

**Blackstone Metropolitan District**  
**SPECIAL MEETING OF THE BOARD OF DIRECTORS**  
**November 7, 2023 | 6:00 pm**  
**Blackstone Country Club**  
**7777 South Country Club Parkway, Aurora, CO 80016**  
**www.blackstonemetro.org**

**AGENDA**

**I. ATTENDANCE & CALL TO ORDER**

Board Members:

Shawn McGoff	President	Term to May 2025
Perry Deeds	Vice President	Term to May 2025
Lee McCall	Treasurer	Term to May 2027
Lisa Monahan	Secretary	Term to May 2027
Marty Liles	Director	Term to May 2025

Management Representative: Jordan Devine (Westwind)

District Consultants / Contractors: Clint Waldron (WBA), Curtis Bourgoiuin (CLA), Ben Zand (LandTech)

**II. DISCLOSURE OF ANY CONFLICTS OF INTEREST**

**III. AGENDA REVIEW / UPDATES OR APPROVAL**

**IV. PUBLIC COMMENT**

Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes. As a general practice, the Board will not discuss/debate these items, nor will the Board make any decisions on items presented during this time, rather it will refer the items for follow up. For in-person meetings, please sign in. For virtual meetings, please click on raise hand, during the time of Public Comment.

**V. CONSENT AGENDA**

The items listed below are a group of items to be acted on with a single motion and vote by the Board. An item may be removed from the consent agenda to the regular agenda by any Board member. Items on the consent agenda are then voted on by a single motion, second, and vote by the Board.

- a. Approve September 19, 2023, Regular Meeting Minutes (**enclosure**; p.2-4)
- b. Approve September 26, 2023, Annual Meeting Minutes (**enclosure**; p.5)
- c. Approve September 26, 2023, Special Meeting Minutes (**enclosure**; p.6)

- d. Approve and Ratify Payment of Claims in the amount of \$1,110,095.87 (**enclosure**; p.7-8)
- e. Approve Special District Disclosure Notice Pursuant to 32-1-809, C.R.S. (**enclosure**; p.9)
- f. Approve Workers' Compensation Coverage with Colorado Special Districts Property and Liability Pool (**to be distributed**)
- g. Approval of 2024 Agency Fee Invoice from T. Charles Wilson for Broker Services (**enclosure**; p.10-11)
- h. Consider Approval of Independent Contractor Agreement with Stormwater Asset Protection, LLC (SWAP) (**enclosure**; p.12-32)
- i. Consider Approval of Independent Contractor Agreement with Lee Design Group, LLC for Design Services (**enclosure**; p.33-55)
- j. Consider Approval of First Amendment Independent Contractor Agreement with Full Spectrum Lighting, Inc. for Lighting Maintenance Services (**enclosure**; p.56-59)
- k. Consider Independent Contractor Agreement with Pet Scoop (**enclosure**; p.60-64)
- l. Consider Approval of Intergovernmental Agreement with City of Aurora Regarding Snow Removal on City Streets (**enclosure**; p.65-75)
- m. Ratify 2022 Annual Report (**enclosure**; p.76-146)

## **VI. SARIA PRESENTATION**

- a. Discuss and Consider Approval of Amendment to Service Plan regarding ARI Mill Levy

## **VII. FINANCIAL REPORT**

- a. Review Unaudited Financial Statements (**enclosure**; p.148-161)
- b. Consider Special Districts Master Services Agreement with CliftonLarsonAllen LLP (**enclosure**; p.162-169)
- c. Consider Special Districts Preparation Statement of Work and Payroll Services Statement of Work with CliftonLarsonAllen LLP (**enclosure**; p.170-186)
- d. Conduct Public Hearing on 2023 Budget Amendment and Consider Adoption of Resolution Amending 2023 Budget (**if necessary**)
- e. Conduct Public Hearing on 2024 Budget and Consider Adoption of Resolution Adopting 2024 Budget, Imposing Mill Levy, and Appropriating Funds (**enclosure**; p.187-198)
- f. Consider Approval of Proposal for 2023 Audit Services
- g. Other Financial Matters

## **VIII. LANDSCAPE REPORT**

- a. Landscape Maintenance Report and Update on Approved Work Orders – Ben Zand, Account Manager, LandTech (**enclosure**; p.200-214)
  - 1. Consider 2024-2025 Landscape Maintenance Contract with LandTech (**enclosure**; p.215-226)
  - 2. Consider 2024 Tree Installation Proposal (**enclosure**; p.227-228)
- b. Consider Work Order for 2024 Tree Planting Management for New & Warranty Trees Proposal from Tree Analysis Group, LLC (**enclosure**; p.229-232)

