbitration costs, such excess shall be paid to the Contractor. If such costs exceed such unpaid balance, Contractor shall pay the difference to Owner. Such costs incurred by Owner shall be verified by Engineer and incorporated in a Change Order, but in finishing the Work, Owner shall not be required to obtain the lowest figure for the Work performed.

3) Where Contractor's services have been so terminated by Owner, the termination shall not affect any rights of Owner against Contractor then existing or which may thereafter accrue. Any retention or payment of moneys due Contractor by Owner will not release Contractor from liability.

B. Owner May Terminate for Convenience.

1) The Owner may terminate the performance of Work under the Contract Documents in accordance with this section without cause and in the Owner's sole and absolute discretion. Such termination may be in whole, or from time to time, in part. Any such termination shall be effected by delivery of a written notice of termination to the Contractor specifying the extent to which performance of Work under the Contract Documents is terminated and the date upon which termination becomes effective.

2) After receipt of a notice of termination, and except as otherwise directed by the Owner, the Contractor shall:

a) Stop Work under the Contract Documents on the date and to the extent specified in the notice of termination.

b) Place no further orders or subcontracts for materials, services, or facilities except as necessary to complete the portion of the Work under the Contract Documents which is not terminated.

c) Terminate all orders and subcontracts to the extent that they relate to the performance of Work terminated by the notice of termination.

d) Assign to the Owner, in the manner, at the times, and to the extent directed by the Owner, all of the right, title, and interest of the Contractor under the orders and subcontracts so terminated. The Owner shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

e) Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Owner to the extent it may require. Its approval or ratification shall be final for all purposes of this clause.

f) Transfer to the Owner, and deliver in the manner, at the times, and to the extent, if any directed by the Owner:

i. The fabricated or unfabricated parts, Work in process, completed Work, supplies, and other material produced as a part of, or acquired in connection with the performance of, the Work terminated by the notice of termination; and

ii. The completed or partially completed plans, drawings, information, and other property which, if the Project had been completed would have been required to be furnished to the Owner.

g) Use its best efforts to sell, in the manner, at the times, to the extent, and at the price or prices that the Owner directs or authorizes, any property of the types referred to in subsection f)., above, but the Contractor:

i. shall not be required to extend credit to any purchaser; and

ii. may acquire any such property under the conditions prescribed and at a price or prices approved by the Owner. The proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Owner to the Contractor under the Contract Documents or shall otherwise be credited to the Agreement Price or cost of

the Work covered by the Contract Documents or paid in such other manner as the Owner may direct.

h) Complete performance of such part of the Work as shall not have been terminated by the notice of termination.

i) Take such action as may be necessary, or as the Owner may direct, for the protection and preservation of the property related to the Project which is in the possession of the Contractor and in which the Owner has or may acquire an interest.

3) After receipt of a notice of termination, the Contractor shall submit to the Owner its termination claim, in the form and with the certification the Owner prescribes. Such claim shall be submitted promptly, but in no event later than sixty (60) days from the effective date of the termination, unless one or more extensions in writing are granted by the Owner upon request of the Contractor made in writing within such sixty (60) day period or authorized extension. However, if the Owner determines that the facts justify such action, it may receive and act upon any such termination claim at any time after such sixty (60) day period or extension. If the Contractor fails to submit its termination claim within the time allowed, the Owner may determine, on the basis of information available to Owner, the amount, if any, due to Contractor because of the termination. The Owner shall then pay to the Contractor the amount so determined.

4) Subject to the provisions of this paragraph, the Contractor and the Owner may agree upon the whole or any part of the amount or amounts to be paid to the Contractor because of the total or partial termination of Work under this subsection. The amount or amounts may include a reasonable allowance for profit on Work done if acceptable to Owner. However, such agreed amount or amounts, exclusive of settlement costs, shall not exceed the total Contract Price as reduced by the amount of payments otherwise made and as further reduced by the Agreement Price of the portion of the Work not terminated. The Contract Documents shall be amended accordingly, and the Contractor shall be paid the agreed amount. Nothing in this paragraph prescribing the amount to be paid to the Contractor in the event of the failure of the Contractor and the Owner to agree upon the whole amount to be paid to the Contractor because of termination of Work under this section, shall be deemed to limit, restrict, or otherwise determine or affect the amount or amounts which may be agreed upon to be paid to the Contractor pursuant to this paragraph.

5) If the Contractor and the Owner fail to agree on the whole amount to be paid to the Contractor because of the termination of Work under this section, the Owner shall determine, on the basis of information available to Owner, the amount, if any, due to the Contractor by reason of the termination and shall pay the Contractor the amounts determined as follows:

a) For all Contract Work performed before the effective date of the notice of termination the total (without duplication of any items) of:

i. The reasonable costs actually incurred by Contractor for work performed prior to termination. Reasonable costs shall not include any overhead expenses, including but not limited to, rent, insurance, supervision, superintendents, timekeepers, clerks, expeditors, watchmen, small tools, incidental job burdens and general office expenses.

ii. The cost of settling and paying claims arising out of the termination of Work under subcontracts or orders as provided above. This cost is exclusive of the amounts paid or payable on account of supplies or materials delivered or services furnished by the Subcontractor before the effective date of the notice of termination. These amounts shall be included in the cost on account of which payment is made.

b) The total sum to be paid to the Contractor shall not exceed the total Agreement Price as reduced by the amount of payments otherwise made and as further reduced by the Agreement Price of Work not terminated. Except for normal spoilage, and except to the extent that the Owner shall have otherwise expressly assumed the risk of loss, there shall be excluded from the amounts payable to the Contractor the fair value, as determined by the Owner, of property to the extent that it is undeliverable to the Owner, or to another buyer. If the parties do not reach agreement under this section and the Owner utilizes this paragraph, no allowance for profit shall be included in the calculation of the sum to be paid to Contractor.

6) The Contractor shall have the right to dispute under the Contract Documents. But, if the Contractor has failed to calculate and submit its claim and has failed to request an extension of time, it shall have no such right of appeal. In any case where the Owner has determined the amount due, the Owner shall pay to the Contractor the following:

a) If there is no right of appeal hereunder or if no timely appeal has been made, the amounts so determined by the Owner; or

b) If a dispute proceeding is initiated, the amount finally determined in such dispute proceeding.

7) In arriving at the amount due to the Contractor under this clause there shall be deducted:

a) All unliquidated advance or other payments on account therefor made to the Contractor, applicable to the terminated portion of the Work.

b) Any claim which the Owner may have against the Contractor in connection with the Contract Documents.

c) The agreed price for, or the proceeds of sale of, any materials, supplies or other things kept by the Contractor or sold, under the provisions of this section, and not otherwise recovered by or credited to the Owner.

8) If the termination hereunder is partial, before the settlement of the terminated portion of the Contract Documents, the Contractor may file with the Owner or request in writing for an equitable adjustment of the price or prices specified in the Contract Documents relating to the continuing portion of the Work (the portion not terminated by the Notice of Termination). Such equitable adjustment as may be agreed upon shall be made in the price or prices. Nothing contained herein shall limit the right of the Owner and the Contractor to agree upon the amount or amounts to be paid to the Contractor for the completion of the continued portion of the Work when the Contract Documents do not contain an established price for the continued portion.

C. Contractor May Stop Work or Terminate. If, through no act or fault of Contractor, the Work is suspended for a period of more than ninety (90) days by Owner or under an order of court or other public authority, or Engineer unreasonably fails to act on any Application for Payment, or Owner unreasonably fails to pay Contractor any sum finally determined to be due, then Contractor may, upon seven (7) days' written notice to Owner and Engineer, terminate the Construction Agreement and recover from Owner payment for all Work executed and any expense sustained plus reasonable termination expenses. In addition and in lieu of terminating the Construction Agreement, if Engineer has failed to act on an Application for Payment or Owner has failed to make any payment as aforesaid, Contractor may upon seven (7) days' notice to Owner and Engineer stop the Work until payment of all amounts then due. The provisions of this paragraph shall not relieve Contractor of its obligations to carry on the Work in accordance with the progress schedule and without delay during disputes and disagreements with Owner.

13. NOTICE

A. 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: Ledge Rock Center Commercial Metropolitan District
Attn: Spencer Fane, LLP, see below.

With a Copy To: Spencer Fane, LLP
1700 Lincoln Street, Suite 2000
Denver, CO 80203
Phone: (303) 839-3952
Email: doleary@spencerfane.com
Attn: David S. O'Leary

To Contractor: Carson Development Inc.
 13725 Metcalf Avenue, #337
 Overland Park, KS 66223
 816-550-5539
mikeschlup@corbinparkop.com
 Michel L. Schlup. President

B. 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.

14. MISCELLANEOUS

A. Contractor shall not, at any time, assign any interest in this Construction 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.

B. The terms of this Construction 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.

C. 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.

D. 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.

E. 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. The Contract Documents shall be construed in accordance with the laws of the State of Colorado, and particularly those relating to governmental contracts.

F. This Construction 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.

G. This Construction 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.

H. 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.

IN WITNESS WHEREOF, the parties have executed this Construction Agreement on the day and year first above written.

OWNER:

LEDGE ROCK CENTER COMMERCIAL METROPOLITIAN DISTRICT

By: _____
President

Address: _____

(SEAL)

STATE OF _____)
) ss.
COUNTY OF _____)

Subscribed and sworn to before me this _____ day of _____, 2022, by _____
as PRESIDENT of LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT.

Witness my hand and official seal.

My Commission expires: _____

(SEAL)

Notary Public

Notary Public

CONTRACTOR:

CARSON DEVELOPMENT INC

By: _____

Title: _____

Address: _____

Phone: _____

CONTRACTOR'S LICENSE NO.: _____

AGENT FOR SERVICE OF PROCESS: _____

STATE OF _____)
) ss.
COUNTY OF _____)

Subscribed and sworn to before me this _____ day of _____, 2022, by
_____ as _____ of CARSON
DEVELOPMENT INC.

Witness my hand and official seal.

My Commission expires: _____

(SEAL)

Notary Public

EXHIBIT A

Description of Work - See also Exhibit B for specific elements related to initial contract.

1. Project Monumentation and Signage, and any and all other work necessary to complete the work in accordance with Contract Documents, including the plans, specifications, and special provisions. Two monument/signs per Exhibit B.

EXHIBIT B
Contract Price

Ledge Rock Center Commercial Metropolitan District				
Exhibit B - Contract Price				
Item Description	Quantity	Unit	Unit Cost	Total Cost
1.0 GENERAL CONDITIONS				
Mobilization/Site Management				
Surveying/Staking				
Pothole Existing Utilities				
Geotechnical Testing Allowance				
Erosion Control				
80 Foot Tower	1	LS	\$ 125,000.00	\$ 125,000.00
50 Foot Tower	1	LS	\$ 125,000.00	\$ 125,000.00
Subtotal				\$ 250,000.00
2.0 STEEL				
80 Foot Tower	1	LS	\$ 112,354.00	\$ 112,354.00
50 Foot Tower	1	LS	\$ 78,057.00	\$ 78,057.00
Subtotal				\$ 190,411.00
3.0 FRAMING & DRYWALL				
80 Foot Tower	1	LS	\$ 160,311.00	\$ 160,311.00
50 Foot Tower	1	LS	\$ 108,724.00	\$ 108,724.00
Subtotal				\$ 269,035.00
4.0 CONCRETE				
80 Foot Tower - Footing Pads	1	LS	\$ 28,600.00	\$ 28,600.00
50 Foot Tower	1	LS	\$ 28,600.00	\$ 28,600.00
Subtotal				\$ 57,200.00
5.0 ELECTRIC				
80 Foot Tower	1	LS	\$ 19,113.00	\$ 19,113.00
50 Foot Tower	1	LS	\$ 17,422.00	\$ 17,422.00
Subtotal				\$ 36,535.00
6.0 STONE & STUCCO				
80 Foot Tower	1	LS	\$ 95,143.00	\$ 95,143.00
50 Foot Tower	1	LS	\$ 75,358.00	\$ 75,358.00
Subtotal				\$ 170,501.00
7.0 SIGNAGE				
80 Foot Tower	1	LS	\$ 176,960.00	\$ 176,960.00
50 Foot Tower	1	LS	\$ 176,960.00	\$ 176,960.00
Subtotal				\$ 353,920.00
8.0 PROJECT MANAGEMENT				
Project Management Fee	7.00%	LS	\$ 1,327,602	\$ 92,932.14
Subtotal				\$ 92,932.14
8.0 GENERAL CONTRACTOR FEE				
General Contractor Fee	7.00%	LS	\$ 1,327,602	\$ 92,932.14
Subtotal				\$ 92,932.14
Total				\$ 1,513,466.28

EXHIBIT C

Certification of Contractor

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

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

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

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

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

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

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

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

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

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

If the Contractor violates any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Construction Agreement immediately and the Contractor shall be liable to the District

for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Contractor to the Colorado Secretary of State, as required by law.

EXHIBIT D

Insurance Certificates

EXHIBIT E

Bonds

EXHIBIT F**Schedule**

Detail Schedule to be provided to Engineer/Owners Representative upon mobilization and updated monthly.

Project Start: Date of this Agreement
Projected Finish: December 15, 2022



May 15, 2022

Ledge Rock Commercial Metropolitan District, Board of Directors

Attn: David O'Leary, doleary@spencerfane.com

RE: Ledge Rock Center Commercial Metropolitan District, Project 01(Modified) – Bid Evaluation and Recommendation

The following is the bid evaluation and recommendation for the Ledge Rock Center Commercial Metropolitan District(LRCCMD) Project 01, sub projects:

- A. Public Improvements, Master Infrastructure;
- B. East Commercial;
- C. Highway 60.

The project has been further modified and limited from the original bidding to only a portion of Project A as outlined below due to funding requirements.

Notes regarding the bid and process:

- Project publicly released for bid on January 5th 2022 with public notice in the Johnstown Breeze newspaper and Denver Daily Journal(online and paper).
- Prebid meeting was held on January 11, 2022.
- Two Addendums were issued.
- Bid opening was on February 4th, 2022.

Notes regarding bids received:

- One bidder presented a bid for recognition: Carson Development Inc.,
 - Overlot Grading(Not Separated in Bid process) - \$4,083,801.48
 - Public Improvements - \$22,974,436.44
 - East Public Improvements - \$11,324,695.87
 - Highway 60 - \$0.00 Not bid
- Bid did not include the following items:
 - No Bid Bond (an alternative provided through subcontractor for sub work, letter of credit provided for other items, information provided after inquiry)
 - Bid forms partially completed (additional clarification supplied after inquiry and work reduced from original bid)
 - Project schedule limited, needing more detail, include timelines for each discipline in the Bid Form and any Phasing if considered.(supplied after inquiry)
 - List of all Subcontractors and all Suppliers incomplete;(supplied after inquiry)
 - List of all Material and Equipment Suppliers incomplete: (supplied after inquiry)

Initial Evaluation:

- East Commercial work is no longer in consideration at this time because:
 - Plans not advanced past concept to property contract for the work;

- Limited initial funding to secure/guarantee work.
- Highway 60 work is no longer in consideration because:
 - No bids were received;
 - Plans not advanced past concept to property contract for the work;
 - Limited initial funding to secure/guarantee work.
- All work significantly limited and tied to funding from the Johnstown Plaza Bond reimbursement/Escrow agreement and the requirement to limit scope of work till overall project funding/bonds issued.
- Initial evaluation compared the Engineers initial plan takeoffs and cost projections and compared to bidder quantities and costs.
 - As listed above, bids were not consistent to the bid form and additional comparison was made along with inquiry and clarification of the bidder.
 - Costs:
 - Generally costs are higher than recent industry bids in the front range of Colorado. General industry limited workforce availability and material shortages have lead to a steep escalation in pricing over the past 6-12 months that is even greater than the 7-10% yearly average over the recent four years, this bid was between 10-20% higher than late 2021 costs, however an analysis of costs from time of bid till May have shown 10-15% price increases.
 - Only one bidder so no immediate market comparison.
 - Final cost acceptance and proof of scope during the verification process will also be considered as part of the full district process.
 - Scope/Means/Methods:
 - Additional detail and limitation of scope of work requested and additional information provided as part of post bid inquiry/clarification.
 - Only demolition, grading, erosion control, ditch and underdrain and private underdrain have approved plans and have been approved for construction.
 - Geotech and surveyor contracted directly with the bidder/contractor, this is non typical and will require documentation to the District to verify cost/scope is appropriate and will be accepted as part of final verification and acceptance process.
 - Allowances have been provided due to some plans not being finished/approved or work still to be fully scoped. This work will require detailed documentation from the project manager and verified by the District as part of its final verification and acceptance process.

Project Security:

- During the bidding process not all elements to finalize a recommendation or contract were secured however since bidding additional items have been put in place with a couple still outstanding:



- Grading Plans – Town allowed grading at risk and is the basis for initial work, modifications have occurred from the time of bidding to now, detailed verification will be required;
- Infrastructure Plans – Plans are still being finalized, however the Town will review pipe material and initial work along with approving purchase of material to advance the project. The District will contract for the total work(materials plus construction) to secure an asset. Initial contracts will be only for water, sanitary sewer and storm drainage materials and construction, other elements will be put in place as funding and plans are approved.
- Land
 - The area west of High Plains Boulevard is not under Developer/District ownership, however the Town is permitting work on this property and as this issue is finalized work can move into these areas with an approved District contract or modification to current contracts.
 - The eastern half of Payton is not under Developer/District control/ownership, no work is currently being performed on this area but will need to be secured to build the roadways on the plans or as modified.
 - Offsite Sanitary Sewer Easement is not under Developer/District/Town control/ownership. The Town is working with property owners south of the project to secure this outfall across private property to the Towns right-of-way along WCR 46. Once the easement is secured the total construction can be contracted for.
- Financial Funds
 - Currently no bonds have been issued for the Ledge Rock Commercial Metropolitan District, however an aforementioned Escrow agreement utilizing Johnstown Plaza reimbursement/bond is being utilized on the Ledge Rock project and will be used for this initial construction;
 - Additional funding will be per an agreement with the Developer Funding Agreement for any work in excess of the above-mentioned funding or until such time as bonds are issued for this project. The Developer is providing a Letter of Credit that the District will have unfettered access to utilize funds to pay any subcontractors not paid by the Developer/Contractor or other subconsultants;
 - A performance and payment bond is being provided by the prime subcontractor, Connell that will be to the benefit of the Developer and District, this bond is limited to the work being performed by Connell and any work in addition to the contract will be the responsibility of the Developer either by initially funded developer advances and/or retained amounts satisfactory to the District to ensure payment of subcontractors and warranty work;
 - Once full funding is available the remaining projects/contracts can be reevaluated and reissued. Some additional bidding may be necessary to contract for the work.

**Recommendation:**

Bidding and final resolution for this contract has been very extensive and cumbersome due to the lack of full funding and issues identified above, however the District and the Town have had numerous meetings, discussions and established agreements and understandings to bridge the initial issues until such time as full funding, plan approval or property acquisition is available. Issuing this contract is in the best interest of the District and subsequently the Town to maintain the initial Developer momentum that has been created and to help maintain the project viability. Recommendation to issue an initial limited scope contract to Carson Development, Inc. for the general commercial area demolition, overlot grading, erosion control and associated miscellaneous elements as outlined in the contract.

Please let me know if you have any questions related to this document and feel free to contact me at 303-257-7653 or todd@terraformas.com.

A handwritten signature in blue ink, appearing to read "Todd A. Johnson", written over a light blue horizontal line.

Todd A. Johnson, P.E, President
LRCMD District Consultant
For and on behalf of:
Terra Forma Solutions, Inc.

CONSTRUCTION AGREEMENT

THIS **CONSTRUCTION AGREEMENT** is made this [____] day of [____], 2022, by and between **LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado located in the County of Weld, State of Colorado (“**Owner**” or “**District**”) and Carson Development Inc., a Corporation located in State of Kansas (“**Contractor**”).”