**IX. COMMITTEE REPORTS**

- a. Landscape Committee
  - 1. Consider Proposal for 3 Dog Waste Stations from LandTech (**enclosure**; p.234)
  - 2. Capital Projects
    - i. Median and Entryway Project Update
- b. Architectural / Design Review
  - 1. Review Updated Compliance Letter Templates (**enclosure**; p.235-236)
- c. Social
  - 1. Consider Committee Member/s Resignation (**to be distributed under separate cover**)

**X. LEGAL REPORT**

- a. Consider Adoption of 2024 Annual Administrative Resolution (**enclosure**; p.238-244)
- b. Discuss Implementation of Accessibility Standards for Individuals with a Disability for Information Technology Systems Employed by the District

**XI. MANAGEMENT REPORT**

- a. District Management Report (**enclosure**; p.246-247)
- b. Consider Proposals for District Website Management
  - 1. Heatherly Creative (**enclosure**; p.248)
  - 2. Streamline (**enclosure**; p.249-260)
- c. Discuss and Review Insurance General Liability Schedule and Limits, Consider Authorization to Bind Coverage
- d. Consider Approval of Independent Contractor Agreement with Westwind Management Group LLC, for District Management Services (**enclosure**; p.261-307)
- e. Westwind Delinquency and Compliance Report (**to be distributed under separate cover**)
- f. Fee Waiver Requests (**to be distributed under separate cover**)
- g. Discuss Payment Process for Quarterly Statements
- h. Other Management Matters

**XII. DISTRICT MEMBERSHIPS / REPRESENTATIVE REPORTS**

- a. Wheatlands Park and Rec – Perry Deeds

**XIII. OTHER BUSINESS**

**XIV. PUBLIC COMMENT**

Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three (3) minutes. As a general practice, the Board will not discuss/debate these items, nor will the Board make any decisions on items presented during this time, rather it will refer the items for follow up. For in-person meetings, please sign in. For virtual meetings, please click on raise hand, during the time of Public Comment.

**XV. ADJOURNMENT**

# **CONSENT AGENDA**



**Blackstone Metropolitan District**  
**REGULAR MEETING OF THE BOARD OF DIRECTORS**  
**MINUTES**  
**September 19, 2023**

**I. ATTENDANCE & CALL TO ORDER**

Board Members in attendance were Shawn McGoff, Perry Deeds, Lee McCall, Marty Liles, and Lisa Monahan.

Also, in attendance were Clint Waldron (White Bear Ankele Tanaka & Waldron), Curtis Bourgouin (CliftonLarsonAllen LLP), Ben Zand (LandTech Contractors, LLC), Jordan Devine (Westwind Management Group, LLC), and members of the public. The meeting was called to order at 6:02 pm by President, Shawn McGoff.

**II. DISCLOSURE OF ANY CONFLICTS OF INTEREST** – There were no conflicts to disclose.

**III. AGENDA REVIEW / UPDATES OR APPROVAL** – Ben Zand requested to amend the agenda to include a proposal from LandTech for soil aeration under Section VII. for consideration of approval. Upon motion duly made by Director McGoff, seconded by Director Liles, upon vote, unanimously carried, the Board approved the agenda as amended.

**IV. PUBLIC COMMENT**

Attorney Waldron opened the meeting for public comment.

- An owner requested that the Board of Directors and consultants introduce themselves and asked for the appropriate point of contact for management inquiries.
- 86218 – Thanked the Board for the capital project to enhance community entrances and reviewed steps required to present a proposal to the Board for consideration for improvements at Hilltop Park.

**V. CONSENT AGENDA**

Upon motion duly made by Director McCall, seconded by Director Monahan, upon vote, unanimously carried, the Board approved the consent agenda items as follows:

- a. Approve August 15, 2023, Regular Meeting Minutes
- b. Approve and Ratify Payment of Claims in the amount of \$290,587.47

**VI. FINANCIAL REPORT**

- a. Mr. Bourgouin of CliftonLarsonAllen LLP presented the financial statements updated as of August 31, 2023.