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 Contractor has experience in providing the Work described in **Exhibit A**, attached hereto and incorporated herein, and is willing to provide such Work to the District for reasonable consideration.

D. The Parties desire to enter into this Construction Agreement to establish the terms by which the Contractor will provide Work 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:

1. DEFINITIONS

A. Defined Terms. All terms not expressly defined herein shall have the same meaning as set forth in the General Conditions.

B. Contract Documents.

1) The “**Contract Documents**” which comprise the entire agreement between Owner and Contractor, and which are attached to this Construction Agreement and are incorporated herein by this reference, consist of the following in the following order of precedence:

- a) This Construction Agreement, as may be amended from time to time;
- b) The Exhibits to this Construction Agreement, as may be amended from time to time;
- c) Special Provisions, if any, as may be amended from time to time;
- d) General Conditions;

- e) Supplemental Conditions, if any, as may be amended from time to time;
- f) Change Orders;
- g) Specifications (Project Specifications);
- h) Drawings;
- i) Field Orders;
- j) Bid Documents;
- k) Notice of Award; and
- l) Notice to Proceed.

2) There are no Contract Documents other than those listed in this section, above. The Contract Documents may only be altered, amended or repealed by a Modification and/or Change Order. In the event of a conflict between this Construction Agreement and the General Conditions, this Construction Agreement shall control.

2. CONTRACT PRICE

For the performance of Work and completion of the Project: **Ledge Rock Water and Sewer Pipeline – Grading** as specified in the Contract Documents, the Contract Price shall be as set forth in **Exhibit B** attached hereto, with a total contract amount not to exceed **\$3,340,474.15 Three Million, Three Hundred Forty Thousand, Four Hundred Seventy Four and 15/100 dollars**, unless otherwise approved in advance by the Owner through a written Modification and/or Change Order.

3. TAXES

A. Contractor shall pay all sales, consumer, use and other similar taxes required to be paid by it.

B. Owner is exempt from Colorado State sales and use taxes. Accordingly, taxes from which Owner is exempt shall not be included in the Contract Price. Owner shall, upon request, furnish Contractor with a copy of its certificate of tax exemption. Contractor and Subcontractors shall apply to the Colorado Department of Revenue, Sales Tax Division, for an Exemption Certificate and purchase the materials tax free. Contractor and Subcontractors shall be solely liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate, or for any sales tax that is imposed. Contractor and Subcontractors shall indemnify and hold the Owner harmless for any liability related to sales and use tax.

4. ENGINEER / OWNER'S REPRESENTATIVE

A. The Owner hereby designates Terra Forma Solutions, Inc., Point Consulting, LLC, CTL Thompson or as designated by Owners Representative as the “**Engineer**”, who will assume all duties and responsibilities of and who will have the rights and authority assigned to Engineer in the Contract Documents.

B. The Owner hereby designates Terra Forma Solutions, Inc., as “**Owner’s Representative**”, who will assume all duties and responsibilities of, and who will have the rights and authority assigned to Owner’s Representative in the Contract Documents. Owner’s Representative will make him/herself available to perform its services under the Contract Documents. Owner’s Representative may also undertake some duties and responsibilities assigned to Engineer.

5. PERFORMANCE

A. Liens; Lien Waivers. Contractor shall not allow any lien or encumbrance of any sort to be fixed against the District or its property. By executing this Construction Agreement, Contractor acknowledges that the Project is a public project that is not subject to 38-22-101 *et seq.*, C.R.S. (General Mechanics’ Liens), and that 38-26-101 *et seq.*, C.R.S. (Contractor’s Bonds and Lien on Funds) instead applies. Contractor shall provide to the District written lien/claim waivers for all Work in a form approved by the District. Until Contractor provides such lien/claim waivers, the District may withhold from payment to Contractor a sum that District considers sufficient to pay any unpaid claims for Work performed, as set forth in Section 38-26-107, C.R.S. The District is not obligated to pay any of Contractor’s unpaid bills, but after giving notice to Contractor, District may pay Contractor’s unpaid bills and any such payment shall be considered as a payment made to Contractor under this Construction Agreement. Upon the resolution of all claims, if any, filed pursuant to Section 38-26-107, C.R.S., the District shall make final payment, including release of any retainage, to Contractor, in accordance with Section 38-26-107, C.R.S.

B. Compliance with Applicable Law. The Contractor shall provide the Work 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.

C. No Right or Interest in District Assets. The Contractor 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 Construction Agreement or the performance of the Work contemplated herein.

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

E. Limitations on Authority. The Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any debt, contractually bind, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Construction 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 Contractor shall at all times conform to the stated policies established and approved by the District.

F. Independent Contractor Status. The Contractor 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 Contractor or any of its employees, agents, subcontractors or suppliers as employees of the District. The Work to be performed by the Contractor 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 Contractor for the Work performed as provided herein. The District shall not be responsible for the Contractor's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. The Contractor is not entitled to worker's compensation benefits and the Contractor is obligated to pay federal and state income taxes on moneys earned pursuant to this Construction Agreement.

6. CONTRACTOR'S REPRESENTATIONS

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

A. 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.

B. Contractor has carefully studied the Site and has performed all necessary investigations, tests, subsurface investigations to define the latent physical conditions of the construction Site affecting cost, progress, or performance of Project.

C. 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 Contract Price, within the Contract Time, and in accordance with the other terms and conditions of the Contract Documents.

D. Contractor has correlated the results of all such observations, examinations, investigations, tests, reports and data with the terms and conditions of the Contract Documents.

E. Contractor has given Engineer 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.

F. Contractor certifies that less than fifty percent (50%) of the work has been subcontracted.

7. OWNER'S REPRESENTATIONS

Owner makes the following representations:

A. Subject to Annual Budget and Appropriation; District Debt. This Construction Agreement is subject to the provisions of Section 24-91-103.6, C.R.S., as amended. The District has appropriated money equal to or in excess of the Contract Price. The District shall deposit appropriated funds in an amount sufficient to pay all work, including wages, and bills contracted for materials, supplies, and equipment use during a thirty (30)-day period ("**30-Day Draw**

Period) into a project funds account to be drawn against by the District according to Contractor's verified invoices ("**Project Funds Account**"), which shall be submitted not less frequently than monthly. This Construction Agreement is subject to annual appropriation by the District. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation within the meaning of any Colorado constitutional provision or statutory limitation.

B. 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 during the 30-Day Draw Period to exceed the amount on deposit in the Project Funds Account. Nor shall Owner 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 Construction Agreement to exceed the amount appropriated for the original Contract 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 Construction Agreement. By executing a Change Order which causes an increase in the Contract 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.

8. INDEMNIFICATION

A. Contractor shall indemnify save harmless and defend the Owner, the Engineer and all of their consultants, directors, officers, agents and employees, from any and all claims, demands, losses, liabilities, actions, lawsuits and expenses (including reasonable attorneys' fees), arising directly or indirectly, in whole or in part, out of the negligence or any criminal or tortious act or omission of the Contractor or any of its employees, agents, Subcontractors or any person for whom Contractor is responsible, in connection with this Agreement and the scope of services hereunder, whether any such negligence or any criminal or tortious act or omission is within or beyond the scope of its duties or authority. Contractor agrees that the policy limits of the coverage which the Contractor is required to maintain pursuant to the Contract Documents, including property damage insurance and excess coverages, shall not act as limitations on the Contractor's obligation to indemnify the Owner, Owner's Representative, and each of their consultants, including the Engineer and their directors, officers, agents and employees.

B. In any and all claims against Owner or Engineer or any of their agents or employees or the Owner's Representative by any employee of Contractor, any Subcontractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation in this Construction Agreement shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Contractor or any Subcontractor under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

9. INSURANCE

A. Contractor shall purchase and maintain during the entire term of this Construction Agreement, including any extensions of the Contract Time through Change Orders, such commercial general liability and other insurance as will provide protection from claims set forth below which may arise out of or result from Contractor's performance of the Work and Contractor's other obligations under the Contract Documents, whether such performance is by Contractor, by any Subcontractor, by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable:

- 1) Claims under workers' or workmen's compensation, disability benefits and other similar employee benefit acts;
- 2) Claims for damages because of bodily injury, occupational sickness or disease, or death of Contractor's employees;
- 3) Claims for damages because of bodily injury, sickness or disease, or death of any person other than Contractor's employees;
- 4) Claims for damages insured by personal injury liability coverage which are sustained (i) by any person directly or indirectly resulting from the employment of such person by Contractor, or (ii) by any person for any other reason;
- 5) Claims for damages, other than to the Work itself, because of injury to or destruction of tangible property, including loss of use resulting therefrom;
- 6) Claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle;
- 7) Claims for bodily injury or property damage arising out of completed operations; and
- 8) Claims involving tort liability assumed in this contract, to the extent granted in an unendorsed industry standard ("ISO") Commercial General Liability policy, or broader.

B. The insurance required of Contractor shall include the specific coverages and corresponding limits of liability provided below, or as required by law, whichever is greater, shall meet all requirements specified herein and shall be placed with insurance companies rated at least "A:XIII" by A.M. Best Company. All coverages shall be underwritten by carriers authorized to do business in Colorado and acceptable to Owner. All such insurance shall contain a provision that the coverage afforded will not be canceled, materially changed or renewal refused until at least thirty (30) days' prior written notice has been given to Owner and Engineer. All such insurance shall remain in effect until final payment and at all times thereafter when Contractor may be correcting, removing or replacing defective Work. In addition, Contractor shall maintain Products/Completed Operations insurance for at least eight (8) years after final payment and furnish Owner with evidence of continuation of such insurance at final payment and one (1) year thereafter.

C. Contractor shall obtain and maintain insurance coverage as provided herein, including the following:

1) Worker's Compensation and Employers' Liability:

- a) State: Statutory;
- b) Employers' Liability: \$500,000 Each Accident; \$500,000 Disease, Policy Limit; \$500,000 Disease, Each Employee;
- c) A Waiver of Subrogation in favor of the Owner, its directors, officers and employees shall be attached to the policy as a separate endorsement.

2) General Liability (Occurrence Form):

- a) Combined Bodily Injury and Property Damage: \$1,000,000 each occurrence; \$1,000,000 Personal and Advertising Injury; \$2,000,000 General Aggregate; \$1,000,000 Products/Completed Operations Aggregate;
- b) The following coverages must be included:
 - i. Premises Operations;
 - ii. Independent Contractor's Protective;
 - iii. Explosion, Collapse;
 - iv. Underground;
 - v. Contractual;
 - vi. Broad Form Property Damage;
 - vii. Personal/Advertising Injury;
 - viii. General Aggregate Limit (applies to each project);
 - ix. Products and Completed Operations Insurance shall be maintained by the Contractor for a minimum of 8 years after final payment, and the Contractor shall continue to provide evidence of such coverage to the Owner on an annual basis during the aforementioned period;
 - x. Subcontractors shall comply with all insurance requirements in this part; and

xi. A waiver of subrogation endorsement in favor of the Owner, its directors, officers and employees shall be attached to the policy as a separate endorsement.

xii. Deletion of the subsidence exclusion.

3) Automobile Liability:

a) Combined Bodily Injury and Property Damage: \$1,000,000 per person; \$1,000,000 each Accident;

b) The following coverages must be included: Owned automobiles, Non-owned and hired automobiles.

4) Umbrella Excess Liability: \$6,000,000 each Occurrence/\$6,000,000 Aggregate.

5) Builder's Risk Insurance.

a) The builder's risk insurance policy shall be on an "all risk" basis for the entire Project and shall include: (1) coverage for any ensuing loss from faulty workmanship, defective materials, and omission or deficiency in design or specifications; (2) coverage against damage or loss caused by earth movement, flood, fire, hail, lightning, wind, explosion, smoke, water damage, theft, vandalism and malicious mischief and machinery accidents and operational testing; (3) coverage for removal of debris, and insuring the buildings, structures, machinery, equipment, facilities, fixtures and all other properties constituting a part of the Project; (4) transit coverage, with sub-limits sufficient to insure the full replacement value of any key equipment item and (5) coverage with sub-limits sufficient to insure the full replacement value of any property or equipment stored either on or off the Site. The policy shall provide for coverage in the event an occupancy or use permit is issued for any portion or portions of the Work prior to Substantial Completion of the Work. Builder's risk insurance shall be written in completed value form and shall protect Contractor and Owner. The amount of such insurance shall be not less than the insurable value of the Work at completion less the value of the materials and equipment insured under installation floater insurance and shall provide for recovery on a "replacement cost" basis.

b) Builder's risk insurance shall provide for losses to be payable to Contractor and Owner as their interests may appear. The policy shall contain a provision that in the event of payment for any loss under the coverage provided the insurance company shall have no rights of recovery against the Contractor or Owner.

6) To the extent that Contractor's work, or work under its direction, may require blasting, explosive conditions, or underground operations, the commercial general liability coverage shall contain no exclusion relative to blasting, explosion, collapse of buildings, or damage to underground property.

7) Insured losses under policies of insurance which include Owner's interests shall be adjusted with Owner and made payable to Owner as trustee for the insureds, as their interests may appear, subject to the requirements of any applicable mortgage clause, and any direction by arbitrators. Owner as trustee shall have the right to adjust and settle losses with the insurers unless one of the parties in interest shall object in writing within 5 days after the occurrence of loss to Owner's exercise of this power and, if such objection be made, arbitrators shall be chosen as provided in the General Conditions or Special Provisions. Owner as trustee shall, in that case, make settlement with the insurers in accordance with the direction of such arbitrators. If distribution of the insurance proceeds by arbitration is required, the arbitrators will direct such distribution. Owner waives all rights against Contractor and Engineer for damage caused by fire or other perils but only to the extent that such damage is covered by insurance and only to the extent that such damage does not fall within the indemnification given by Contractor in this Construction Agreement. Owner shall have no liability for damages caused by fire or other perils.

D. Prior to the commencement of any Work under these Contract Documents, the Contractor shall furnish to the District and Town proof of liability coverage on ACORD Form 25, and proof of coverage under any property policies on ACORD Form 27 or the equivalents, and copies of the applicable insurance policies and policy endorsements to prove that all required insurance is in force. Insurance obtained by the Contractor shall be subject to approval by the Owner for adequacy of protection. Neither approval by the Owner of any insurance supplied by Contractor, nor failure to disapprove such insurance shall relieve the Contractor of its obligation to maintain in full force during the life of the Contract Documents all required insurance as set forth herein. Insurance certificates required by this Construction Agreement shall be attached hereto as **Exhibit D**.

E. No insurance coverages required to be obtained by Contractor pursuant to this Construction Agreement shall have a deductible greater than \$1,000 or as reasonably approved by Owner. The Contractor is solely responsible for the payment of any deductible(s).

F. If any policy required under this Construction Agreement is a claims-made policy, the policy shall provide the Contractor the right to purchase, upon cancellation or termination by refusal to renew the policy, an extended reporting period of not less than one year. The Contractor agrees to purchase such an extended reporting period. The Contractor's failure to purchase such an extended reporting period as required by this Construction Agreement shall not relieve it of any liability under this Construction Agreement. If the policy is a claims-made policy, the retroactive date of any such renewal of such policy shall be not later than the date this Construction Agreement is executed by the parties hereto. If the Contractor purchases a subsequent claims-made policy in place of any prior policy, the retroactive date of such subsequent policy shall be no later than the date this Construction Agreement is executed by the Parties.

G. The Owner and its directors, officers, agents and employees and the Owner's Representative shall be designated as additional insureds on the Contractor's commercial general liability insurance and the automobile liability insurance and the same shall be clearly indicated on the applicable certificates of insurance provided to comply with the requirements of this Construction Agreement.

H. For any claims related to the provision of work or services by the Contractor, Contractor's insurance shall be primary insurance with respect to the Owner and its directors, officers, employees and agents. Any insurance maintained by the Owner (or its directors, officers, employees and agents) shall be excess of Contractor's insurance and shall not contribute with it.

I. Contractor's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

J. Each commercial general liability policy and, though not a general liability policy, any worker's compensation policy, shall waive any right of subrogation against the Owner and its directors, officers, employees and agents through a separate policy endorsement.

K. Any failure on the part of the Contractor to comply with reporting provisions or other conditions of the policies shall not affect the obligation of the Contractor to provide the required coverage to the Owner and its directors, officers, employees and agents. If the Contractor fails to obtain or maintain the required coverage, the Owner may obtain such coverage. The Contractor shall be liable to the Owner for any costs associated in procuring and maintaining in force any such insurance coverage.

10. SURETY / BONDS

A. Contractor shall furnish a Performance Bond and a Labor and Materials Payment Bond in an amount at least equal to the Contract Price as security for the faithful performance and payment of any and all of Contractor's obligations under the Contract Documents. Contractor shall also furnish such other Bonds as are required herein by the Supplementary Conditions. All Bonds shall be in a form reasonably acceptable to the District and be executed by such Sureties authorized to do business in the State of Colorado as are named in the current list of "Companies Holding Certificates of Authority as Acceptable Sureties on Federal Bonds and as Acceptable Reinsuring Companies" as published in Circular 570 (amended) by the Audit Staff Bureau of Accounts, U.S. Treasury Department. Each Bond shall be accompanied by a "Power of Attorney" authorizing the attorney in fact to bind the Surety and certified to include the date of the Bond. Bonds required by this Construction Agreement shall be attached hereto as **Exhibit E**.

B. The Performance Bond and Labor and Materials Payment Bond shall be in an amount equal to one hundred percent (100%) of the Contract Price, as indicated by Change Orders and/or Modifications, as security for payment of all wages and bills contracted for materials, supplies, and equipment used in the performance of the Construction Agreement.

C. If the Surety on any bond furnished by Contractor is declared a bankrupt or becomes insolvent, or its right to do business is terminated in any state where any part of the Project is located or it ceases to meet the surety requirements of this Construction Agreement, Contractor shall, within five (5) days thereafter, substitute another bond and Surety acceptable to Owner.

11. DEFAULT

If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Construction 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 Construction Agreement as remaining in full force and effect; or (ii) terminate this Construction 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.

12. TERMINATION

A. Owner May Terminate.

1) Upon the occurrence of any one or more of the following events, Owner may terminate the Construction Agreement:

- a) If Contractor is adjudged a bankrupt or insolvent;
- b) If Contractor makes a general assignment for the benefit of creditors;
- c) If a trustee or receiver is appointed for Contractor or for any of Contractor's property;
- d) If Contractor files a petition to take advantage of any debtor's act, or to reorganize under the bankruptcy or similar laws;
- e) If Contractor repeatedly fails to supply sufficient skilled workmen or suitable materials or equipment;
- f) If Contractor repeatedly fails to make prompt payments to Subcontractors for labor, materials or equipment;
- g) If Contractor disregards laws, ordinances, rules, regulations or orders of any public body having jurisdiction;
- h) If Contractor disregards the authority of Engineer;
- i) Failure of the Contractor to start the Work on the date given in the Notice to Proceed;
- j) Substantial evidence that progress being made by the Contractor is insufficient to complete the Work within the specified time;
- k) Deliberate failure on the part of the Contractor to observe any requirement of the Specifications (Project Specifications);

l) Failure of the Contractor to promptly make good any defects in materials or Work or any defects of any other nature, the correction of which has been directed in writing by the Engineer;

m) If Contractor fails to remedy any default under the Contract Documents within seven (7) days of receipt of Notice of such default from Owner; or

n) If Contractor otherwise violates in any material way any provisions of the Contract Documents.

2) Before the Construction Agreement is terminated, the Contractor and its Surety will first be notified in writing by the Engineer of the conditions which make termination of the Construction Agreement imminent. Seven (7) days after this notice is given, if a satisfactory effort has not been made by the Contractor or its Surety to correct the conditions, the Owner may declare the Construction Agreement terminated and notify the Contractor and its Surety accordingly. Upon receipt of notice from the Owner that the Construction Agreement has been terminated, the Contractor shall immediately discontinue all operations. The Owner may then proceed with the Work in any lawful manner that it may elect until it is finally completed. Owner may exclude Contractor from the Site and take possession of the Work, incorporate in the Work all materials stored at the Site or for which Owner has paid Contractor but which are stored elsewhere, and finish the Work as Owner may deem expedient. In such case Contractor shall not be entitled to receive any further payment until the Work is finished. If the unpaid balance of the Contract Price exceeds the direct and indirect costs of completing the Work, including compensation for additional professional services, including but not limited to fees and charges of engineers and attorneys and any court or arbitration costs, such excess shall be paid to the Contractor. If such costs exceed such unpaid balance, Contractor shall pay the difference to Owner. Such costs incurred by Owner shall be verified by Engineer and incorporated in a Change Order, but in finishing the Work, Owner shall not be required to obtain the lowest figure for the Work performed.

3) Where Contractor's services have been so terminated by Owner, the termination shall not affect any rights of Owner against Contractor then existing or which may thereafter accrue. Any retention or payment of moneys due Contractor by Owner will not release Contractor from liability.

B. Owner May Terminate for Convenience.

1) The Owner may terminate the performance of Work under the Contract Documents in accordance with this section without cause and in the Owner's sole and absolute discretion. Such termination may be in whole, or from time to time, in part. Any such termination shall be effected by delivery of a written notice of termination to the Contractor specifying the extent to which performance of Work under the Contract Documents is terminated and the date upon which termination becomes effective.

2) After receipt of a notice of termination, and except as otherwise directed by the Owner, the Contractor shall:

a) Stop Work under the Contract Documents on the date and to the extent specified in the notice of termination.

b) Place no further orders or subcontracts for materials, services, or facilities except as necessary to complete the portion of the Work under the Contract Documents which is not terminated.

c) Terminate all orders and subcontracts to the extent that they relate to the performance of Work terminated by the notice of termination.

d) Assign to the Owner, in the manner, at the times, and to the extent directed by the Owner, all of the right, title, and interest of the Contractor under the orders and subcontracts so terminated. The Owner shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.

e) Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Owner to the extent it may require. Its approval or ratification shall be final for all purposes of this clause.

f) Transfer to the Owner, and deliver in the manner, at the times, and to the extent, if any directed by the Owner:

i. The fabricated or unfabricated parts, Work in process, completed Work, supplies, and other material produced as a part of, or acquired in connection with the performance of, the Work terminated by the notice of termination; and

ii. The completed or partially completed plans, drawings, information, and other property which, if the Project had been completed would have been required to be furnished to the Owner.

g) Use its best efforts to sell, in the manner, at the times, to the extent, and at the price or prices that the Owner directs or authorizes, any property of the types referred to in subsection f)., above, but the Contractor:

i. shall not be required to extend credit to any purchaser; and

ii. may acquire any such property under the conditions prescribed and at a price or prices approved by the Owner. The proceeds of any such transfer or disposition shall be applied in reduction of any payments to be made by the Owner to the Contractor under the Contract Documents or shall otherwise be credited to the Agreement Price or cost of

the Work covered by the Contract Documents or paid in such other manner as the Owner may direct.

h) Complete performance of such part of the Work as shall not have been terminated by the notice of termination.

i) Take such action as may be necessary, or as the Owner may direct, for the protection and preservation of the property related to the Project which is in the possession of the Contractor and in which the Owner has or may acquire an interest.

3) After receipt of a notice of termination, the Contractor shall submit to the Owner its termination claim, in the form and with the certification the Owner prescribes. Such claim shall be submitted promptly, but in no event later than sixty (60) days from the effective date of the termination, unless one or more extensions in writing are granted by the Owner upon request of the Contractor made in writing within such sixty (60) day period or authorized extension. However, if the Owner determines that the facts justify such action, it may receive and act upon any such termination claim at any time after such sixty (60) day period or extension. If the Contractor fails to submit its termination claim within the time allowed, the Owner may determine, on the basis of information available to Owner, the amount, if any, due to Contractor because of the termination. The Owner shall then pay to the Contractor the amount so determined.

4) Subject to the provisions of this paragraph, the Contractor and the Owner may agree upon the whole or any part of the amount or amounts to be paid to the Contractor because of the total or partial termination of Work under this subsection. The amount or amounts may include a reasonable allowance for profit on Work done if acceptable to Owner. However, such agreed amount or amounts, exclusive of settlement costs, shall not exceed the total Contract Price as reduced by the amount of payments otherwise made and as further reduced by the Agreement Price of the portion of the Work not terminated. The Contract Documents shall be amended accordingly, and the Contractor shall be paid the agreed amount. Nothing in this paragraph prescribing the amount to be paid to the Contractor in the event of the failure of the Contractor and the Owner to agree upon the whole amount to be paid to the Contractor because of termination of Work under this section, shall be deemed to limit, restrict, or otherwise determine or affect the amount or amounts which may be agreed upon to be paid to the Contractor pursuant to this paragraph.

5) If the Contractor and the Owner fail to agree on the whole amount to be paid to the Contractor because of the termination of Work under this section, the Owner shall determine, on the basis of information available to Owner, the amount, if any, due to the Contractor by reason of the termination and shall pay the Contractor the amounts determined as follows:

a) For all Contract Work performed before the effective date of the notice of termination the total (without duplication of any items) of:

i. The reasonable costs actually incurred by Contractor for work performed prior to termination. Reasonable costs shall not include any overhead expenses, including but not limited to, rent, insurance, supervision, superintendents, timekeepers, clerks, expeditors, watchmen, small tools, incidental job burdens and general office expenses.

ii. The cost of settling and paying claims arising out of the termination of Work under subcontracts or orders as provided above. This cost is exclusive of the amounts paid or payable on account of supplies or materials delivered or services furnished by the Subcontractor before the effective date of the notice of termination. These amounts shall be included in the cost on account of which payment is made.

b) The total sum to be paid to the Contractor shall not exceed the total Agreement Price as reduced by the amount of payments otherwise made and as further reduced by the Agreement Price of Work not terminated. Except for normal spoilage, and except to the extent that the Owner shall have otherwise expressly assumed the risk of loss, there shall be excluded from the amounts payable to the Contractor the fair value, as determined by the Owner, of property to the extent that it is undeliverable to the Owner, or to another buyer. If the parties do not reach agreement under this section and the Owner utilizes this paragraph, no allowance for profit shall be included in the calculation of the sum to be paid to Contractor.

6) The Contractor shall have the right to dispute under the Contract Documents. But, if the Contractor has failed to calculate and submit its claim and has failed to request an extension of time, it shall have no such right of appeal. In any case where the Owner has determined the amount due, the Owner shall pay to the Contractor the following:

a) If there is no right of appeal hereunder or if no timely appeal has been made, the amounts so determined by the Owner; or

b) If a dispute proceeding is initiated, the amount finally determined in such dispute proceeding.

7) In arriving at the amount due to the Contractor under this clause there shall be deducted:

a) All unliquidated advance or other payments on account therefor made to the Contractor, applicable to the terminated portion of the Work.

b) Any claim which the Owner may have against the Contractor in connection with the Contract Documents.

c) The agreed price for, or the proceeds of sale of, any materials, supplies or other things kept by the Contractor or sold, under the provisions of this section, and not otherwise recovered by or credited to the Owner.

8) If the termination hereunder is partial, before the settlement of the terminated portion of the Contract Documents, the Contractor may file with the Owner or request in writing for an equitable adjustment of the price or prices specified in the Contract Documents relating to the continuing portion of the Work (the portion not terminated by the Notice of Termination). Such equitable adjustment as may be agreed upon shall be made in the price or prices. Nothing contained herein shall limit the right of the Owner and the Contractor to agree upon the amount or amounts to be paid to the Contractor for the completion of the continued portion of the Work when the Contract Documents do not contain an established price for the continued portion.

C. Contractor May Stop Work or Terminate. If, through no act or fault of Contractor, the Work is suspended for a period of more than ninety (90) days by Owner or under an order of court or other public authority, or Engineer unreasonably fails to act on any Application for Payment, or Owner unreasonably fails to pay Contractor any sum finally determined to be due, then Contractor may, upon seven (7) days' written notice to Owner and Engineer, terminate the Construction Agreement and recover from Owner payment for all Work executed and any expense sustained plus reasonable termination expenses. In addition and in lieu of terminating the Construction Agreement, if Engineer has failed to act on an Application for Payment or Owner has failed to make any payment as aforesaid, Contractor may upon seven (7) days' notice to Owner and Engineer stop the Work until payment of all amounts then due. The provisions of this paragraph shall not relieve Contractor of its obligations to carry on the Work in accordance with the progress schedule and without delay during disputes and disagreements with Owner.

13. NOTICE

A. 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: Ledge Rock Center Commercial Metropolitan District
Attn: Spencer Fane, LLP, see below.

With a Copy To: Spencer Fane, LLP
1700 Lincoln Street, Suite 2000
Denver, CO 80203
Phone: (303) 839-3952
Email: doleary@spencerfane.com
Attn: David S. O'Leary

To Contractor: Carson Development Inc.
 13725 Metcalf Avenue, #337
 Overland Park, KS 66223
 816-550-5539
mikeschlup@corbinparkop.com
 Michel L. Schlup. President

B. 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.

14. MISCELLANEOUS

A. Contractor shall not, at any time, assign any interest in this Construction 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.

B. The terms of this Construction 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.

C. 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.

D. 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.

E. 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. The Contract Documents shall be construed in accordance with the laws of the State of Colorado, and particularly those relating to governmental contracts.

F. This Construction 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.

G. This Construction 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.

H. 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.

IN WITNESS WHEREOF, the parties have executed this Construction Agreement on the day and year first above written.

OWNER:

LEDGE ROCK CENTER COMMERCIAL METROPOLITIAN DISTRICT

By: _____
President

Address: _____

(SEAL)

STATE OF _____)
) ss.
COUNTY OF _____)

Subscribed and sworn to before me this _____ day of _____, 2022, by _____ as PRESIDENT of LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT.

Witness my hand and official seal.

My Commission expires: _____

(SEAL)

Notary Public

Notary Public

CONTRACTOR:

CARSON DEVELOPMENT INC

By: _____

Title: _____

Address: _____

Phone: _____

CONTRACTOR'S LICENSE NO.: _____

AGENT FOR SERVICE OF PROCESS: _____

STATE OF _____)
) ss.
COUNTY OF _____)

Subscribed and sworn to before me this _____ day of _____, 2022, by
_____ as _____ of CARSON
DEVELOPMENT INC.

Witness my hand and official seal.

My Commission expires: _____

(SEAL)

Notary Public

EXHIBIT A

Description of Work, as outlined in *The Ledge Rock Water and Sewer Pipeline Escrow Agreement*. See Exhibit B for specific elements related to initial contract.

1. Sanitary Sewer system materials and construction, to generally include the following:
 - a. Sewer mains within Weld County Road 46, Purcell property, Payton, Carson, High Plains roadways and stubs into parcels;
 - b. Manholes;
 - c. Underdrain systems;
 - d. Associated appurtenances as outlined on the plans.
2. Water mains(domestic) materials and construction, to generally include the following:
 - a. Water mains within Payton, Carson, High Plains roadways and stubs into parcels;
 - b. Fire Hydrants, master meters, fittings, lowering, blowoffs;
 - c. Associated appurtenances as outlined on the plans.
3. Underdrain system materials and construction, to generally include the following:
 - a. Underdrain mains with the sewer mains listed above and as located on the site, shown on the plans;
 - b. Cleanouts/manholes;
 - c. Associated appurtenances as outlined on the plans.
4. Storm Drainage Facilities materials and construction, to generally include the following:
 - a. Pond(s) grading;
 - b. Underdrain systems below ponds, if necessary;
 - c. Water quality structures;
 - d. Detention control structures;
 - e. Swales, riprap, concrete channels, conveyance elements;
 - f. Associated appurtenances as outlined on the plans.
5. Overlot Grading construction, to generally include the following:
 - a. Highway 60, Payton, Carson, High Plains Roadway grading;
 - b. Demolition and Irrigation Ditch Relocation
 - c. Commercial site grading;
 - d. Associated appurtenances as outlined on the plans.
6. Erosion Control Elements for above listed areas, both materials and construction of the following:
 - a. Erosion, sediment, dust, etc. control device materials and construction
 - b. Permitting and monitoring
 - c. Maintenance and repair
7. Construction Survey
8. Construction Material Testing
9. Construction Management
10. Entitlements associated with above referenced work, Fees, Permitting costs.

EXHIBIT B Contract Price

Ledge Rock Center Commercial Metropolitan District Exhibit B - Contract Price					
Item Description	Quantity	Unit	Unit Cost	Total Cost	
1.0 SANITARY SEWER					
Future Contract					
Subtotal				\$	-
2.0 WATER					
Future Contract					
Subtotal				\$	-
3.0 UNDERDRAIN					
Future Contract					
Subtotal				\$	-
4.0 STORM DRAINAGE FACILITIES					
Future Contract					
Subtotal				\$	-
5.0 OVERLOT GRADING					
Public Improvements Strip Stockpile Topsoil W/ 627's Public Improvements Magellan And AT&T Crossings (Assume Designated Earth Crossings)	50,960	CY	\$ 2.67	\$	136,216.08
Public Improvements Pond Excv. w/Hoe&Off Hwy Trucks	2	EA	\$ 1,117.02	\$	2,234.03
Public Improvements Unclassified Excavation With 627's	46,778	CY	\$ 9.72	\$	454,864.41
Public Improvements Finish Grading - Overlot	204,811	CY	\$ 3.73	\$	763,738.35
Public Improvements Finish Grading - Pond Slopes	305,750	SY	\$ 0.33	\$	100,897.50
Public Improvements Temp Home Supply Ditch Crossing	25,310	SY	\$ 1.09	\$	27,562.59
Public Improvements Replace Stripped Topsoil 1 Ft Deep In Ponds LotsW/ 627 Scrapers	5	MO	\$ 3,034.05	\$	13,653.24
Traffic Control (*Allowance)	11,082	SY	\$ 3.25	\$	35,961.09
Pothole Existing Utilities (*Allowance)	1	LS	\$ 25,000.00	\$	25,000.00
Interceptor Drain - Excavation	100	EA	\$ 281.60	\$	28,160.00
Interceptor Drain - Bedding	4,400	LF	\$ 60.00	\$	264,000.00
Interceptor Drain - Felt & Pipe	6,800	TN	\$ 30.00	\$	204,000.00
Interceptor Special Equipment/Rental/Trench Box	4,400	LF	\$ 7.00	\$	30,800.00
Demolition	1	LS	\$ 32,000.00	\$	32,000.00
Public Improvements Tree Removal - Selective Trimming Around Electrical Lines At Existing Residences	1	LS	\$ 23,050.50	\$	23,050.50
Public Improvements Tree Removal Remainder Of Site Allowance (See Attached SAVATREE Quote)	1	LS	\$ 110,816.64	\$	110,816.64
Public Improvements Clear And Grub/Remove Stumps	228	AC	\$ 114.63	\$	26,135.87
Public Improvements Demolition Allowance	1	LS	\$ 43,513.27	\$	43,513.27
Public Improvements Remove Drain Tile Pipe And Replace Earthwork With Certified Fill Allowance	2,700	LF	\$ 28.58	\$	77,160.60
Irrigation Ditch Relocation					
Public Improvements Rem, Ex. Concrete Ditch Assume 4"	38,945	LS	\$ 2.08	\$	80,966.66
Public Improvements 24" Temporary Irrigation Crossing	80	LF	\$ 104.03	\$	8,322.16
Public Improvements Remove Irrigation Structure	6	EA	\$ 974.39	\$	5,846.35
Subtotal				\$	2,494,899.34
6.0 EROSION CONTROL					
Public Improvements Compacted Earthen Berm	16,500	LF	\$ 0.65	\$	10,708.50
Public Improvements Vehicle Tracking Control - Steel Plates	2	EA	\$ 5,583.11	\$	11,166.21
Public Improvements Seed And Mulch (Temporary)	127	AC	\$ 1,512.50	\$	192,087.50
Public Improvements Street Sweeping	40	HR	\$ 181.50	\$	7,260.00
Public Improvements Gravel Staging Area 4" (Cl 5 Agg Base)	4,840	SY	\$ 11.37	\$	55,050.16
Fiber Optic & Gas Line Easement Fencing	6,600	LF	\$ 1.56	\$	10,296.00
Maintenance and Repair (*Allowance)	1	LS	\$ 35,000.00	\$	35,000.00
Subtotal				\$	321,568.37
7.0 CONSTRUCTION SURVEYING					
Construction Surveying (*Allowance)	2.00%	LS	\$ 2,816,468	\$	56,329.35
Subtotal				\$	56,329.35
8.0 CONSTRUCTION MATERIAL TESTING					
Construction Material Testing (*Allowance)	2.75%	LS	\$ 2,816,468	\$	77,452.86
Subtotal				\$	77,452.86
9.0 CONSTRUCTION MANAGEMENT					
Construction/Project Management (*Allowance)	10.00%	LS	\$ 2,950,250	\$	295,024.99
Mobilization	2.00%	LS	\$ 2,816,468	\$	56,329.35
Bond	1.00%	LS	\$ 2,816,468	\$	28,164.68
Office Trailer	12	Mos	\$ 892.10	\$	10,705.20
Subtotal				\$	390,224.22
10.0 ENTITLEMENTS					
To be added if funding available via cost certification		LS		\$	-
Subtotal				\$	-
Total				\$	3,340,474.15

EXHIBIT C

Certification of Contractor

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

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

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

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

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

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

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

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

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

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

If the Contractor violates any provision of Section 8-17.5-102(1), C.R.S., the District may terminate the Construction Agreement immediately and the Contractor shall be liable to the District

for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Contractor to the Colorado Secretary of State, as required by law.

EXHIBIT D

Insurance Certificates

EXHIBIT E

Bonds

EXHIBIT F**Schedule**

Detail Schedule to be provided to Engineer/Owners Representative upon mobilization and updated monthly.

Project Start: Date of this Agreement

Projected Finish: August 1, 2022



May 18, 2022

Ledge Rock Center Commercial Metropolitan District
Attn: Mr. David O'Leary
c/o: Spencer Fane LLLP
1700 Lincoln Street, Suite 2000
Denver, CO 80203

**RE: PROPOSAL FOR DISTRICT ENGINEERING AND COST CERTIFICATION SERVICES
LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
TOWN OF JOHNSTOWN, COLORADO**

Dear Mr. O'Leary:

Ranger Engineering, LLC ("Ranger") is excited for the opportunity to submit a proposal to provide District Engineering and Cost Certification Services to Ledge Rock Center Commercial Metropolitan District (District). Ranger plans to provide a cost certification report for ongoing development costs related to the Ledge Rock Center project. Ranger anticipates reviewing costs associated with this District as well as two other metropolitan Districts. Certified costs will be divided accordingly with the impacted metropolitan district. Additional services can be provided based on the needs of the District.

The Project is generally located south of Highway 60/County Road 48 and east of Interstate I-25. The proposed service area of the districts is approximately 125 acres.