**VII. LANDSCAPE REPORT**

- a. Ben Zand, Account Manager with LandTech Contractors, LLC, presented the recent landscape activities – Mowing and sod replacement at Hilltop Park; replacement of columnar oaks with elms; schedule of treatment applied to remove weeds from common areas; sod and irrigation installation on the northern side of the Monahan entrance; installation of holiday lighting after Thanksgiving.
  1. Consider Gravel Repair Proposal from LandTech – Ben Zand presented a proposal to repair the gravel path located north of 7581 S Queensburg Way with Mountain granite and Rip Rap.
  2. Consider Proposal for Four Additional Trees in the Amount of \$4,780.00 – Ben Zand

provided an update to the Board that this proposal was irrelevant since LandTech installed the four additional trees at no cost to the District.

3. Consider Proposal for Plant Replacements at Hilltop Park & 5 Trees Along Monahan Entrance – Ben Zand presented a proposal to remove and replace the dead shrubs at Hilltop Park and install 5 trees along the northern treescape at the Monahan entrance.
4. Consider Proposal for Soil Aeration – Ben Zand recommended aerating the soil a second time in 2023 at a cost of \$2,600 and completing two soil aeration services in 2024 at no additional cost.

Following discussion, upon motion duly made by Director McCall, seconded by Director Monahan, upon vote (2:3), the motion failed to approve proposals 1,3, and 4 from LandTech. Upon motion duly made by Director McCall, seconded by Director McGoff, upon vote, unanimously carried, the Board approved proposals 1 and 3 from LandTech.

## **VIII. COMMITTEE REPORTS**

### **a. Landscape Committee**

1. The Board reviewed the Median Proposal for informational purposes.
2. Capital Projects
  - i. Director Deeds presented the recent updates on the Median and Entryway Project.
  - ii. Consider Proposal for Additional Service Request for Construction Related Support from Design Concepts – The Board discussed the importance of the various project tasks outlined. Upon motion duly made by Director McGoff, seconded by Director McCall, upon vote, unanimously carried, the Board agreed to approve a new proposal from Design Concepts to include the post-punch walk through and 11-month warranty walk through with an additional not to exceed \$1,500 available for additional services requested by the Board or landscape committee.
  - iii. Consider Change Order from Singing Hills Landscape, Inc. for Vac Truck Rental in the Amount of \$6,200.00 – Upon motion duly made by Director McCall, seconded by Director Monahan, upon vote, unanimously carried, the Board approved the change order from Singing Hills Landscape, Inc. for the rental of a commercial hydro-vac truck to safely locate the utilities in the construction areas.

b. Architectural / Design Review – No report.

c. Director McCall presented the recent activities of the Social Committee.

1. Director McCall reviewed the Community Event Survey with the Board.

## **IX. LEGAL REPORT**

- a. Attorney Waldron discussed with the Board the approval from the City's Policy Committee to allow Districts to provide snow removal services on City streets.

## **X. MANAGEMENT REPORT**

- a. Ms. Devine presented the District Management Report
- b. Ms. Devine reviewed the Operations Summary, and Delinquency and Compliance report with the Board.
- c. Ms. Devine presented the fee waiver requests for consideration of approval by the Board.

Upon motion duly made by Director McCall, seconded by Director Liles, upon vote, unanimously carried, the Board decided not to waive the delinquent fee waiver requests from accounts 85979, 86490, and 86590. Upon motion duly made by Director Liles, seconded by Director McCall, upon vote, unanimously carried, the Board decided not to waive the compliance fee waiver request from account 85908.

- d. The Board reviewed the Reserve Analysis Report version 2 for informational purposes. No requested changes were made.
- e. The Board discussed the timeliness in which the lights at Hilltop Park lights were repaired after it was reported that they were out and the need for faster resolution.
- f. Other Landscape Matters – The Board discussed the current landscape contract with LandTech Contractors, LLC.

**XI. DISTRICT MEMBERSHIP/REPRESENTATIVE REPORTS**

- a. SARIA – Shawn McGoff reported updates from the recent SARIA meeting. No action was taken.
- b. Wheatlands Park and Rec – No updates were reported.

**XII. OTHER BUSINESS**

- No other business reported.

**II. PUBLIC COMMENT**

- There was no additional public comment.

**III. ADJOURNMENT**

- A motion was duly made by Director McCall, seconded by Director Monahan, and unanimously carried, to adjourn the meeting at 7:46 pm.