Any estimated fees assume that documentation necessary to complete the current cost certification will be provided at the onset of the review process. If incomplete documentation is provided, or additional documentation is provided after the review process, additional fees may be incurred by the District. Documents to be provided include, but are not limited to:

- Executed Contracts and Bid Tabs
- Approved Construction Drawings
- Acceptable Proof of Payment (Cancelled checks and bank statements or lien waivers)
- Invoices and/or Pay Applications
- Approved changes or amendments to contract documents
- Copies of any agreements that will impact District funding
- Submittal data related to District owned infrastructure

Within this proposal are the following:

- Exhibit A - Scope of Work
- Exhibit B - Compensation
- Signature Page
- General Conditions
- Exhibit C – Hourly Rate Schedule

EXHIBIT A

SCOPE OF WORK

I. ONGOING ENGINEER'S REPORT AND CERTIFICATION OF DISTRICT ELIGIBLE COSTS

1. Receive and review documentation (i.e. plans, contracts, agreements, invoices, pay applications, proofs of payment, etc.) of District costs to date.
2. Determine District eligible costs and verify as reasonable and paid.
3. Perform a site visit (photographs of constructed improvements will be taken for the District's record) to verify reasonableness of percentages complete as indicated by the contractor pay applications, subject to the needs of the District.
4. Categorize all District eligible costs according to the Service Plan categories, or as otherwise directed by the District.
5. Verify costs are applied to the appropriate metropolitan district within the service area.
6. Track all costs to date and maintain master list of costs.
7. Meet with or call the District as necessary to provide updates and receive answers to questions that may arise.
8. Prepare and deliver an Engineer's Report and Certification, as a single PDF document, to the District on an ongoing basis to meet the needs of the District.

EXHIBIT B

COMPENSATION

- I. ONGOING ENGINEER'S REPORT AND CERTIFICATION COST ESTIMATED FEE: \$3,000 – \$6,000 per report, dependent upon required costs to review.

Time and Materials Budget. This estimate is based on past experiences and general understanding of the District's needs. Final costs are dependent on documentation provided for review as well as number of reports requested. Ranger will make every effort possible to complete the project as quickly and efficiently as possible.

Reimbursable expenses shall mean one hundred fifteen percent (115%) of all costs incurred by Ranger relative to the Project, including without limitation all approved outside consultants' fees, reproduction costs, messenger or special mail service, mileage and other Project-related expenses.

"Exhibit C", provided within, identifies Ranger's hourly rate schedule.

The terms of the attached "General Terms & Conditions", which Client hereby acknowledges receiving, are incorporated and made a part of this Proposal. If the above is acceptable, please have this Proposal executed. We will begin work as soon as we receive an executed copy of this Proposal. This Proposal will be null and void if not accepted by 90 days from the date of this proposal.

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Thank you again for the opportunity to submit this Proposal. Should you have any questions, please do not hesitate to contact us.

Best Regards,

Ranger Engineering, LLC

Collin Koranda, PE

The undersigned is the (a) _____actual owner of record of the property; (b) _____authorized agent of the owner of the property; (c) _____ contract purchaser of the Property; (d) _____ general contractor (e) _____uncertain

If (b), (c), (d) or (e) is checked, the property owner’s name and address is _____.

ACCEPTED: LEDGE ROCK CENTER COMMERICAL METROPOLITAN DISTRICT

By: _____
(Authorized Representative)

Invoices will be sent to the Client via email.
Invoices should be forwarded to:

(Printed Name)

Name: _____

TITLE: _____

Email: _____

DATE: _____

Phone: _____

GENERAL TERMS AND CONDITIONS

1. **ONE INSTRUMENT/INCONSISTENCIES** – These GENERAL TERMS AND CONDITIONS, and the Ranger PROPOSAL to which these terms are attached (collectively this “Agreement”) shall be deemed one instrument. Wherever there is a conflict or inconsistency between the provisions of these GENERAL TERMS AND CONDITIONS, the PROPOSAL, and any plans or specifications, as applicable, the provisions provided for in these GENERAL TERMS AND CONDITIONS shall, in all instances, control and prevail. These GENERAL TERMS AND CONDITIONS shall apply to the work provided in the PROPOSAL to which this is attached or an amendment or modification, including an AGREEMENT FOR ADDITIONAL SERVICES.
2. **ENTIRE AGREEMENT** – These GENERAL TERMS AND CONDITIONS, the PROPOSAL, and any plans or specifications represent the entire Agreement between the Parties and supercedes any and all prior oral or written understandings between the Parties. Changes to these GENERAL TERMS AND CONDITIONS shall only be binding when in writing and agreed to by both parties.
3. **MEDIATION** – All disputes between relating to this Agreement or the Project (as defined in the Proposal) shall first be submitted to mediation with a mediator selected by the Parties. The costs of the mediator shall be split evenly between Client and Ranger. If the Client and Ranger cannot agree on a mediator, then each of Client and Ranger shall nominate a mediator and the two nominated mediators shall select the ultimate mediator. Client and Ranger shall include a similar mediation provision in all of their respective agreements with other parties regarding the Project and will require all such other persons or entities to include a similar mediation provision in all agreements with their respective subcontractors, subconsultants, suppliers and fabricators. Such mediation shall be a condition precedent to a party filing any judicial or other proceeding against the other, except with regard to delinquent fees owed to Ranger.
4. **AUTHORIZATION TO SIGN** – The person signing this Agreement represents and warrants that he/she is signing this Agreement on behalf of the Client and is authorized to enter into this Agreement on the Client’s behalf.
5. **BREACH AND COST OF COLLECTION** – In the event Client breaches the terms of this Agreement, Ranger shall be entitled, in addition to the specific remedies provided for in this Agreement, to pursue all remedies available at law or in equity. Client further agrees that Ranger shall be entitled to recover all costs incurred in enforcing any provision of this Agreement, including court costs and reasonable attorney’s fees. All payments received from the Client will be credited first to interest, then to the cost of enforcement, and then to the amount due to Ranger
6. **CHANGES IN REGULATORY ENVIRONMENT** – The services provided by Ranger under this Agreement were determined based upon the applicable municipal, county, state and/or federal regulations, codes, laws and requirements that were in existence on the date of this Agreement. Any material additions, deletions or changes in the regulatory environment, which require an increase in the scope of services to be performed, will be an Additional Service.
7. **CONTROLLING LAW** – This Agreement is to be governed by the laws of the State of Colorado.
8. **CURE PERIOD** – If during the project term, Client observes or becomes aware of any improper service which has been provided by Ranger, Client agrees to immediately notify Ranger of the same, in writing. Ranger shall then have five working days to cure, or begin to cure in a diligent manner, such improper service before Client may exercise its rights under any default and remedy provision provided for in this Agreement, including the right to take corrective action prior to the termination of the cure period. If Client fails to notify Ranger of any defects within thirty (30) working days of learning of the defects, any objections to Ranger’s work shall be waived. Ranger will not accept any backcharges unless Client has complied with the foregoing and allowed Ranger the opportunity to cure any problem.
9. **DELAYS** – Client agrees that Ranger shall not be responsible for damages arising directly from any delays for causes beyond Ranger’s control. For purposes of this Agreement, such causes include, but are not limited to, strikes or other labor disputes, severe weather disruptions or other natural disasters; fires, riots, war or other emergencies or acts of God; failure of any government agency to act in a timely manner; failure of performance by the Client or the Client’s contractors or consultants; or discovery of any hazardous substances or differing site conditions. In addition, if delays resulting from any such causes increase the cost or time required by Ranger to perform its services in an orderly and efficient manner, Ranger shall be entitled to an equitable adjustment in schedule and/or compensation.
10. **ENGINEER’S OPINION OF PROBABLE COST** – Ranger’s Opinions of Probable Cost provided for herein, if applicable, are to be made on the basis of Ranger’s experience and qualifications and represents Ranger’s judgment as an experienced and qualified professional engineer generally familiar with the construction industry. However, because Ranger has no control over the cost of labor, materials, equipment or services furnished by others, the Contractor’s methods of determining prices, or competitive bidding or market conditions, Ranger cannot and does not warrant, represent or guarantee that proposals, bids or actual construction cost will not vary from Ranger’s Opinions of Probable Cost. If Client wishes greater assurance as to probable construction cost, Client shall employ an independent cost estimator.
11. **INDEMNITY** – To the fullest extent permitted by law, the Client shall waive any right of contribution and shall indemnify and hold harmless Ranger, its agents, employees and consultants from and against all claims, damages, losses and expenses, including but not limited to, attorneys’ fees, arising out of or resulting from or in connection with the performance of the work which results from Client’s negligence or the negligence of Client’s agents. This indemnity shall not require the Client to indemnify Ranger for the negligent acts of Ranger or its agents.

To the fullest extent permitted by law, Ranger shall waive any right of contribution and shall indemnify and hold harmless the Client, its agents, employees and consultants from and against all claims, damages, losses and expenses, including but not limited to attorneys’ fees, arising out of or resulting from or in connection with the performance of the work which results from Ranger’s negligence or the negligence of Ranger’s agents. This indemnity shall not require Ranger to indemnify the Client for the negligent acts of the Client or its agents.
12. **RANGER’S INSURANCE COVERAGE** – Before work is commenced on the site, and throughout the duration of the project, Ranger shall maintain the following insurance coverage so as to indemnify Client from all claims of bodily injury or property damage that may occur from Ranger’s negligence:
 - a. Public liability and property damage liability insurance covering all operations under contract; the limits for bodily injury or death not less than \$1,000,000 for each accident; for property damage, not less than \$500,000 for each accident.
 - b. Automobile liability insurance on all self-propelled vehicles used in connection with the Project, whether owned, non-owned or hired; public liability limits of not less than \$1,000,000 for each accident.

At the Client's request, Ranger shall (i) provide a Certificate of Insurance evidencing Ranger's compliance with the above requirements, and (ii) include Client as an "additional insured" on the insurance policy.

13. **LIMITATION OF RANGER'S LIABILITY** – In recognition of the relative risks of the Project to the Client and Ranger, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of Ranger and Ranger's consultants to Client, to Contractor and any Subcontractors on the Project and to those claiming by or through Client for any and all claims, losses, costs, damages or claim expenses from any cause or liability of Ranger's or Ranger's consultants to all of those named herein with respect to the Project shall not exceed \$50,000.00 or the agreed upon professional services fee, whichever is greater. Should Client desire a greater limitation of liability it is available for an additional fee as agreed to in writing by Client and Ranger.

Client acknowledges and understands that Ranger's liability exposure for potential claims related to its performance of services is being specifically limited by this Agreement, and that Client's potential recovery in a claim situation is limited to the amount herein. Client agrees that based upon Ranger's fee and services, it is unreasonable to hold Ranger responsible for liability exposure greater than the set limit.
14. **INFORMATION TO BE PROVIDED TO RANGER** – Client agrees to provide Ranger with such site information as may be needed to enable Ranger to perform its services. Such information may include but shall not be limited to: latest plat of record; current title report and the documents contained therein; previous reports; title search report/chain-of-title documents; copies of environmental permits, registrations, liens, or cleanup records for the property; building plans and specifications; location, elevation and sizes of existing gas, telephone, electrical, street lighting and cable television lines on-site and off-site; boundary survey; wetland delineation; soil borings; archaeological phase 1 survey; first floor foundation plan and such other information as may be requested by Ranger, from time to time. Client shall not be responsible for providing site information which Ranger has specifically agreed to provide in its Proposal.
15. **RANGER'S RELIANCE ON INFORMATION PROVIDED** – Ranger may rely on the accuracy and completeness of any information furnished to Ranger by or on Client's behalf. Furthermore, Client agrees to hold Ranger harmless from any engineering errors, including but not limited to, grading, earthwork analysis and off-site stormwater outlets, resulting from inaccurate site information which is provided by Client, including topographical surveys which have been prepared by consultants other than Ranger.
16. **PAYMENT** – Invoices will be submitted to the Client for payment on a monthly basis as the work progresses. Invoices are due within thirty days of rendering. Within thirty days of receipt of Invoice, Client shall examine the invoice in detail to satisfy themselves as to its accuracy and completeness and shall raise any question or objection that Client may have regarding the invoice within this thirty-day period. After sixty (60) days from receipt of invoice, Client waives any question or objection to the invoice not previously raised. If Client fails to make any payment due Ranger for services and expenses within thirty days after receipt of Ranger's invoice therefore, the amounts due Ranger will be increased at the rate of 1.0 percent per month (or the maximum rate of interest permitted by law, if less), from said thirtieth day. In addition, Ranger may, after giving notice to Client, suspend services under this Agreement until Ranger has been paid in full all amounts due for services, expenses and charges. In the event Ranger elects to suspend its services, and after receipt of payment in full by Client, Ranger shall resume services under this Agreement, and the time schedule and compensation shall be equitably adjusted to compensate for the period of suspension plus any other reasonable time and expense necessary for Ranger to resume performance. In addition, prior to commencing such services, Ranger shall have the right, from time to time, to require Client to provide a retainer payment for services to be rendered. Ranger shall have no liability to Client for any costs or damages incurred as a result of such suspension that is caused by Client.
17. **PERMITS & FEES** – Unless the proposal specifically provides otherwise, Client shall be responsible for paying all application and permit fees and obtaining all permits. Ranger does not warrant, represent or guarantee that the permits or approvals will be issued.
18. **RIGHTS-OF-WAY & EASEMENTS** – Client shall be responsible for obtaining (or vacating) all right-of-way, easements, real covenants and/or agreements necessary for the proper development of the property, including but not limited to right-of-way and easements which may be necessary for roadway and access improvements; stormwater conveyance and detention; sanitary sewer collection, pumping and treatment facilities; water distribution, treatment or storage facilities; and temporary construction access.
19. **SEVERABILITY** – If any clause or provision of this Agreement is determined to be illegal, invalid or unenforceable by any court of competent jurisdiction, the remainder of this Agreement shall not be affected thereby and shall remain in full force and effect.
20. **STANDARD OF CARE** – Ranger will strive to perform its services in accordance with a manner consistent with the level of care and skill ordinarily exercised by other Design Professionals in the same locale.
21. **TERMINATION** – This Contract shall terminate at the time Ranger has completed its services for Client, or prior to that time, if one party provides to the other party written notice, whereby such termination date shall be effective seven (7) days after receipt of such notice. Client agrees to pay for all services, expenses and charges, as agreed, which have been incurred by Ranger through the date of termination.
22. **THIRD PARTY BENEFICIARY** – If Client is a contractor for the owner of the property, the parties acknowledge that Ranger is intended to be a third party beneficiary of the construction contract entered into between owner and Client.
23. **USE OF DOCUMENTS AND ELECTRONIC DATA** – All documents (including drawings and specifications) as well as electronic data (including designs, plans or data stored in machine readable form) that are provided to Client are instruments of service with respect to the Project. Ranger grants an irrevocable non-exclusive license to the Client relative to the Client's use of the documents in connection with the Project. Client agrees not to reuse or make any modification to the documents without the prior written authorization of Ranger. The authorized reproduction of the documents/electronic data from Ranger's system to an alternate system cannot be accomplished without the introduction of inexactitudes, anomalies and errors, and therefore, Ranger cannot and does not make any representations regarding such compatibility. With respect to such reproduction or unauthorized use, Client agrees to indemnify and hold Ranger harmless from all claims, damages, losses and expenses, including reasonable attorneys' fees and costs, arising from Client's unauthorized use, misuse, modification or misinterpretation of the documents or electronic data.
24. **WAIVER OF CONSEQUENTIAL DAMAGE** – Client and Ranger mutually agree to waive all claims of consequential damages arising from disputes, claims or other matters relating to this Agreement.

25. **RANGER'S SITE VISITS** – If requested by Client or as required by the Proposal, Ranger shall visit the site at intervals appropriate to the various stages of construction as Ranger deems necessary in order to observe as an experienced and qualified design professional the progress and quality of the various aspects of contractor's work. Construction staking or survey control staking is not considered a site visit. Such visits and observations by Ranger are not intended to be exhaustive or to extend to every aspect of the work in progress, or to involve inspections of the work beyond the responsibilities specifically assigned to Ranger in this Agreement, but rather are to be limited to spot checking, and similar methods of general observation of the work based on Ranger's exercise of professional judgment. Based on information obtained during such visits and such observations, Ranger shall endeavor to determine in general if such work is proceeding in accordance with the contract documents and Ranger shall keep Client informed of the progress of the work.

The purpose of Ranger's visits to the site will be to enable Ranger to better carry out the duties and responsibilities assigned to and undertaken by Ranger hereunder. Ranger shall not, during such visits or as a result of such observations of work in progress, supervise, direct or have control over the work, nor shall Ranger have authority over or responsibility for the means, methods, techniques, sequences or procedures of construction selected by contractor(s), for safety precautions and programs incident to the work, for any failure of contractor(s) to comply with laws, rules, regulations, ordinances, codes or orders applicable to the furnishing and performing the work or authority to stop the work. Accordingly, Ranger neither guarantees the performance of any contractor(s) nor assumes responsibility for any contractor's failure to furnish and perform its work in accordance with the contract documents. Should the Client determine that such service is necessary, Ranger will provide such services as the resident project representative as an Additional Service.

Ranger shall not have the authority to instruct any contractor to suspend or terminate its work on the Project. Ranger shall not be responsible for the acts or omissions of any contractor(s), or of any subcontractor(s), any supplier(s), or of any other person or organization performing or furnishing any of the work.

26. **DESIGN WITHOUT CONSTRUCTION ADMINISTRATION** – It is understood and agreed that Ranger's basic services under this Agreement do not include project observation or review of the Client's performance or any other construction phase services, and that such services will be provided for by the Client. The Client assumes all responsibility for interpretation of any contract documents and for construction observation, and the Client waives any claims against Ranger that may be in any way connected thereto. In addition, the Client agrees, to the fullest extent permitted by law, to indemnify and hold harmless Ranger, its officers, directors, employees and subconsultants (collectively, Ranger) against all damages, liabilities or costs, including reasonable attorneys' fees and defense costs, arising out of or in any way connected with the performance of such services by other persons or entities and from any and all claims arising from modifications, clarifications, interpretations, adjustments or changes made to any contract documents to reflect changed field or other conditions, except for claims arising from the sole negligence or willful misconduct of Ranger. If the Client requests in writing that Ranger provide any specific construction phase services and if Ranger agrees in writing to provide such services, then Ranger shall be compensated for Additional Services as provided in Exhibit A.

EXHIBIT C

ADDITIONAL SERVICES

Additional services (including, but not limited to those listed within) shall be performed by Ranger Engineering, if requested, at an additional cost ("Additional Services"). The following services or items are not included within the scope of work outlined in this PROPOSAL to which this is attached unless specifically set forth therein. Such additional services shall be provided either for an agreed upon Lump Sum Fee or on a Time and Material Basis, subject to the rates as listed below:

SCHEDULE OF TIME AND MATERIAL RATES FOR 2022

<u>CATEGORY</u>	<u>CURRENT HOURLY RATES</u>
Professional Engineer	\$165.00
Project Manager	\$150.00
Staff Engineer	\$145.00
Expert Testimony & Depositions	\$265.00
	<u>REIMBURSABLES</u>
Mileage	\$0.59/mile (subject to IRS updates)
Reimbursable Expenses	Cost + 15%



January 6, 2022

Ledge Rock Commercial Metropolitan District
Attn: David O'Leary, doleary@spencerfane.com
1700 Lincoln Street, Suite 2000
Denver, CO 80203

**RE: Ledge Rock Center Commercial Metropolitan District –
Project Assistance Letter of Engagement/Consultant Agreement**

Dear David,

I am writing regarding your interest in retaining Terra Forma Solutions, Inc (TFS) (Consultant) to represent and assist Ledge Rock Center Commercial Metropolitan District (the "Client") for the Ledge Rock Project, generally located at the southwest corner of I-25 and County Road 60 in Johnstown, CO. TFS is pleased to engage with the District and it appreciates this opportunity.

TFS will be providing the following general scope of services:

- Provide the below generally outlined services as requested by District or mutually amended;
- Provide overall project coordination and/or technical oversight;
- Provide bidding assistance, preparation, notice, comparison/evaluation, recommendations;
- Project Coordination: Client/Agency/Consultant meetings, summaries and updates;
- Review existing and proposed site information, provided by others(plans, reports, etc);
- Consultant and Consulting qualification request and analysis;
- Schedule preparation and analysis;
- Budget and cost preparation and analysis;
- Monthly pay application analysis and recommendations;
- Board meeting preparation, presentation and attendance
- Other items as requested and mutually agreed to by the District, the Board(s), counsel, District representatives and/or associated Developer interaction.

Standard 2021 Rates:

Expert Witness/Public Presentations: \$450/hr; Program/Project Manager: \$296/hr.; Technician: \$180/hr.; Administrative: \$100/hr. Rates to be adjusted each year.

Payment:

TFS will bill monthly on a Time/Materials basis and requires payment within 25 working days from the date of the invoice.

Thank you again for this opportunity and please feel free to contact me at 303-257-7653 or todd@terraformas.com with any questions or comments related to this agreement.



STANDARD OF CARE

Consultant shall perform its services in a manner consistent with that degree of knowledge and skill ordinarily used by members of the same profession practicing at the same time under the same or similar circumstances.

CORPORATE PROTECTION

Terra Forma Solutions, Inc. is a Colorado corporation. Client agrees that its sole remedy for any claims, damages, losses, expenses and costs arising from or caused by Consultant's services regarding the Project shall be against this entity and not against any individual employee, member or owner of Consultant.

RISK ALLOCATION

Notwithstanding any provision in this Agreement to the contrary, Client agrees to the fullest extent permitted by law, to limit Consultant's total aggregate liability to Client and anyone claiming by or through Owner, for any and all injuries, claims, losses, expenses, damages, costs and expenses arising out of or relating to the services provided under this Agreement or the Project, from any and all causes including but not limited to negligence, breach of contract, or any other legal or equitable theory, to the attached amendment.

CONSEQUENTIAL DAMAGES

Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the Client nor the Consultant, their respective officers, directors or employees shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the Project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation and any other consequential damages that either party may have incurred from any cause of action including, without limitation, negligence, strict liability, breach of contract and breach of strict or implied warranty.

NO THIRD PARTY BENEFICIARIES

Nothing contained in this agreement shall create a contractual relationship with or a cause of action in favor of a third party against either Client or Consultant. Consultant's services are being performed solely for the Client's benefit.

If Client authorizes Consultant to begin work this Consultant Agreement shall constitute the complete contract between the parties regardless of whether it is signed by either or both parties.

Agreed this ____ day of _____, 2022.

Client Signature/Title:

Todd A. Johnson, P.E, President
Terra Forma Solutions, Inc.



ADDENDUM TO AGREEMENT

THIS ADDENDUM TO AGREEMENT (“Addendum”), agreed to and effective this 6th day of January, 2022, amends that certain Agreement (the “Agreement”) entered into by and between **LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT** (“District”) and **TERRA FORMA SOLUTIONS, INC**, a Colorado Corporation, whose address is 3465 South Gaylord Court, A304, Englewood, Colorado 80113, hereinafter referred to as “TFS” (“Consultant”). District and Consultant hereby agree to the following provisions of this Addendum as though the provisions of this Addendum were fully set forth in the Agreement:

Term; Termination. The term of the Agreement shall begin on the effective date of the Agreement and shall terminate on the earlier of either Consultant’s completion of the services contemplated in the Agreement “Ledge Rock Center Commercial Metropolitan District – Project Assistance Letter of Engagement/Consultant Agreement” dated January 6, 2022. The Agreement may be terminated by either party with or without cause at any time upon 30 days written notice to the other party.

1. Payments and Past Due Amounts. The District’s payments pursuant to the Agreement are due within 30 days of the District’s receipt of invoices.

2. Indemnification. Consultant shall indemnify and hold District, its agents, employees, officers, directors, and managers harmless from and against any and all claims, demands or causes of action for injury or death to person or damage to property (including all costs and reasonable attorneys’ fees incurred in defending any claim, demand or cause of action) to the extent arising out of or resulting from an act or failure to act constituting bad faith, negligence, willfully negligent or knowing and intentional breach by the Consultant, its personnel or agents, in the provision of services under the Agreement. To the extent the Agreement provides the District will indemnify the Consultant under any circumstances, such indemnification will be limited to the extent permitted by law. This provision shall survive termination of the Agreement for any reason.

3. Appropriation. All obligations of District under and pursuant to the Agreement are subject to prior appropriations of monies expressly made by the District’s Board of Directors for the purposes of the Agreement.

4. Sales and Use Tax. District is exempt from Colorado sales and use tax. It is Consultant’s responsibility to obtain and use the sales tax exemption number of District as applicable. District shall not reimburse Consultant for sales or use taxes erroneously paid.

5. Governmental Immunity. District, its directors, officials, officers, agents and employees are relying upon and do not waive or abrogate, or intend to waive or abrogate by any provision of the Agreement the monetary limitations or any other rights, immunities or



protections afforded by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq., as the same may be amended.

6. Independent Consultant. Consultant, for all purposes arising out of this Agreement, is an independent Consultant and shall not be deemed an employee of District.

7. Waiver. The waiver of any breach, or alleged breach, of the Agreement by either party shall not constitute a continuing waiver of any subsequent breach by said party of the same or any other provision of the Agreement.

8. Assignments. Consultant agrees that it shall not assign the Agreement, or any of the monies due it or to become due hereunder, without first obtaining written consent of the District.

9. Protection from Liens. The District is a political subdivision of the State of Colorado and no lien rights against the District's property are permitted. Consultant shall keep the District's premises free from claims by any person, partnership, association of persons, company, or corporation that has furnished labor, materials, team hire, sustenance, provisions, provender, or other supplies used or consumed by Consultant or any subConsultant in or about the performance of the Agreement and shall furnish to District any documents requested by District evidencing compliance with this paragraph.

10. Safety. Consultant shall be responsible for initiating, maintaining and supervising all safety precautions and programs in connection with any work performed under the Agreement and shall comply with all applicable laws, ordinances, rules and regulations and orders of any public body having jurisdiction for the safety or persons or property or to protect them from damage, injury or loss, and shall erect and maintain all necessary safeguards for such safety and protection.

11. Amendment and Binding Effect. The Agreement may not be altered, changed or amended, except by instrument in writing signed by both parties hereto. The terms and conditions contained in the Agreement shall apply to, inure to the benefit of, and be binding upon the parties hereto, and upon their respective successors in interest and legal representatives, except as otherwise herein expressly provided.

12. Attorney Fees. If any party breaches the Agreement, the breaching party shall pay all of the non-breaching party's reasonable attorneys' fees and costs in enforcing the Agreement whether or not legal proceedings are instituted.

13. Governing Law. The parties agree that Colorado law shall apply to this Agreement and that any dispute shall be tried and heard in the County of Eagle, State of Colorado.

14. Third Party Beneficiaries. Nothing expressed or implied in the Agreement is intended or shall be construed to confer upon or to give to any person or entity 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 hereof, 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 or the Consultant. It is the express intention of the parties that any person other than the parties shall be deemed to be an incidental beneficiary only.

15. Insurance

- a. Minimum Scope and Limits of Insurance. At all times during the Term of this Agreement, Consultant shall carry and maintain, at its sole cost and expense, no less than the following liability insurance coverage limits:

General Liability

General Aggregate	\$ 2,000,000.00
Products and Completed Operations	\$ 1,000,000.00
Personal and Advertising Injury	\$ 1,000,000.00
Each Occurrence	\$ 1,000,000.00
Medical Expenses (Any one person)	\$ 5,000.00

Automobile Liability

Combined Single Limit	\$ 1,000,000.00
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Workmen's Compensation and Employer Liability

Each Accident	\$ 100,000.00
Disease Limit	\$ 100,000.00
Disease Each Employee	\$ 100,000.00

Professional Errors and Omissions Liability Insurance

Combined Single Limit	\$ 1,000,000.00
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All policies shall be on an occurrence basis.

- b. Endorsements. The District, Land Owner, Developer, Owner Representatives, and District Manager shall be listed as additional insured on the comprehensive general liability insurance policy and auto liability insurance policy. All insurance policies required by this Agreement shall include a provision requiring a 10-day notice to the District for the cancellation of an insurance policy due to the non-payment of a premium and a minimum of a 30-day notice to the District for any change to or cancellation of an insurance policy other than for non-payment of a premium.
- c. Certificates of Insurance. Consultant shall provide to the District certificates of insurance showing the insurance coverages and required endorsements described above, prior to performing any services under this Agreement.



- d. Non-limiting. No provision, term or condition contained under this Section 5.0 of the Agreement shall be construed as limiting in any way, the indemnification provision contained in Section 7.3 hereof, or the extent to which Consultant may be held responsible for payments of damages to persons or property.

16. Illegal Alien Provisions. The Consultant shall comply with any and all federal, state and local laws, rules and regulations regarding the hiring of employees and retention of subConsultants, including without limitation Section 8-17.5-101, et seq., C.R.S. The Consultant shall not knowingly employ or contract with an illegal alien to perform work under this Agreement or contract with a sub-Consultant who (a) knowingly employs or contracts with an illegal alien to perform work under this Agreement, or (b) fails to certify to the Consultant that the subConsultant will not knowingly employ or contract with an illegal alien to perform work under this Agreement.

The Consultant hereby certifies that it does not knowingly employ or contract with an illegal alien. The Consultant shall participate in either the E-Verify Employment Verification Program administered by the United States Department of Homeland Security ("E-Verify Program") or the State's Department Program established pursuant to C.R.S. § 8-17.5-102(5)(c) to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement. The Consultant shall not utilize the E-Verify Program or the Department Program procedures to independently undertake pre-employment screening of job applicants.

The Consultant shall require each subConsultant to certify that subConsultant will not knowingly employ or contract with an illegal alien to perform work under the Agreement. If Consultant obtains actual knowledge that a subConsultant performing work under the Agreement knowingly employs or contracts with an illegal alien, Consultant shall be required to: (a) notify the subConsultant and the District within three (3) days that Consultant has actual knowledge that the subConsultant is employing or contracting with an illegal alien; and (b) terminate the subcontract with the subConsultant if within three (3) days of receiving notice from Consultant the subConsultant does not stop employing or contracting with the illegal alien; except that Consultant shall not terminate the contract with the subConsultant if during such three (3) days the subConsultant provides information to establish that the subConsultant has not knowingly employed or contracted with an illegal alien. Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment ("Department") made in the course of an investigation by the Department pursuant to Section 8-17.5-102(5), C.R.S.

17. Ownership of Documents. All applicable findings, reports, documents, information and data including, but not limited to, computer files furnished or prepared by Consultant or any of its subConsultants in the course of performance of this Agreement, shall be and remain the sole property of the District. Consultant agrees that any such documents or information shall not be made available to any individual or organization without the prior consent of the District. Any use of such documents for other projects not contemplated by this



Agreement, and any use of incomplete documents, shall be at the sole risk of the District and without liability or legal exposure to Consultant. Consultant shall deliver to the District any applicable findings, reports, documents, information, data, in any form, furnished or prepared by Consultant or any of its subConsultants in the course of performance of this Agreement.

18. Independent Consultant Status. Consultant is and shall be acting at all times as an independent Consultant and not as an employee or agent of the District. Consultant shall have full power and authority to select the means, manner and method of performing its duties under this Agreement without detailed control or direction of the District except as set forth in this Agreement. It shall be Consultant's responsibility as an independent Consultant to pay any and all taxes on payments which it receives under this Agreement and to pay its own costs and expenses incurred in connection with performance of this Agreement.

19. Liability of the District. No provision, covenant or agreement contained in this Agreement, nor any obligations herein imposed upon the District shall constitute or create an indebtedness or debt of the District within the meaning of any Colorado constitutional provision or statutory limitation.

20. Subject to Annual Budget and Appropriation. 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 are subject to annual budgeting and appropriations.

21. Modification. This Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and Consultant.

22. Conflict of Terms. In the event that there is any conflict or inconsistency between the provisions of the Agreement and those of this Addendum, the provisions of this Addendum shall control and govern the rights and obligations of the parties. All other provisions of the Agreement not expressly altered by this Addendum remain in full force and effect.

23. Counterparts. The Agreement may be executed in counterparts, each of which shall be an original, but all of which together shall constitute one Agreement, binding on all of the parties thereto notwithstanding that all of the parties thereto are not signatories to the same counterpart.

IN WITNESS WHEREOF, the parties have caused this Addendum to be executed as of the date first above written



LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT

/s/ _____

By: _____

Its: _____

**TERRA FORMA SOLUTIONS, INC:
A Colorado Corporation**

A handwritten signature in blue ink, appearing to be "Todd A. Johnson", written over a horizontal line.

/s/ _____

By: Todd A. Johnson, P.E.

Its: President



CERTIFICATION

ILLEGAL ALIEN PROVISIONS

P.1. Certification. Prior to the execution of this Agreement, Consultant shall certify to the District, as attached hereto as **Exhibit P-1**, that at the time of certification, it does not knowingly employ or contract with an illegal alien who will perform work under this Agreement and that Consultant will participate in either the E-Verify Program administered by the U.S. Department of Homeland Security and the Social Security Administration, or in the Colorado Department of Labor and Employment's Employment Verification Program (the "Department Program"), as further described in this Exhibit-P herein, in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement.

P.2. Prohibited Acts. Consultant shall not:

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

(B) Enter into a contract with a subcontractor that fails to certify to Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement. Consultant shall provide the District with all certifications received from subcontractors in which subcontractors certify that said subcontractors do not knowingly employ or contract with an illegal alien to perform work under this Agreement.

P.3. Verification.

(A) Consultant has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement through participation in either the E-Verify Program or the Department Program.

(B) Consultant shall not use either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while this Agreement is being performed.

(C) If Consultant obtains actual knowledge that a subcontractor performing work under this Agreement knowingly employs or contracts with an illegal alien, Consultant shall:

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

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



P.4. Duty to Comply with Investigations. Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment (the “Department”) made in the course of an investigation conducted pursuant to § 8-17.5-102 (5), C.R.S. to ensure that Consultant is complying with the terms and conditions contained under this Exhibit-P of this Agreement.

P.5. Breach. If Consultant violates any provision set forth under this Exhibit-P herein, the District may terminate the Agreement for breach of the Agreement. If the Agreement is so terminated, Consultant shall be liable for actual and consequential damages to the District. The District shall notify the Colorado office of the Secretary of State if Consultant violates any provision set forth under this Exhibit-P herein and the District terminates the Agreement.

P.6. Department Program. If Consultant participates in the Department Program, in lieu of the E-Verify Program, Consultant shall notify the Department and the District of such participation. Consultant shall, within twenty (20) days after hiring an employee who is newly hired for employment to perform work under the Agreement, affirm that the Consultant has examined the legal work status of such employee, retained file copies of the documents required by 8 U.S.C. Sec. 1324a, and not altered or falsified the identification documents for such employees. Consultant shall provide a written, notarized copy of the affirmation, similar in form as attached hereto as **Exhibit P-2** to the District.



EXHIBIT "P-1"
CERTIFICATION
REGARDING EMPLOYMENT OF ILLEGAL ALIENS

I, Todd A. Johnson, as an Owner of the company of **TERRA FORMA SOLUTIONS, INC.** (the "Company"), engaged to provide construction management and administration services to Ledge Rock Center Commercial Metropolitan District, do hereby certify on behalf of said Company that, as of the date of this Certification, the Company, through the use of the federal basic pilot program, has confirmed the employment eligibility of all employees who are newly hired for employment in the United States and that the Company has participated or attempted to participate in the Basic Pilot Program, administered by the United States Department of Homeland Security.

On behalf of the Company, I do hereby certify that the Company has not or will not enter into any contract, for any portion of the above referenced services to be provided to Ledge Rock Center Commercial Metropolitan District, with any subcontractor that fails to certify to the Company that said subcontractor has not or will not enter into any contract for purposes of providing legal services to the District where it has knowingly failed to confirm the employment eligibility of all employees who are newly hired for employment in the United States and that the subcontractor has participated or attempted to participate in the Basic Pilot Program.

Executed on the 6th of January, 2022.

TERRA FORMA SOLUTIONS, INC.:



A handwritten signature in blue ink, appearing to read "Todd A. Johnson", written over a faint, illegible background.

Signed:

By: Todd A. Johnson, P.E.

Its: President

EXHIBIT "P-2"

	<h3>Contractor Affirmation for the Department Program</h3> <p>Required for use by contractors participating in the Department Program for public contracts for services 8-17.5-101 & 102, C.R.S.</p> <p>The contractor shall provide a written, notarized copy of this affirmation to the contracting state agency or political subdivision.</p> <p>DO NOT submit this affirmation to the Colorado Division of Labor unless specifically requested to do so.</p>
<p>Employee Name: _____ Last First M.I. Date of Birth: _____ Date of Hire: _____</p> <p>In accordance with 8-17.5-102, C.R.S., I have:</p> <p>(Initial after each)</p> <ul style="list-style-type: none"> • Examined the legal work status of the above named employee: _____ • Retained file copies of documents required by 8 U.S.C. sec. 1324a.: _____ • Not altered or falsified the employee's identification documents: _____ <p>Contractor OR Contractor Representative Signature and Title: _____ Date Signed: _____</p>	<p>Contract Number: _____</p> <p>Contractor / Business Name: _____</p> <p>Phone: _____</p> <p>Contractor or Contractor Representative Name: _____</p> <p>_____ Date Signed: _____</p> <p>Subscribed and affirmed before me in the county of _____, State of Colorado, this _____ day of _____, 20____.</p> <div style="text-align: center; margin: 10px 0;">  <p>(Notary's official signature)</p> <p>_____</p> <p>(Commission expiration date)</p> </div>
<p>8-17.5-102(5)(c)(II), C.R.S. A participating contractor shall, within twenty days after hiring an employee who is newly hired for employment to perform work under the public contract for services, affirm that the contractor has examined the legal work status of such employee, retained file copies of the documents required by 8 U.S.C. sec. 1324a, and not altered or falsified the identification documents for such employees. The contractor shall provide a written, notarized copy of the affirmation to the contracting state agency or political subdivision.</p> <p>This affirmation and the documents required by 8 U.S.C. sec. 1324a will be retained by the contractor for the duration of the above named individual's employment.</p> <p style="text-align: center;">This affirmation is provided as a courtesy by the Colorado Division of Labor.</p> <p style="text-align: center;">Another substantially similar affirmation may be used, provided that it contains the necessary elements and information as required by law.</p>	

LEDGE ROCK WATER AND SEWER PIPELINE ESCROW AGREEMENT

This **LEDGE ROCK WATER AND SEWER PIPELINE ESCROW AGREEMENT** (the “**Agreement**”) is made and entered into as of the ____ day of _____, 2022 by and among the **TOWN OF JOHNSTOWN, COLORADO**, a home-rule municipality of the Counties of Larimer and Weld, State of Colorado (“**Town**”), **LEDGE ROCK CENTER**, a Kansas limited liability company (“**Developer**”), **LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the state of Colorado (“**District**”) and **UMB BANK, N.A.**, a national banking association as escrow agent (“**Escrow Agent**”). Town, Developer, District and Escrow Agent are sometimes individually referred to as a “**Party**” and collectively as the “**Parties.**”

RECITALS

WHEREAS, the District is organized pursuant to and in accordance with the provisions of §§ 32-1-101, *et seq.*, C.R.S. for the purpose of constructing, financing, operating and maintaining certain public improvements for itself, its taxpayers, residents and users; and

WHEREAS, the Town approved the Service Plan for the District on September 8, 2021 (the “**Service Plan**”); and

WHEREAS, the District is authorized to finance and provide public improvements needed for the Ledge Rock Center commercial development project (the “**Project**”); and

WHEREAS, the Town, the Developer, and the District entered into the Development and Reimbursement Agreement for Ledge Rock Center on January 3, 2022 (the “**Original Ledge Rock Development Agreement**”) for the purpose of establishing the terms and conditions of the overall development of the Project; and