Minutes approved: \_\_\_\_\_ Date: \_\_\_\_\_

**Blackstone Metropolitan District**  
**ANNUAL MEETING OF THE BOARD OF DIRECTORS**  
**Pursuant to §32-1-903(6), C.R.S.**  
**MINUTES**  
**September 26, 2023**

**ATTENDANCE & CALL TO ORDER**

Board Members in attendance were Shawn McGoff, Perry Deeds, Lee McCall, and Lisa Monahan.

Director Liles was absent and excused.

Others in attendance were Clint Waldron (WBA), Curtis Bourgouin (CLA), Michael Lund and Blaine Hawkins (Piper Sandler), and Jordan Devine (Westwind Management). The meeting was called to order at 6:00 pm.

**PRESENTATION REGARDING THE STATUS OF PUBLIC INFRASTRUCTURE PROJECTS WITHIN THE DISTRICT –**

Ms. Devine and Director Deeds reviewed the status of Public Infrastructure Projects within the District

**PRESENTATION REGARDING OUTSTANDING BONDS** – Mr. Bourgouin and Mr. Lund reviewed information regarding the outstanding bonds.

**REVIEW OF UNAUDITED FINANCIAL STATEMENTS** – Mr. Bourgouin reviewed the August 31, 2023 Unaudited financial Statements.

**OPEN FLOOR FOR QUESTIONS** – The Board engaged in discussion with the community and answered community member's questions.

**ADJOURNMENT**

Minutes approved: \_\_\_\_\_ Date: \_\_\_\_\_

**Blackstone Metropolitan District**  
**SPECIAL MEETING OF THE BOARD OF DIRECTORS**  
**MINUTES**  
**September 26, 2023**

**ATTENDANCE & CALL TO ORDER**

Board Members in attendance were Shawn McGoff, Perry Deeds, Lee McCall, and Lisa Monahan.

Director Liles was absent and excused.

Others in attendance were Clint Waldron (WBA), Curtis Bourgouin (CLA), and Jordan Devine (Westwind). The meeting was called to order at 6:30 pm.

**DISCLOSURE OF ANY CONFLICTS OF INTEREST** – There were no conflicts to disclose.

**AGENDA REVIEW / UPDATES OR ACCEPTANCE** – There were no updates, and upon motion duly made and seconded, the Agenda was unanimously approved as provided.

**2024 BUDGET WORKSHOP AND LONG-RANGE FINANCIAL FORECAST** – Mr. Bourgouin reviewed the proposed 2024 budget with the Board. The Board discussed the proposed revenue and expenses and asked Mr. Bourgouin to make some additional adjustments.