WHEREAS, pursuant to that certain Second Amendment to the Comprehensive Development Agreement, Funding Plan and Intergovernmental Agreement for Johnstown Plaza, Johnstown, Colorado between the Town, the Johnstown Plaza Metropolitan District (the “**JPMD**”), and the Johnstown Plaza, LLC (the “**Johnstown Developer**”) (the “**Second Amendment**”) effective December 13, 2021, certain funds in the amount not to exceed to Seven Million (\$7,000,000.00) Dollars (the “**2022 Reimbursement**”) were potentially made available for the Project, provided those funds were certified as Developer Verified Eligible Costs (“**Johnstown Developer Verified Eligible Costs**”). Those funds, which are referred to as the Refunding and New Money Bonds in the Second Amendment were issued by the Johnstown Plaza Metropolitan District on April 7, 2022 as a part of the Johnstown Plaza Metropolitan District \$99,449,000, Limited Tax General Obligation Refunding & Improvement Bonds, Series 2022 (the “**JPMD Bonds**”); and

WHEREAS, the actual amount of the Johnstown Developer Verified Eligible Costs in the JPMD Bonds Project Fund is approximately \$5,888,659 plus any interest earned on the fund from the date of the issuance of the JPMD Bonds and prior to distribution as set forth herein (“**Series 2022 Project Fund**”) which funds are also referred to as the JP Contribution to the Project; and

WHEREAS, the disbursement of funds within the Series 2022 Project Fund is subject to the requirements of the Second Amendment as summarized within this Escrow Agreement; and

WHEREAS, the Cost Certifier for JPMD certified to JPMD that the Johnstown Developer submitted documentation sufficient for expenditures by the Johnstown Developer of costs that were determined to be Johnstown Developer Verified Eligible Costs under the Second Amendment in an amount equal to the balance in the Series 2022 Project Fund and that the procedures related to the reimbursement of the Johnstown Developer for Johnstown Developer Verified Eligible Costs under the Second Amendment were satisfied; and

WHEREAS, the Johnstown Developer has provided written consent to JPMD and the Town as to the Johnstown's Developer intent for the balance in the Series 2022 Project Fund to constitute the JP Contribution and for the JP Contribution to be deposited in the Ledge Rock Water and Sewer Pipeline Escrow Account being established by way of this Agreement (the "**Johnstown Developer Consent Letter**"); and

WHEREAS, concurrently herewith, the Town, the Developer, and the District are entering into the First Amendment to the Development and Reimbursement Agreement for Ledge Rock Center (the "**First Amendment to the Ledge Rock Development Agreement**" collectively with the Original Ledge Rock Development Agreement to be referred to herein as the "**Ledge Rock Development Agreement**") for the purpose of removing the obligation for the deposit of the JP Contribution into the Escrow Agreement as defined in the Original Ledge Rock Development Agreement and in the alternative, requiring the JP Contribution to be deposited into the Ledge Rock Water and Sewer Pipeline Escrow Account, as established herein; and

WHEREAS, the Town, the Developer and the District agree the JP Contribution should be used for the funding of the Ledge Rock Water and Sewer Pipeline Work as described in scope and cost on **Exhibit A** attached hereto and incorporated herein by this reference (the "**the Ledge Rock Water and Sewer Pipeline Work**"); and

WHEREAS, the Town, the Developer and the District now desire to enter into this Ledge Rock Water and Sewer Pipeline Escrow Agreement to set forth the terms and conditions by which the Escrow Agent shall manage and disburse the escrow established hereunder.

NOW THEREFORE, in consideration of the mutual covenants and promises expressed herein, the parties hereby agree as follows:

COVENANTS AND AGREEMENTS

(Capitalized terms used but not defined herein shall have the meaning set forth in the Ledge Rock Development Agreement)

1. Pursuant to the terms of the Second Amendment, the JP Contribution funds shall be released by the JPMD Bonds Trustee when the JPMD Bonds Trustee has received written direction from the Town and the Johnstown Plaza Metropolitan District (the "**Release Notice**") that the milestones set forth in the Second Amendment (the "**Release Triggers**") have been met. Additionally, the District will be awarding a contract for labor and materials related to certain of

the water and sanitary sewer pipelines portion of the public improvements (respectively the “**Ledge Rock Water and Sewer Pipeline Work**” and the “**Ledge Rock Water and Sewer Pipeline Work Contractor**”) that it is authorized to provide under the Service Plan for the District approved by the Town on September 8, 2021 (the “**Service Plan**”) in compliance with the process set forth in the Original Ledge Rock Development Agreement. To date the District has done or will do the following:

(a) Follow all statutory procurement procedures applicable to the District for the public bidding of the Ledge Rock Water and Sewer Pipeline Work and secure public bids for the Ledge Rock Water and Sewer Pipeline Work before any Ledge Rock Water and Sewer Pipeline begins;

(b) Award the contract for the Ledge Rock Water and Sewer Pipeline Work to the lowest reasonable and responsive bidder;

(c) Advertise and publish the public bidding of the Ledge Rock Water and Sewer Pipeline Work as required by the Original Ledge Rock Development Agreement.

(d) Provide the form of invitation to bid and the bid documents to the Town prior to the District publishing the invitation to bid; and

(e) Pay project management fees in an amount that does not exceed the amount certified by the Cost Certifier to be reasonable for the services provided.

2. The Town shall also be provided the following after award of the Ledge Rock Water and Sewer Pipeline Work contract:

(a) The bid tab sheets for all bids submitted;

(b) All service agreements related to construction and all construction contracts, after award and approval at a regular or special District Board meeting; and

(c) If the District does not choose the lowest numerical bidder, the basis for the decision.

3. Prior to the award of the contract for the Ledge Rock Water and Sewer Pipeline Work, the District and the Developer will enter into an agreement which will require, among other provisions the following:

(a) The District and the Developer will acknowledge that the 2022 Reimbursement, when released will be deposited into the Ledge Rock Water and Sewer Pipeline Work Escrow Account, defined below, pursuant to this Agreement, will be known as the JP Developer Contribution, and under no circumstances will the District reimburse the Developer for the JP Developer Contribution.

(b) The Developer will direct the deposit of the funds, consistent with the Johnstown Developer Consent Letter to the Ledge Rock Water and Sewer Pipeline Work Escrow

Account, defined below, for payment of the Ledge Rock Water and Sewer Pipeline Work Contractor and related soft costs.

(c) The District will release funds from the JP Developer Contribution only for the payment of the costs of the Ledge Rock Water and Sewer Pipeline Work and only after the costs have been verified by the District Accountant, Independent Engineer or other qualified and independent third party reviewer approved by the Town and the District (collectively, the “**Cost Certifier**”) as Verified Eligible Costs (“**Verified Eligible Costs**”). Prior to the release of the JP Developer Contribution, or any portion thereof, the Developer shall provide to the District lien waivers and indemnifications from the contractor verifying that all amounts due to the contractor, subcontractors, material providers or suppliers have been paid in full, in a form acceptable to the District; copies of all contracts, pay requests, change orders, invoices, the final AIA payment form (or similar form) approved by the Cost Certifier when final payment has been made, canceled checks and any other requested documentation to verify the amount requested.

(d) In the alternative, if a part or all of the JP Contribution is to be used to advance funds to the contractor for the Ledge Rock Water and Sewer Pipeline Work to order pipelines and other materials (“**Pipeline and Related Cost Advances**”), the District shall only do so after receipt of written confirmation from the Cost Certifier that the proposed Pipeline and Related Cost Advances will qualify as Verified Eligible Costs and only after compliance with the processes for Disbursement Requests and Funds Requisition set forth in Section 6 below; and

(e) Upon completion of the Water and Sewer Pipeline Work, an executed Bill of Sale conveying the Ledge Rock Water and Sewer Pipeline Work to the Town, in form acceptable to the Town. Additionally, when completed, as built drawings for any completed Water and Sewer Pipeline Work shall be provided to the Town. The District shall work with the Cost Certifier to have prepared a certification of the Verified Eligible Costs. The terms of the dedication of the Water and Sewer Pipeline Work to the Town, including but not limited to the requirement for a performance and/or maintenance guarantee, may be set forth in subsequent agreements among the Town, the District and/or the Developer, at the Town’s discretion and as required by the Town.

4. Appointment of Escrow Agent and Establishment of Escrow Accounts. The Developer, the District and the Town hereby appoint the Escrow Agent and the Escrow Agent hereby accepts such appointment pursuant to the terms and conditions of this Agreement. The Escrow Agent shall establish the following account for the purpose of holding the JP Contribution and all interested earned (the “**Escrow Funds**”): the **Ledge Rock Water and Sewer Pipeline Escrow Account** (the “**Ledge Rock Water and Sewer Pipeline Escrow Account**” or “**Account**”).” Monies in the Account shall be distributed by the Escrow Agent pursuant to the provisions of this Agreement, and all deposits made into the Account shall be treated in all respects as escrowed funds with no portion thereof subject to any claims of the Escrow Agent’s general creditors.

(a) Investment of Funds in Accounts: The Escrow Agent may conclusively rely upon the District’s written instruction as to both the suitability and legality of the directed investments regarding the Account. If the District fails to provide written directions concerning investment of moneys held by the Escrow Agent in the Account, the Escrow Agent may invest in

a money market fund that qualifies as a legal investment and matures or is subject to redemption prior to the date such funds will be needed. Unless otherwise confirmed or directed in writing, an account statement delivered periodically by the Escrow Agent to the District for the Account shall confirm that the investment transactions identified therein accurately reflect the investment directions of the District, unless the District notifies the Escrow Agent in writing to the contrary within thirty (30) days of the date of such statement. The Escrow Agent may make any and all such investments through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades, including cash sweep account fees, and it is specifically provided herein that the Escrow Agent may purchase or invest in shares of any investment company that (i) is registered under the Investment Company Act of 1940, as amended (including both corporations and Massachusetts business trusts, and including companies for which the Escrow Agent may provide advisory, administrative, custodial, or other services for compensation), (ii) invests substantially all of its assets in short-term high-quality money-market instruments, limited to obligations issued or guaranteed by the United States, and (iii) maintains a constant asset value per share, and, the Escrow Agent may implement its automated cash investments system to assure that cash on hand is invested and to charge reasonable cash management fees, which may be deducted from income earned on investments.

5. Use of Funds in the Ledge Rock Water and Sewer Pipeline Account. The Escrow Funds deposited into the Account shall be used to fund Verified Eligible Costs related to the acquisition, construction and installation of the Ledge Rock Water and Sewer Pipeline Work contracted for by the District.

6. Requests to Release Funds from the Account. The District may submit requests for the release of Escrow Funds as follows:

(a) The District may submit written requests to the Town for the payment of Verified Eligible Costs from the Account for costs related to the Ledge Rock Water and Sewer Pipeline Work (“**Disbursement Request**”). The written request shall be in the form of a Requisition from the Account as set forth on **Exhibit B** attached hereto and incorporated herein by reference (a “**Funds Requisition**”). Upon receipt of an executed Funds Requisition from the District, the Town shall approve or object to all, or a portion of, the Disbursement Request. Each Funds Requisition shall be provided by the twentieth (20th) day of each month, or on the first business day thereafter. Under an administrative approval process, the Town shall have seventeen (17) days, or on the first business day thereafter, to approve or object to all, or a portion of, the Disbursement Request, as more specifically set forth in this Agreement. Each Funds Requisition shall contain the information set out in **Exhibit B** attached hereto, and incorporated herein by reference (alternatively, the information may be contained in the District’s Engineer’s Certification of Verified Eligible Costs), and, include, at a minimum, the following information:

(b) Reference to the underlying construction contract of the District for the Ledge Rock Water and Sewer Pipeline Work or basis for payment and a description of the work performed for which payment is being requested;

(c) Reference to the total amount of progress payments on the construction of the Ledge Rock Water and Sewer Pipeline Work;

(d) The total amount of the requested funds;

(e) Detail of the total amount of progress payments on the construction for the Ledge Rock Water and Sewer Pipeline Work and other applicable contracts executed by District, all payments made toward the same prior to the date of the Disbursement Request, including copies of lien waivers and the amount that will be outstanding after payment of the requisition;

(f) Certification by the Cost Certifier that all costs to be paid pursuant to the Disbursement Request constitute Verified Eligible Costs and estimates of the percentage of total completion of the Public Improvements, including the public site work, and the cost to complete the work that is the subject of the Disbursement Request. The Cost Certifier shall be an independent licensed engineer experienced in the design and construction of public improvements in the Johnstown or Denver metropolitan area. As of the date hereof, Ranger Engineering, LLC, a Colorado limited liability company, is the Cost Certifier. The District may select a different engineering firm meeting the requirements set forth herein and in the Ledge Rock Development Agreement to serve as the Cost Certifier upon written notice to and approval of the Town, which approval may be provided by the Town Manager and shall not be unreasonably withheld, conditioned, or delayed. In lieu of certification by the Cost Certifier, certain costs contained within a Disbursement Request may be certified by the District's independent accountant as Verified Eligible Costs, if so permitted by and in a manner consistent with the Development Agreement, which shall also contain an estimates of the percentage of completion of the work and the cost to complete the work;

(i) Any other information reasonably requested by the Town.

(g) Town Review of Disbursement Requests and Approval or Denial. Upon receipt, the Town shall review the Disbursement Request(s) and, if satisfied that the request appears to be consistent with the terms of this Agreement, shall approve and sign the Funds Requisition. The Town's review of the Disbursement Request and approval of the Funds Requisition shall not be unreasonably conditioned, delayed, or withheld.

The Town may object to all or any portion of a Disbursement Request by providing written notice to the District or the Developer (the "**Town Objection**"). A Town Objection shall specify all, or the specific portions of the Disbursement Request, to which there is an objection and the specific reasons for the objection. The Town and the District shall work together in good faith to resolve any Town Objection consistent with the intent of the Ledge Rock Development Agreement and this Agreement. If the parties are not able to reach a resolution, the parties shall participate in mediation as set forth in Section 21. If the Town provides a Town Objection to a portion, but not all, of the Disbursement Request, the Town shall indicate on the Funds Requisition the amount of Escrow Funds that are authorized to be released.

The Town Manager may approve and execute a Funds Requisition on behalf of the Town. The Town Manager, in the Town Manager's sole discretion, in order to expedite construction and the completion of construction, may waive in writing any and all of the non-substantive requirements of this Agreement as it relates to Town's approval of a Funds Requisition.

The Town's review of a Disbursement Request and approval of a Funds Requisition is solely administrative and shall not limit or waive any rights the Town may have nor shall it affect the District's or the Developer's responsibility and liability for the design, construction and installation of, and payments for, the Ledge Rock Water and Sewer Pipeline Work. The Town shall be entitled to rely upon the contents of the Disbursement Request without a corresponding obligation to independently verify the same.

(h) Disbursement by the Escrow Agent. Upon receipt of a Funds Requisition signed by the District and the Town, the Escrow Agent shall make disbursement of the authorized amount of Escrow Funds to the District within two (2) business days. Upon receipt of a Funds Requisition that is not signed by the Town and a certification by the District attesting to the delivery of the Funds Requisition to the Town and the Town's failure to respond within thirty (30) days of delivery ("**Certification**"), which Certification shall also be provided to the Town, and the proof of such delivery provided to the Escrow Agent, the Escrow Agent shall make disbursement to District, of the full amount of the Funds Requisition after two (2) business days but less than four (4) business days, to provide an adequate opportunity for the Town to comment and, if it so desires, object to the Disbursement Request. If there is a Town Objection, the Escrow Agent shall release funds for any undisputed portion of the Requisition to the District within two (2) business days. The Escrow Agent may conclusively rely as to the completeness and accuracy of all statements in a Funds Requisition or Certification if executed by the proper parties and the Escrow Agent, in good faith, believes the Funds Requisition or Certification is genuine. The Escrow Agent shall not be required to make any independent investigation in connection therewith.

7. Duties of Escrow Agent. The duties of the Escrow Agent shall be as follows:

(a) During the term of this Agreement, the Escrow Agent shall hold and disburse the Escrow Funds in accordance with the terms and provisions of this Agreement.

(b) If a dispute shall develop concerning the release of Escrow Funds, then in any such event, the Escrow Agent shall deliver the Escrow Funds in accordance with joint written instructions of Parties hereto if received by the Escrow Agent within ten (10) days after the Escrow Agent has issued a written request for instructions. The Escrow Agent shall have the right to pay the Escrow Funds into a court of competent jurisdiction and interplead the Parties, after which the Escrow Agent shall be discharged from any obligation in connection with this Agreement.

(c) The Escrow Agent may act in reliance upon any written instrument or signature which it, in good faith, believes to be genuine, and may assume the validity and accuracy of any statement or assertion contained in such written instrument.

(d) The Escrow Agent shall execute and deliver all forms required by federal, state and other governmental agencies relative to the Escrow Funds.

(e) Notwithstanding the foregoing or any provisions to the contrary contained herein, the Escrow Agent shall not remit any moneys on deposit in the Ledge Rock Water and Sewer Pipeline Account to the District except (1) to pay or reimburse Verified Eligible Costs and upon compliance with the requisition process set forth in this Agreement.

8. Audit and Records. Any Party shall have the right, at its expense and at reasonable times, to conduct or to cause to be conducted an audit of the Account and all disbursements therefrom. Any Party may request a statement of the Account, to include, among other details, the balance of the Account and disbursements therefrom, from the Escrow Agent.

9. Expenses and Compensation Relating to Escrow. The Escrow Agent shall charge the District a reasonable and customary fee for its services in connection with this Agreement and shall invoice the District for the same on a quarterly basis (the "**Compensation**"). The Escrow Agent shall also receive from the District a one-time acceptance fee. The Escrow Agent expressly waives any lien upon or claim against any other moneys and investments in the Escrow Fund. The Escrow Agent shall further be entitled to reimbursement in full, for all costs, expenses, charges, fees, or other payments ("**Fees and Expenses**") made or to be made by Escrow Agent in the performance of the Escrow Agent's duties and obligations under this Agreement. Such Fees and Expenses shall be paid by the District and shall not be paid or reimbursed with moneys on deposit in the Accounts.

10. Non-liability of Escrow Agent. The Escrow Agent shall not be liable for any mistakes of fact, or errors of judgment, or for acts or omissions of any kind unless caused by the willful misconduct or gross negligence of the Escrow Agent. The District and the Developer shall, on a separate (and not joint and several basis) indemnify and hold harmless the Escrow Agent (and any successor Escrow Agent) from and against any and all losses, liabilities, claims, actions, damages and expenses, including reasonable attorney's fees and disbursements, arising out of and in connection with this Agreement. The Escrow Agent may conclusively rely and act upon any instrument or other writing it, in good faith, believes to be genuine and to be signed and presented by the proper person. The Escrow Agent may, at any time, ask for written confirmation from the Town and/or the District/Developer concerning the propriety of a proposed disbursement of the Escrow Funds or other action or refusal to act by the Escrow Agent. The Escrow Agent shall not be liable for any taxes, assessments or other governmental charges that may be levied or assessed upon the escrow or any part thereof, or upon the income therefrom. The Escrow Agent shall in no event be liable in connection with its investment or reinvestment of any cash held by it hereunder in good faith, in accordance with the terms hereof, including, without limitation, any liability for any delays (not resulting from its negligence or willful misconduct or breach of this Agreement) in the investment or reinvestment of the Escrow Funds, or any loss of interest incident to any such delays. Each of the District and Developer agree that it shall be responsible for all required tax reporting, if any, with respect to the Bond Proceeds Account and the Developer Funds Account.

11. Advice of Counsel. The Escrow Agent may act in good faith pursuant to the advice of counsel retained or consulted by the Escrow Agent with respect to any matter relating to this Agreement and shall not be liable for any action taken or omitted in accordance with such advice.