**OTHER BUSINESS** – None

**ADJOURNMENT** – A motion was duly made, seconded and unanimously carried to adjourn the meeting at 7:11 pm.

Minutes approved: \_\_\_\_\_ Date: \_\_\_\_\_

## Blackstone Metro District Interim Claims List 8/10/23 - 9/14/23

<u>Process Date</u>	<u>Vendor</u>	<u>Invoice Number</u>	<u>Amount</u>
9/15/2023	Aurora Water	A116530 JUL23	\$ 2,012.91
9/15/2023	Aurora Water	A116535 JUL23	2,012.91
9/15/2023	Aurora Water	A116538 JUL23	2,012.91
9/15/2023	Aurora Water	A116540 JUL23	2,028.27
9/15/2023	Aurora Water	A116533 JUL23	2,028.27
9/15/2023	Aurora Water	A116532 JUL23	2,044.26
9/15/2023	Aurora Water	A116539 JUL23	2,168.25
9/15/2023	Aurora Water	A116534 JUL23	2,888.43
9/15/2023	Aurora Water	A116529 JUL23	3,288.42
9/15/2023	Aurora Water	A116536 JUL23	3,487.47
9/15/2023	Aurora Water	A116537 JUL23	3,610.98
9/15/2023	Aurora Water	A116531 JUL23	5,469.54
9/15/2023	Heatherly Creative,LLC	23	300.00
9/15/2023	Iraj & Azar Karimkhani	Refund-86084	330.00
9/15/2023	Joseph Resnik	Refund-86265	545.00
9/15/2023	Kevin McDougall	Refund-86158	17.48
9/15/2023	Landtech Contractors, Inc	Multiple	41,865.24
9/15/2023	Lee Design Group LLC	BST23/07	510.00
9/15/2023	Mark Arriola	Refund-86344	495.00
9/15/2023	REPUBLIC SERVICES #535	0535-005702217	14,423.95
9/15/2023	Ronald Kowal	Refund-86103	330.00
9/15/2023	Terrence Kane	Refund-27208	165.00
9/15/2023	Tree Analysis Group, LLC	23020	7,840.00
9/15/2023	Westwind Management Group LLC	28.13904	1,276.06
9/15/2023	Xcel Energy	53-8016149-9 AUG23	688.76
9/29/2023	Altitude Community Law P.C.	1726 AUG23	2,893.50
9/29/2023	CliftonLarsonAllen LLP	3870892	4,434.15
9/29/2023	Eric Platte	86244-Refund	660.00
9/29/2023	Friedrich Buehler	Refund-85839	165.00
9/29/2023	Full Spectrum Lighting, Inc.	31918	100.00
9/29/2023	Josie O'Neill	Reimbursement	7,793.11
9/29/2023	Kurt Loreck	Refund-86124	164.99
9/29/2023	Landtech Contractors, Inc	Multiple	38,878.13
9/29/2023	Lee Design Group LLC	BST23/08	335.00
9/29/2023	Lee Mccall	Reimbursement	427.91
9/29/2023	Marianne Buehler	refund	165.00
9/29/2023	Mark Arriola	Refund-86344	165.00
9/29/2023	Michael Kauffman	Refund-86085	165.00
9/29/2023	Pet Scoop, Inc.	495442	307.00
9/29/2023	Sequoia Golf Blackstone Country Club	BMD0150	7,191.53
9/29/2023	Singing Hills Landscape Inc	Pay App 3	507,123.87
9/29/2023	Star Playgrounds, Inc.	INV11953B	34.92
9/29/2023	Westwind Management Group LLC	Multiple	11,747.57
9/29/2023	White Bear Ankele Tanaka & Waldron	29857	6,374.38
10/4/2023	James Fisher	Refund-85939	165.00
10/4/2023	Landtech Contractors, Inc	Multiple	2,481.57

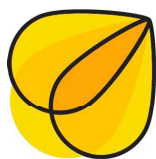
<u>Process Date</u>	<u>Vendor</u>	<u>Invoice Number</u>	<u>Amount</u>
10/4/2023	Luke Rodgers	Refund-86276	165.00
10/4/2023	Performance Play Music School	9.2023	375.00
10/4/2023	Pet Scoop, Inc.	478615	307.00
10/4/2023	REPUBLIC SERVICES #535	0535-005733362	14,469.70
10/4/2023	Robert Harris	Refund-86012	825.00
10/4/2023	Westwind Management Group LLC	28.14175	473.76
10/10/2023	Dennis Fox	Refund-85944	330.00
10/10/2023	Rick Hoedt	Refund-86035	5.00
10/11/2023	South Aurora Regional Improvement Authority	Aug-23	19,961.56
10/31/2023	Aurora Water	A116533 AUG23	12.91
10/31/2023	Aurora Water	A116538 AUG23	12.91
10/31/2023	Aurora Water	A116535 AUG23	12.91
10/31/2023	Aurora Water	A116540 AUG23	35.95
10/31/2023	Aurora Water	A116530 AUG23	44.41
10/31/2023	Aurora Water	A116539 AUG23	182.11
10/31/2023	Aurora Water	A116532 AUG23	182.50
10/31/2023	Aurora Water	A116534 AUG23	442.99
10/31/2023	Aurora Water	A116537 AUG23	896.74
10/31/2023	Aurora Water	A116536 AUG23	919.15
10/31/2023	Aurora Water	A116529 AUG23	2,286.82
10/31/2023	Aurora Water	A116531 AUG23	3,223.78
10/31/2023	Xcel Energy	53-8016149-9 SEP23	710.27
11/1/2023	Brian Welt	Refund-96246	165.00
11/1/2023	Colorado Special District P&L Pool	24WC-60621-0367	450.00
11/1/2023	David Reeb	Refund-86260	165.00
11/1/2023	Donald Myers	Refund-86200	495.09
11/1/2023	Ian Menzies	Refund-86169	30.00
11/1/2023	Jason Bowers	Refund-85828	330.00
11/1/2023	Jonathan Schuerger	Refund-83607	165.00
11/1/2023	Kevin McDougall	Refund-86158	182.48
11/1/2023	Landtech Contractors, Inc	6036	221.61
11/1/2023	Michael Gardner	Refund-85960	165.00
11/1/2023	Morris Bell	Refund-85815	330.00
11/1/2023	Norma Eggeman	Refund- 85915	165.00
11/1/2023	Pet Scoop, Inc.	501236	307.00
11/1/2023	REPUBLIC SERVICES #535	0535-005763716	14,405.95
11/1/2023	Scott Schenkenberger	Refund-86301	660.00
11/1/2023	Sequoia Golf Blackstone Country Club	BMD0151	8,997.46
11/1/2023	Singing Hills Landscape Inc	Pay App 4	328,508.77
11/1/2023	Steven Harrison & Rosalba Harrison	Refund-86114	495.00
11/1/2023	Thomas Russo	Refund-86288	165.00
11/1/2023	Todd Rubenstein	Refund-86286	330.00
11/1/2023	Troy Shaffer	Refund-86323	165.00
11/1/2023	Westwind Management Group LLC	Multiple	8,557.47
11/1/2023	White Bear Ankele Tanaka & Waldron	30481	5,152.83
		<b>Total</b>	<b>\$ 1,110,095.87</b>