12. Patriot Act. The Escrow Agent is serving as escrow holder only and has no interest in the Escrow Funds deposited hereunder. Any payments of income from this Agreement shall be subject to withholding of any applicable taxes. The District and/or Developer will provide completed Forms W-9 (or Forms W-8, in the case of non-U.S. persons) and other forms and documents that the Escrow Agent may reasonably request (collectively, "**Tax Reporting Documentation**") at the time of execution of this Agreement and any information reasonably requested by the Escrow Agent to comply with the USA Patriot Act of 2001, as amended from

time to time. The Parties hereto understand that if such Tax Reporting Documentation is not so certified to the Escrow Agent, the Escrow Agent may be required by the Internal Revenue Code, as it may be amended from time to time, to withhold a portion of any interest or other income earned on the investment of monies or other property held by the Escrow Agent (the “**Escrow Income**”) pursuant to this Agreement.

13. Resignation or Termination of Escrow Agent. Upon a thirty (30) day written joint notice of the Town, the District and the Developer, the Escrow Agent may be terminated and a new escrow agent appointed under such notice. The Escrow Agent may resign under this Agreement by giving written notice to the Town, the District and the Developer, effective thirty (30) days after the date of said notice. The Escrow Agent may petition a court of competent jurisdiction to appoint a successor in the event no such successor shall have been appointed within the 30 days. In the event of termination or resignation of the Escrow Agent, and upon the appointment by the Town the District and the Developer of a new escrow agent or custodian, or upon their mutual written instructions to the Escrow Agent providing for other disposition of the escrow, the Escrow Agent must deliver the Escrow Funds within a reasonable period of time as so directed to the new escrow agent, and thereafter will be relieved of any and all liability under this Agreement.

14. Termination of Escrow.

(a) Termination Conditions. This Agreement shall terminate upon the earlier to occur of the following: a) all of the funds on deposit in the Ledge Rock Water and Sewer Pipeline Escrow Account have been disbursed or b) upon the delivery of written notice to the Escrow Agent from the Town, the District and the Developer as to directions for termination of the Escrow Agreement with directions for final disbursement.

15. Notices.

(a) Simple Notice Procedure. Except for notices to the Escrow Agent, any notification or objection set forth **in Section 3, shall** be given by use of the procedure set forth in this **Section 12.a.** Notice shall be provided in writing and personally delivered or sent by an electronic mail (effective on acknowledgement of receipt by the intended recipient) as follows:

If to Town: Matt LeCerf, Town Manager
mlecerf@townofjohnstown.com

With a copy to: Avi Rocklin, Town Attorney
avi@rocklinlaw.com

and

MaryAnn McGeady
Erica Montague
legalnotices@specialdistrictlaw.com

If to the District: Ledge Rock Center Commercial District
c/o Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, CO 80203

With a copy to: David O'Leary
doleary@spencerfane.com

If to the Developer: Michael Schlup
mikeschlup@corbinparkop.com

With a copy to: Allen Schlup, Esq.
Allen.schlup@adschluplaw.com

(b) Complex Notice Procedure.

(i) Any Notice to the Escrow Agent, including the delivery of a Requisition as set forth in Section 6, must be given in accordance with this Section 15(b) hereof unless waived in writing by Escrow Agent.

(ii) Any notice or communication required under this Agreement must be in writing, and may be given personally, sent via nationally recognized overnight carrier service, or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same will be deemed to have been given and received on the first to occur of: (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent; or (ii) three days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered or sent via nationally recognized overnight carrier service, a notice will be deemed to have been given and received on the first to occur of: (i) one business day after being deposited with a nationally recognized overnight air courier service; or (ii) delivery to the party to whom it is addressed. Any party hereto may at any time, by giving written notice to the other party hereto as provided herein designate additional persons to whom notices or communications will be given, and designate any other address in substitution of the address to which such notice or communication will be given. Such notices or communications will be given to the parties at their addresses set forth below:

If to the Town:

Matt LeCerf, Town Manager
Town of Johnstown
450 South Parish Avenue
Johnstown, CO 80534

With a copy to:

Avi Rocklin, Town Attorney
1437 N. Denver Avenue, #330
Loveland, CO 80538

and

McGeady Becher P.C.
 450 East 17th Avenue, Suite 400
 Denver, CO 80203-1254
 Phone: 303-592-4380
 Email: legalnotices@specialdistrictlaw.com

If to the District:

Ledge Rock Center Commercial
 District
 c/o Spencer Fane LLP
 1700 Lincoln Street, Suite 2000
 Denver, CO 80203

With a copy to:

David O'Leary
 Spencer Fane LLP
 1700 Lincoln Street, Suite 2000
 Denver, CO 80203

If to the Developer:

Ledge Rock Center, LLC
 c/o Michael Schlup
 13725 Metcalf Ave.
 Overland Park, KS 66223

With a copy to:

Allen D. Schlup, Esq.
 A.D. Schlup Law, LLC
 10950 W. 192nd PL.
 Spring Hill, KS 66083

and

If to the Escrow Agent:

UMB Bank, n.a.
 Corporate Trust & Escrow Services
 1670 Broadway
 Denver, CO 80210

16. Amendment. This Agreement may not be amended, supplemented or discharged, and no provision of this Agreement may be modified or waived, except by a written instrument signed by all of the Parties hereto. No waiver of any provision of this Agreement by any Party will be deemed a continuing waiver of any matter by such Party.

17. Third Party Beneficiaries. Notwithstanding anything contained herein to the contrary, including, without limitation the Recitals, the Parties to this Agreement shall be the District, the Developer, the Town and the Escrow Agent. This Agreement is not intended to give any benefits, rights, privileges, actions or remedies to any person, partnership, firm or corporation, as a third party beneficiary or otherwise under any theory of law.

18. Binding Agreement. This Agreement shall inure to and be binding on the heirs, executor, administrators, successors, and assigns of the Parties hereto.

19. Severability. Any provision of this Agreement which is declared by a court of competent jurisdiction to be illegal, invalid, prohibited or unenforceable will be ineffective to the extent of such illegality, invalidity, prohibition or unenforceability without invalidating the remaining provisions of this Agreement.

20. Attorneys' Fees. In the event any litigation or legal proceeding arises between the Parties out of this Agreement and is prosecuted to final judgment, then if the Town or the District is a prevailing party against the Developer, the District and the Town will be entitled to recover from the Developer all of its costs and expenses incurred in connection with such litigation, including reasonable attorneys' fees. If the Developer is the prevailing party, it shall bear its own costs. If the Town is the prevailing party in a legal proceeding involving the District, to the extent permitted by law, the District shall pay the Town's costs and expenses incurred in connection with such litigation, including reasonable attorneys' fees.

21. Mediation. If a dispute arises under this Agreement that the Parties are not able to mutually resolve, prior to commencing litigation, the Parties shall first submit the matter to mediation conducted by a neutral mediator. The Parties shall attempt to agree upon a mediator and shall endeavor to find a mediator having experience in construction-related matters. If the Parties are unable to agree upon a mediator, any Party may apply to the Judicial Arbiter Group in Denver, Colorado, for appointment of a mediator. The cost of the mediation shall be shared equally by the Parties. Unless the dispute involves the Escrow Agent, the Escrow Agent shall not be obligated to comply with this Section.

22. Governing Law. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions arising from this Agreement shall be in the District Court in and for Weld County. To reduce the cost and to expedite the resolution of disputes under this Agreement, the Parties hereby waive any and all right either may have to request a jury trial in any civil action relating primarily to the enforcement of this Agreement.

23. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the Town or to the District, their respective officials, employees, contractors, or agents, or any other person acting on behalf of the Town or the District and, in particular, governmental immunity afforded or available to the Town and the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

24. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against another merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each Party has contributed substantially and materially to the preparation of this Agreement.

25. Headings for Convenience Only. Paragraph headings and titles contained herein are intended for convenience and reference only and are not intended to define, limit or describe the scope or intent of any provision of this Agreement.

26. Counterparts; Facsimile Signatures. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories


hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

27. Electronic Execution and Storage. The Parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Remainder of page intentionally left blank. Signature pages follow].

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first written above.

LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the state of Colorado

By: 
Its: President
Date: 4-19-22

Attest:

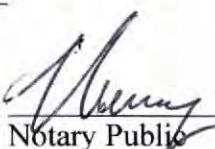
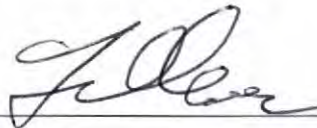

Secretary

STATE OF ~~COLORADO~~ Kansas)
) ss.
COUNTY OF Johnson)

The foregoing instrument was acknowledged before me this 19 day of April, 20 22, by Amy Carroll and John Schupp President and Secretary of the Ledge Rock Center Commercial Metropolitan District, a quasi-municipal corporation of the State of Colorado.

Witness my hand and official seal.

My commission expires: June 20 2023


Notary Public 

Nancy E. Zellmer
Notary Public
State of Kansas
Exp. 6-20-23

DEVELOPER:

LEDGE ROCK CENTER, LLC, a Kansas limited liability company

By: Michel Schlup
Its: Member
Date: 4-19-22

STATE OF KANSAS)
) ss.
COUNTY OF JOHNSON)

The foregoing instrument was acknowledged before me this 19 day of April, 20 22, by Michel Schlup, as Member of Ledge Rock Center, LLC, a Kansas limited liability company.

Witness my hand and official seal.

My commission expires: 6-20-23

Nancy E. Zellmer
Notary Public

Nancy E. Zellmer
Notary Public
State of Kansas
My Appt. Exp. 6-20-23

TOWN:

THE TOWN OF JOHNSTOWN, a home-rule
municipality of the County of Weld, State of
Colorado

By:

Gary Lebsack, Mayor

Date:

Attest:

Diana Seele, Town Clerk

ESCROW AGENT:

UMB BANK, N.A., a national banking association, having an office and corporate trust offices in Denver, Colorado

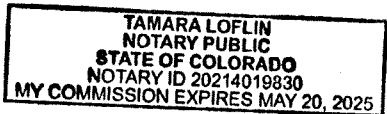
By: _____
 Name: John M. Wahl
 Title: SVP

STATE OF COLORADO)
) ss.
 COUNTY OF Denver)

The foregoing instrument was acknowledged before me this 28 day of April, 2022, by John Michael Wahl as the SVP of UMB Bank, n.a., Escrow Agent.

Witness my hand and official seal.

My commission expires: 05/20/25



Tamara Loflin
 Notary Public

EXHIBIT A

SCOPE AND BUDGET OF LEDGE ROCK WATER AND SEWER PIPELINE WORK (DRAFT - SUBJECT TO FINAL PLAN APPROVAL)

- Sanitary Sewer system materials and construction, to generally include the following:**[TAJ]** \$3.5MM
 - Sewer mains within Weld County Road 46, Purcell property, Payton, Carson, High Plains roadways and stubs into parcels;
 - Manholes;
 - Underdrain systems;
 - Associated appurtenances as outlined on the plans.
- Water mains(domestic) materials and construction, to generally include the following:**[TAJ]** \$1.2MM
 - Water mains within Payton, Carson, High Plains roadways and stubs into parcels;
 - Fire Hydrants, master meters, fittings, lowering, blowoffs;
 - Associated appurtenances as outlined on the plans.
- Underdrain system materials and construction, to generally include the following:**[TAJ]** \$ TBD but projected at \$500k-750K
 - Underdrain mains with the sewer mains listed above and as located on the site, shown on the plans;
 - Cleanouts/manholes;
 - Associated appurtenances as outlined on the plans.
- Storm Drainage Facilities materials and construction, to generally include the following:**[TAJ]** TBD sewer and water are most important
 - Pond(s) grading;
 - Underdrain systems below ponds, if necessary;
 - Water quality structures;
 - Detention control structures;
 - Swales, riprap, concrete channels, conveyance elements;
 - Associated appurtenances as outlined on the plans.
- Overlot Grading construction, to generally include the following:**[TAJ]** \$3.5MM
 - Highway 60, Payton, Carson, High Plains Roadway grading;
- [TAJ]** Add demolition and irrigation ditch relocation
 - Commercial site grading;
 - Associated appurtenances as outlined on the plans.
- Erosion Control Elements for above listed areas, both materials and construction of the following:**[TAJ]** \$400k
 - Erosion, sediment, dust, etc. control device materials and construction
 - Permitting and monitoring
 - Maintenance and repair
- Construction Survey**[TAJ]** 150k
- Construction Material Testing**[TAJ]** 300k
- Construction Management**[TAJ]** 400k

- Entitlements associated with above referenced work, Fees, Permitting costs. *[TAJ]* TBD
500k-1MM

EXHIBIT B
FORM OF ESCROW ACCOUNT REQUISITION
LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT
THE LEDGE ROCK WATER AND SEWER PIPELINE WORK

Requisition No. _____

Ledge Rock Center Commercial Metropolitan District
(in the Town of Johnstown, Colorado)

The undersigned certifies that s/he is a District Representative under that certain Ledge Rock Water and Sewer Pipeline Escrow Agreement dated as of _____, 202____ (the “**Escrow Agreement**”) among Ledge Rock Center Commercial Metropolitan District, Town of Johnstown, Colorado (the “**District**”), Town of Johnstown, Colorado (“**Town**”), Ledge Rock Center, LLC (“**Developer**”) and UMB Bank, n.a. (the “**Escrow Agent**”). All capitalized terms used in this certificate shall have the respective meanings assigned in the Escrow Agreement. The District Representative also certifies:

(a) The construction contract for the Ledge Rock Water and Sewer Pipeline Work for which payment is sought and a description of the work performed:

(b) The total amount of progress payments on the construction of the Ledge Rock Water and Sewer Pipeline Work is as follows:

(c) Funds in the amount of \$_____ are requested to be paid from the Ledge Rock Water and Sewer Pipeline Escrow Account.

(d) Any lien waivers required have been obtained and shall be certified by the District Engineer in accordance with the requirements of the Ledge Rock Development Agreement and the Verified Eligible Cost requirements.

(e) All amounts being requested hereunder are Verified Eligible Costs.

1. Payment shall be made to the _____ (District) as follows:

2. Any additional relevant information is as follows:

I have hereunto set my hand this ____ day of _____, 20 ____.

By: _____
District Representative

I, _____, with _____, the District Engineer hereby certify that that all costs to be paid for Requisition No. _____ constitute Verified Eligible Costs and that Requisition No. _____ contains an estimate of the percentage of total completion of the Ledge Rock Water and Sewer Pipeline Work and the cost to complete the Ledge Rock Water and Sewer Pipeline Work that is the subject of said Requisition.

By: _____
District Engineer

The above payment obligations have been or will be properly incurred, is or will be a proper charge against the Ledge Rock Water and Sewer Pipeline Escrow Account, and have not been the basis of any previous withdrawal. The disbursement requested herein will be used solely for the payment of Ledge Rock Water and Sewer Pipeline Work.

Disbursement instructions are attached hereto.

IN WITNESS WHEREOF, I have hereunto set my hand this ____ day of _____, 20 ____.

By: _____
District Representative

TOWN APPROVAL

I, Matt LeCerf, the Town Manager for the Town of Johnstown, have reviewed Requisition No. _____. The Town hereby approves and authorize the Escrow Agent to release funds in the amount of \$_____ from Ledge Rock Water and Sewer Pipeline Escrow Account.

By: _____
Matt LeCerf, Town Manager

**FIRST AMENDMENT TO
DEVELOPMENT AND REIMBURSEMENT AGREEMENT**

LEDGE ROCK CENTER COMMERCIAL

JOHNSTOWN, COLORADO

DATE: _____, 2022

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**FIRST AMENDMENT TO DEVELOPMENT AND REIMBURSEMENT AGREEMENT
FOR
LEDGE ROCK CENTER COMMERCIAL
JOHNSTOWN, COLORADO**

THIS FIRST AMENDMENT TO DEVELOPMENT AND REIMBURSEMENT AGREEMENT FOR LEDGE ROCK CENTER COMMERCIAL, JOHNSTOWN, COLORADO (this “**First Amendment to Agreement**”) is made and entered into as of the Effective Date by and between **THE TOWN OF JOHNSTOWN, COLORADO**, a home-rule municipality of the Counties of Larimer and Weld, State of Colorado (“**Town**”), **LEDGE ROCK CENTER, LLC**, a Kansas limited liability company (“**Developer**”), and **LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the state of Colorado (“**District**”).

RECITALS

1. The Town, the District and the Developer entered into that certain Development and Reimbursement Agreement, Ledge Rock Center Commercial, Johnstown, Colorado dated January 3, 2022 (the “**Original Development and Reimbursement Agreement**” collectively the Original Development and Reimbursement Agreement and this First Amendment to Agreement shall be the “**Development and Reimbursement Agreement**”) for the purpose of setting forth the terms and conditions relating to the development, design and maintenance of the Project, the improvements to the Property, the collection, payment, use, and duration of the Credit PIF and the Add-On PIF and other matters related to the Project.
2. The Original Development and Reimbursement Agreement contemplated the deposit of the JP Developer Contribution into the Bond Proceeds Account and to be disbursed to the Developer as set forth in the Escrow Agreement.
3. The District has not yet issued Bonds and so the Bond Proceeds Account has not yet been established and the Escrow Agreement contemplated by the Original Development and Reimbursement Agreement has not yet been executed.
4. The District desires to proceed with the award and execution of a contract with a contractor for labor and materials related to certain of the water and sanitary sewer pipelines portion of the Public Improvements (the “**Ledge Rock Water and Sewer Pipeline Work**”) that it is authorized to provide under the Service Plan for the Ledge Rock District approved by the Town on September 8, 2021.
5. The Town, the District and the Developer desire the JP Developer Contribution to be used towards the funding of the Ledge Rock Water and Sewer Pipeline Work.
6. The Town, the Developer and the District now desire to enter into this First Amendment to Agreement to set forth the terms and conditions by which the Escrow Agent shall manage and disburse the escrow account established hereunder.

AGREEMENT

NOW, THEREFORE, in consideration of the terms, conditions and covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE I DEFINITIONS

1.1 Definitions. Capitalized terms used but not defined herein shall have the meaning set forth in the Original Development and Reimbursement Agreement. For purposes of this First Amendment to Agreement, the following terms have the meanings indicated below or terms shall have the meaning set forth in the Recitals.

(a) Effective Date. The date that this First Amendment to Agreement is fully executed by all the Parties, which shall be the date the First Amendment to Agreement is executed by the District.

(b) Ledge Rock Water and Sewer Pipeline Escrow Agreement. An escrow agreement in a form substantially similar to the form attached hereto as **Exhibit A** and incorporated herein by this reference to be executed by the Trustee, the District, the Town and the Developer prior to the issuance of Bonds.

(c) Ledge Rock Water and Sewer Pipeline Escrow Account. The escrow account established pursuant to the Ledge Rock Water and Sewer Pipeline Escrow Agreement.

(d) Ledge Rock Water and Sewer Pipeline Work. The work described in Exhibit A to the Ledge Rock Water and Sewer Pipeline Escrow Agreement as defined in Recital 5 above.

(e) Exhibit. The following Exhibit to this First Amendment to Agreement, which is incorporated by reference into and made a part of this First Amendment to Agreement.

EXHIBIT A Form of Ledge Rock Water and Sewer Pipeline
Escrow Agreement

ARTICLE II GENERAL PROVISIONS

2.1 Covenants. The provisions of this First Amendment to Agreement constitute covenants or servitudes that will, upon Recordation, touch, attach to and run with the land comprising the Property. The burdens and benefits of this Agreement will bind and inure to the benefit of all Parties hereto and all successors in interest to the Parties to this Agreement, except as otherwise provided in the Original Development and Reimbursement Agreement.

2.2 Recitals. The Recitals are incorporated into this Agreement as if fully set forth herein.

2.3 Paragraph 4.11. Paragraph 4.11 of the Original Development and Reimbursement Agreement is hereby amended in full to read as follows:

4.11 JP Developer Contribution. The Developer will remit the JP Developer Contribution to the District prior to the closing on the first issuance of the Bonds and the District will provide written notice of the receipt of such remittance to the Town prior to the closing on the first issuance of the Bonds. The JP Developer Contribution shall be deposited into the Ledge Rock Water and Sewer Pipeline Escrow Account established pursuant to the Ledge Rock Water and Sewer Pipeline Escrow Agreement, attached hereto as **Exhibit A**, and thereafter disbursed to the Developer as set forth in the Ledge Rock Water and Sewer Pipeline Escrow Agreement. The Developer and the District acknowledge that the JP Developer Contribution is, under no circumstances, either directly or indirectly to be reimbursed to the Developer, or any other party, from any revenues of the Town or the District or from the proceeds of any of the Bond or Other Obligations.