**REQUESTED INFORMATION**

**RESPONSE**

<b>Address and telephone number of the principal business office</b>	c/o WHITE BEAR ANKELE TANAKA & WALDRON Attorneys at Law 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122 303-858-1800	
<b>Name and business telephone number of the manager or other principal contact person for the District/board member contact information</b>	Clint C. Waldron, Esq. WHITE BEAR ANKELE TANAKA & WALDRON 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122 Phone: 303-858-1800 Email: cwaldron@wbapc.com	
<b>Board members and re-election status of those members whose office will be on the ballot at the next regular election on May 6, 2025</b>  *on ballot at the next regular election	Shawn McGoff, President	(term expires 2025)*
	Perry Deeds, Vice President	(term expires 2025)*
	Lee McCall, Treasurer	(term expires 2027)
	Lisa Monahan, Secretary	(term expires 2027)
	Marty Liles, Director	(term expires 2025)*
<b>Regular meeting schedule and the place where notice of board meetings is posted pursuant to § 24-6-402(2)(c), C.R.S.</b>	Regular meetings are scheduled for the third Tuesday of February through November at 6:00 p.m. at 7777 S. Country Club Parkway, Aurora, Colorado.  Notices of board meetings are posted at <a href="https://blackstonemetro.org/">https://blackstonemetro.org/</a> or when online posting is not available at S. Blackstone Pkwy and E. County Line Rd, Aurora, CO.	
<b>Current mill levy (2023), for collection in 2024</b>	23.000 mills - (general fund) 26.000 mills - (debt service fund) 5.000 mills - (capital projects fund)	
<b>Total ad valorem tax revenue received during the last year (2023)</b>	\$ _____ (unaudited)	
<b>Date of the next regular special district election of board members</b>	May 6, 2025	
<b>Procedure and timing to submit a self-nomination form for election to the Board pursuant to § 1-13.5-303, C.R.S. :</b> Pursuant to § 1-13.5-303, C.R.S. any person interested in being a candidate for the Board must submit a self-nomination and acceptance form signed by the candidate and by a registered elector of the state as a witness to the candidate. On the date of signing the self-nomination form, the person desiring to serve on the Board must be an eligible elector of the District. The form or letter must be filed no earlier than January 1 and no later than the sixty-seventh (67 <sup>th</sup> ) day before the date of the next regular special district election. The form is filed with the Designated Election Official, or if none has been designated, the presiding officer or the secretary of the District at the address above. This form may be obtained by contacting the District's general counsel at (303) 858-1800. In place of the form, the candidate may submit a letter signed by the candidate and a registered elector of the state as witness to the signature of the candidate. Both the form and letter must state the following information: (1) name of the special district; (2) director office sought; (3) term of office sought; (4) date of the election; (5) full name of the candidate as it is to appear on the ballot; and (6) whether the candidate is a member of an executive board of a unit owners' association, as defined in § 38-33.3-103, C.R.S., located within the boundaries of the District. A self-nomination form meeting the statutory requirements must be filed prior to 5:00 p.m. on the sixty-seventh (67 <sup>th</sup> ) day before the election.		
<b>Address of any website on which the special district's election results will be posted</b>	<a href="https://cdola.colorado.gov/local-government">https://cdola.colorado.gov/local-government</a> <a href="https://blackstonemetro.org/">https://blackstonemetro.org/</a>	
<b>Information on the procedure to apply for permanent absentee voter status as described in § 1-13.5-1003, C.R.S.</b>	A permanent absentee voter status request form may be obtained by contacting the District's general counsel at (303) 858-1800.	