ARTICLE III MISCELLANEOUS

3.1 Headings. The paragraph headings herein are for the convenience and reference of the Parties and are not intended to define or limit the scope or intent of this First Amendment to Agreement.

3.2 Limitations of the First Amendment to Agreement. Unless otherwise specifically amended by this First Amendment to Agreement, all terms and provisions of the Original Development and Reimbursement Agreement shall remain in full force and effect.

3.3 Counterparts. This First Amendment to Agreement may be executed in multiple counterparts, each of which will be deemed to be an original and all of which taken together will constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have executed this First Amendment to Agreement as of the Effective Date.

[The Remainder of this Page Intentionally Left Blank]

LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the state of Colorado

By: *Amy Carroll*
Its: President
Date: 4-19-22

Attest:

[Signature]
Secretary

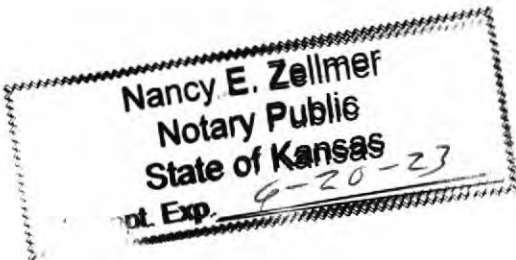
STATE OF ~~COLORADO~~ Kansas)
) ss.
COUNTY OF Johnson)

The foregoing First Amendment to Development and Reimbursement Agreement for Ledge Rock Center Commercial, Johnstown, Colorado was acknowledged before me this 19 day of April, 20 22, by Amy Carroll and John Schlep as President and Secretary of Ledge Rock Center Metropolitan District, a quasi-municipal corporation of the state of Colorado.

Witness my hand and official seal.

My commission expires: 6-20-23

Nancy E. Zellmer
Notary Public



LEDGE ROCK CENTER, LLC, a Kansas limited liability company

By: Michel Schlup
Its: President
Date: 4-19-22

STATE OF ~~COLORADO~~ Kansas)
) ss.
COUNTY OF Johnson)

The foregoing First Amendment to Development and Reimbursement Agreement for Ledge Rock Center Commercial, Johnstown, Colorado was acknowledged before me this 19 day of April, 20 22, by Michel Schlup, as _____ of Ledge Rock Center, LLC, a Kansas limited liability company.

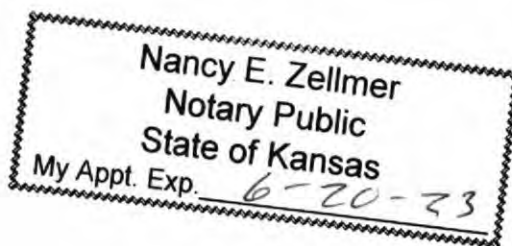
Witness my hand and official seal.

My commission expires: 6-20-23

Nancy E. Zellmer
Notary Public

ACKNOWLEDGED:

Town of Johnstown, Colorado



THE TOWN OF JOHNSTOWN,
a home-rule municipality of the County of
Weld, State of Colorado

By: _____
Gary Lebsack, Mayor

Date: _____

Attest:

Diana Seele, Town Clerk

EXHIBIT A

LEDGE ROCK WATER AND SEWER PIPELINE WORK ESCROW AGREEMENT

EXHIBIT 1

**AGREEMENT CONCERNING PURCHASE AND SALE OF REAL
PROPERTY FOR LEDGE ROCK CENTER COMMERCIAL**

THIS AGREEMENT CONCERNING PURCHASE AND SALE OF REAL PROPERTY FOR LEDGE ROCK CENTER COMMERCIAL (“Agreement”) is made and entered into on this ___ day of _____, 2022, by and between THE TOWN OF JOHNSTOWN, COLORADO, a home-rule municipality of the Counties of Larimer and Weld, State of Colorado (“Town”), LEDGE ROCK CENTER, LLC, a Kansas limited liability company (“Developer”), and LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the state of Colorado (“District”) (collectively, the “Parties”).

RECITALS

WHEREAS, the Town is the owner of a parcel of land known as Lot 2, Oxy Land Subdivision, located in the Northwest ¼, Section 11, Township 4 North, Range 68 West of the 6th P.M., Town of Johnstown, County of Weld, State of Colorado, and recorded at Reception Number 4785196, on December 15, 2021 in the Weld County Clerk and Recorder’s Office, consisting of approximately 33.22 acres (“Property”); and

WHEREAS, the District and Developer intend to develop the Property, along with other real property, as a commercial retail center to be known as the Ledge Rock Center containing approximately 785,000 square feet of new retail uses (“Project”); and

WHEREAS, in consideration of the Developer’s agreement to convey the Property, excepting the portions of the Property upon which Private Improvements will be constructed, to the District at no cost to the District, and to facilitate the development of the Project, the Developer has requested that the Town convey the Property to the Developer for nominal consideration; and

WHEREAS, Colorado municipalities are entitled to encourage new and expanded retail development through inducements and incentives; and

WHEREAS, the Town has determined the Project will serve a public use and promote the health, safety, prosperity, security and general welfare of the citizens of the Town; and

WHEREAS, in furtherance of the development of the Project, on or about January 3, 2022, the Town, the District and the Developer entered into that certain Development and Reimbursement Agreement for Ledge Rock Center Commercial, Johnstown, Colorado, recorded at Reception Number _____, on _____, 2022 in the Weld County Clerk and Recorder’s Office (“Development Agreement”); and

WHEREAS, pursuant to the Development Agreement, and the District’s and Developer’s representations made therein regarding the construction and installation of the Project on the Property, the Town agreed to negotiate a purchase and sale agreement with the Developer and the District regarding conveyance of the Property; and

WHEREAS, based on the foregoing, including the anticipated economic benefits and additional employment opportunities presented by the location of the Project in the Town, the Town desires to accommodate the Developer's request for conveyance of the Property to the Developer for nominal consideration; and

WHEREAS, pursuant to C.R.S. § 29-1-203, the Parties are authorized to enter into cooperative agreements and contracts for certain specified purposes, and intend that, as between the Town and the District, this Agreement constitute such an intergovernmental agreement with respect to the conveyance of the Property; and

WHEREAS, capitalized terms used herein not otherwise defined shall have the meaning set forth in the Development Agreement; and

WHEREAS, to effectuate the foregoing, the Parties desire to enter into this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the terms, conditions and covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Recitals. The Recitals set forth above are incorporated herein by reference.
2. Conveyance. Based upon the terms and conditions set forth herein, within three (3) business days of the District's first issuance of Bonds, the Town shall convey the Property to the Developer by special warranty deed, in substantially the same form as attached hereto and incorporated herein by reference as Exhibit A ("Conveyance Date"). If the District has not issued Bonds by June 30, 2022, then, unless the Town consents to an extension of time, this Agreement shall terminate and the Town shall not be obligated to convey the Property to the District.
3. Completion of Public Improvements. As a material term of this Agreement, the District and Developer agree to complete construction of the Public Improvements required for commercial use of the Property, the scope of which shall be agreed upon by the Parties, within five (5) years of the Conveyance Date. If, after due diligence, the District and Developer anticipate that they will not be able to complete the Public Improvements within the five (5) year period, within at least three and one-half years (3.5) from the Conveyance Date, the District and Developer may submit a written request to the Town for an extension of time to complete the Public Improvements along with an explanation of the reason for the request. The Town shall review the request and, if agreeable, at the Town's discretion, provide written consent to the extension of time in the form of an amendment to this Agreement. If the request is based on good cause, as determined by the Town, the Town's approval shall not be unreasonably withheld, delayed or conditioned.
4. Conveyance of Property to District. As a material term of this Agreement, the Developer agrees to convey the Property to the District, excepting the portions of the Property upon which Private Improvements will be constructed, within four (4) months of the Conveyance Date. The Developer further agrees to convey the Property to the District at no cost.

5. Restrictive Covenants. Absent written consent of the Town in the form of an amendment to this Agreement recorded in the Weld County Clerk and Recorder's Office, except as otherwise set forth herein, the Developer and the District and shall not:

- a. Convey the Property to a third-party, except that the Developer may convey the Property to the District as set forth herein;
- b. Secure any financing for Public Improvements with a mortgage or other encumbrance on the Property except for any PILOT which may exist on the Property; or
- c. Secure any financing for Private Improvements with a mortgage or other encumbrance on the Property except for (i) financing by a third-party who purchases portions of the Property pursuant Paragraph 6; or (ii) financing approved by the Town pursuant to Paragraph 7. Without limiting the Town's rights, the Town commits and affirms that, if the Town determines that the Developer is making substantial progress toward development of the Property, upon the written request of the Developer, the Town would be inclined to agree to release the foregoing restriction with respect to the Private Property.

6. Conveyance of Portions of the Property to Third-Party Retailers. Notwithstanding the foregoing, the Town understands and agrees that, as the Project develops, the Developer may desire to convey portions of the Property proposed for pad sites to third-parties for Private Improvements and the construction of buildings for commercial use. Such conveyance shall be subject to the following:

- a. Conditions of Sale. The Developer shall only be entitled to convey portions of the Property proposed for pad sites on the condition that the purchase and sale agreement between the Developer and the third-party purchaser contain provisions requiring that the third-party purchaser submit an application to the Town for a building permit within six (6) months of the acquisition of the property and commence construction of the Private improvements within three (3) months of the issuance of a building permit, except that, for good cause, the purchaser may provide a written request for an extension of either of the deadlines to the Town Manager at least thirty (30) days before the expiration of such deadline and the Town Manager may, at the Town Manager's discretion, extend the deadline upon a finding of good cause, which consent shall not be unreasonably withheld, delayed or conditioned if the request is based on good cause. If those conditions are not satisfied, the purchase and sale agreement shall provide that the third-party purchaser be required to reconvey the property to the Developer and that the Developer be required to accept reconveyance of the property from the third-party. The Developer shall also prohibit the third-party purchaser from selling the property to a different purchaser absent the Developer's consent and the new purchaser's assumption of the development obligations set forth above. Prior to the sale of the property by the Developer to a third-party, the Developer shall provide the portions of the purchase and sale agreement containing the above-conditions to the Town for review and

approval.

- b. Developer Funds. Upon the sale of property to a third-party, the Developer shall not be entitled to Developer Funds, as defined in the Escrow Agreement, for such portion of the Property absent written approval of the Town Manager, at the Town Manager's discretion. To determine whether to allow disbursement of Developer Funds, the Town Manager may request, among other information, documentation evidencing: (i) the identity of the purchaser of the property and the anticipated retail use; (ii) the anticipated construction schedule and date by which the purchaser intends to be open for retail business; and (iii) as between the Developer and the third-purchaser, the financial terms of the construction of the Private Improvements.

7. Encumbrance on Private Property.

- a. Pad Sites. Notwithstanding the foregoing, as provided in this Paragraph 7, the Developer may mortgage or encumber portions of the Property proposed for pad sites for Private Improvements when the Developer is prepared to commence construction of the Private Improvements on such pad site(s). In such case, the Developer shall provide written notice to the Town Manager. The Town Manager shall review and, if acceptable, at the Town Manager's discretion, provide written consent to the mortgage or encumbrance. The Town Manager's approval shall not be unreasonably withheld, delayed or conditioned.
- b. Consent to Encumber Lots 7, 8, 9 and 10. Developer has indicated that, as of the effective date of this Agreement, it intends to commence construction of the Public Improvements and thereafter the Private Improvements associated with Lots 7, 8, 9 and 10 ("Lots"), as such Lots are preliminarily shown and depicted on Exhibit B attached hereto and incorporated herein by reference. The Town hereby provides consent for the mortgage or encumbrance of those Lots.

8. Consent to Transfer. Upon the conveyance of the Property from the Developer to the District, the District shall not be entitled to transfer or convey the Property to the Developer or to a third party absent the written consent of the Town.

9. Remedy. If the Developer and/or the District fail to comply with any term or conditions of this Agreement, the Developer and/or the District, as the case may be, shall be liable to the Town for the fair market value of the Property at the time of such failure, determined by an independent appraisal obtained at the Developer's expense. The Town shall be entitled to any and all other remedies available, including the right, at its discretion, to seek to rescission of the conveyance and transfer of the Property in violation of the terms of this Agreement. The Parties acknowledge that the Escrow Agreement will contain a cross default provision that will suspend the distribution of any Developer Funds until such time as any default by the Developer or the District under this Agreement has been cured.

10. References to Property. Each and every reference herein to the “Property” shall mean and include the whole of the Property or portions thereof.

11. Consent of the Town. Except as otherwise provided herein, the requirement to obtain the consent of the Town shall mean the consent of the Town Council of the Town of Johnstown.

12. Mediation. If a dispute arises under this Agreement that the Parties are not able to mutually resolve, prior to commencing litigation, the non-breaching Party shall first submit the matter to mediation conducted by a neutral mediator. The Parties shall attempt to agree upon a mediator and shall endeavor to find a mediator having experience in construction-related matters. If the Parties are unable to agree upon a mediator, either Party may apply to the Judicial Arbitrator Group in Denver, Colorado, for appointment of a mediator. The cost of the mediation shall be shared equally by the Parties.

13. Governing Law and Venue. This Agreement and the interpretation thereof shall be governed by the laws of the State of Colorado. Venue for any claim, proceeding or action arising out of this Agreement shall be in the County of Weld, State of Colorado.

14. Severability. If any term, provision, covenant or condition of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect so long as enforcement of the remaining provisions would not be inequitable to the Party against whom they are being enforced under the facts and circumstances then pertaining or substantially deprive such Party of the benefit of its bargain under this Agreement. The Parties shall cooperate in reforming this Agreement to the extent required to most fully effect the intent of any such invalid, void or unenforceable term, provision, covenant or condition.

15. Recordation. This Agreement shall be recorded in the Weld County Clerk and Recorder’s Office.

16. Runs with the Land. The terms and provisions of this Agreement shall constitute covenants running with the land (the Property) and shall be binding upon and inure to the benefit of the respective successors, assigns, transferees, personal representatives and heirs of the Parties hereto.

17. Costs and Attorneys’ Fees. If the Developer or the District breaches this Agreement, the Developer or the District, as the case may be, shall pay the Town’s reasonable costs and expenses, including attorney’s fees, incurred in the enforcement of the terms, conditions and obligations of this Agreement.

18. Entire Agreement. This Agreement constitutes the entire agreement and understanding between the Parties related to the subject matter contained herein and supersedes all prior agreements or understandings.

19. No Presumption. Each Party acknowledges that it has obtained, or has had the opportunity to obtain, the advice of legal counsel of its own choosing in connection with the negotiation and execution of this Agreement and with respect to all matters set forth herein. In the

event of any dispute, disagreement or controversy arising from this Agreement, the Parties shall be considered joint authors and no provision shall be interpreted against any Party because of authorship.

20. Findings. The Town hereby finds and determines that execution of this Agreement is in the best interests of the public health, safety and general welfare of the citizens of the Town. The District hereby finds that this Agreement is in the best interests of the District.

21. Further Assurances. Each Party shall execute and deliver to the others all such other further instruments and documents as may be reasonably necessary or requested by another Party to confirm or clarify the intent of the provisions of this Agreement, and to carry out and effectuate this Agreement in order to provide and secure to the other Parties the full and complete enjoyment of their rights and privileges under this Agreement.

22. Authority. The signatories to this Agreement affirm and warrant that they are fully authorized to enter into and execute this Agreement, and all necessary actions, notices, meetings and/or hearings pursuant to any law required to authorize their execution of this Agreement have been made.

23. Headings. The paragraph headings herein are for the convenience and reference of the parties and are not intended to define or limit the scope or intent of this Agreement.

24. Counterparts. This Agreement may be executed in multiple counterparts, each of which will be deemed to be an original and all of which taken together will constitute one and the same agreement.

25. Effective Date. This Agreement shall be effective on the date set forth above in the opening paragraph.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the set forth above.

LEDGE ROCK CENTER, LLC, a Kansas limited liability company

By: Michel L Schlup
Its: Member
Date: 2-18-22

STATE OF KANSAS)
) ss.
COUNTY OF JOHNSON)

The foregoing Agreement Concerning Purchase and Sale of Real Property for Ledge Rock Center Commercial was acknowledged before me this 18th day of February, 2022, by Michel L Schlup, as Member of Ledge Rock Center, LLC, a Kansas limited liability company.

Witness my hand and official seal.

My commission expires: 5-16-25



Amy Carroll
Notary Public

LEDGE ROCK CENTER COMMERCIAL METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the state of Colorado

By: [Signature]
 Its: President
 Date: 2-18-22
 Attest:

[Signature]
 Secretary

STATE OF KANSAS)
) ss.
 COUNTY OF JOHNSON)

The foregoing Agreement Concerning Purchase and Sale of Real Property for Ledge Rock Center Commercial was acknowledged before me this 18th day of February, 2022, by Amy Carroll and John Schlup, as President and Secretary Ledge Rock Center Metropolitan District, a quasi-municipal corporation of the state of Colorado.

Witness my hand and official seal.

My commission expires: 10-20-23

Nancy E. Zellmer
Notary Public
State of Kansas
 My Appt. Exp. 10-20-23

[Signature]
 Notary Public

THE TOWN OF JOHNSTOWN,
 a home-rule municipality of the
 State of Colorado

Date: _____

By: _____
 Gary Lebsack, Mayor

ATTEST:

 Diana Seele, Town Clerk

EXHIBIT A
SPECIAL WARRANTY DEED

THIS DEED, made this ___ day of _____, 2022, between the TOWN OF JOHNSTOWN, a Colorado home rule municipality located in County of Weld, State of Colorado (“**Grantor**”), and LEDGE ROCK CENTER, LLC, a Kansas limited liability company (“**Grantee**”):

GRANTOR, for the sum of TEN DOLLARS (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm unto Grantee, its heirs and assigns forever, all the real property together with improvements, if any, situate, lying and being in the County of Weld, State of Colorado, described as follows:

Lot 2, Oxy Land Subdivision, located in the Northwest ¼, Section 11, Township 4 North, Range 68 West of the 6th P.M., Town of Johnstown, County of Weld, State of Colorado, consisting of approximately 33.22 acres.

TOGETHER with all and singular the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances;

TO HAVE AND TO HOLD the said premises above bargained and described with the appurtenances, unto the Grantee, its heirs and assigns forever. The Grantor, for itself, its heirs and personal representatives or successors, does covenant and agree that it will WARRANT AND FOREVER DEFEND the above-bargained premises in the quiet and peaceable possession of the Grantee, its heirs and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under the Grantor. Said warranty is subject to rights-of-way, easements, covenants, plats, agreements and other restrictions of record as of the date of this Deed and any other exceptions or exclusions or rights of third parties not shown by the public records of which Grantee has actual knowledge, and subject to the inclusions of the property within any special taxing district. The singular shall include the plural and the plural the singular and the use of any gender shall be applicable to all genders.

IN WITNESS WHEREOF, Grantor has executed this Deed on the date set forth above.

TOWN OF JOHNSTOWN

By: _____
Title: Gary Lebsack, Mayor

STATE OF COLORADO)
)ss.
COUNTY OF WELD)

The foregoing instrument was acknowledged before me by Gary Lebsack, Mayor of the Town of Johnstown this _____ day of _____, 2022.

Witness my hand and official seal.

My commission expires _____.

Notary Public

EXHIBIT B
DEPICTION OF LOTS

[Attached]