# HIGHSTREET

TCW Risk Management

AGENCY SERVICES AGREEMENT

**District Name:**

TCW Risk Management ("the Agency") agrees to act as Insurance Agent, representing its multiple resources, for the above-named District. The agent's services for property and liability shall include the following:

1. Review the District's coverage needs, budgets and future plans with the District's Project Manager and, if requested, the District's Board or the Board's designated representative.
2. Review property coverage including physical inspection of the District's property locations (if requested), if the District has real and/or personal property it wishes to insure.
3. Prepare and submit applications to the Colorado Special Districts Property and Liability Pool and at the request of District other standard carriers.
4. Present all quotations on a "net of commission" basis (no commissions in the price) if total annual premiums are less than \$6,000. If over \$6,000, quotes will include commission and no fee will be charged.
5. Prepare separate billings – one for quoted net premiums and one for the services of the Agency.
6. Provide claim services including but not limited to: taking initial calls or reports of claims from Districts Representative or claimants; reporting claims to the districts insurance company; providing insurance related counsel and advice during the claim process to the District and its Representatives; fielding calls from claimants; directing insurance company adjustors to District Representatives.
7. Provide ancillary services on an as-needed basis, including, but not limited to contract language review for insurance purposes (only) or aid in negotiating required insurance terms with entities either requiring insurance of the District or required to have insurance by the District.



**FEES**

If the total annual premiums of the below policies purchased by the district through the Agency are less than \$6,000, then the Agency shall charge the following fees in lieu of commissions:

**\$595.00** annual fee: Liability, Public Officials Liability, Automobile Liability.

**\$280.00** annual fee: Additional if property coverage is required.

**\$200.00** annual fee: Inactive District Liability.

***\*Fees are invoiced annually and subject to normal increases.***

**Please acknowledge your agreement with the terms herein by signing below. The obligation for payment of the above fees shall be the responsibility of the District signing below.**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Name of Person Signing – Printed or Typed

\_\_\_\_\_  
Name of Organization represented by  
above signor – Printed or Typed

\_\_\_\_\_  
Date

**INDEPENDENT CONTRACTOR AGREEMENT**  
(STORMWATER MAINTENANCE SERVICES)

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This INDEPENDENT CONTRACTOR AGREEMENT, including any and all exhibits attached hereto (the “**Agreement**”), is entered into as of the 7th day of November 2023, by and between BLACKSTONE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and STORM WATER ASSET PROTECTION, LLC, a Colorado limited liability company (the “**Contractor**”). The District and the Contractor are referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

**RECITALS**

WHEREAS, the District was 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 facilities and improvements for itself, its taxpayers, residents, and users; and

WHEREAS, pursuant to § 32-1-1001(1)(d)(I), C.R.S., the District is empowered to enter into contracts and agreements affecting the affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(i), C.R.S., the District is empowered to appoint, hire, and retain agents, employees, engineers, and attorneys; and

WHEREAS, the District desires to engage the Contractor to perform certain services as are needed by the District to serve the property within and without its boundaries; and

WHEREAS, the Contractor has represented that it has the professional experience, skill, and resources to perform the services, as set forth herein.

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

**TERMS AND CONDITIONS**

1. SCOPE OF SERVICES; PERFORMANCE STANDARDS. The Contractor shall perform the services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Services**”): (a) in a professional manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period and pursuant to the Scope of Services specified in said **Exhibit A**; and (c) using reasonable commercial efforts to minimize any annoyance, interference, or disruption to the residents, tenants, occupants, and invitees within the District. **Exhibit A** may take any form, including forms which may include price and payment terms. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in **Exhibit A**, the terms in the body of this Agreement shall govern. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement

(including **Exhibit A**) or through other authorization expressly delegated to or authorized by the District through its Board of Directors.

2. TERM/RENEWAL. This Agreement shall be effective as of the dated date hereof and shall terminate on the earlier to occur of: (i) termination pursuant to Section 18 hereof; or (ii) midnight on December 31, 2024. Notwithstanding the foregoing, unless terminated pursuant to subsection (i) above, or unless the District determines not to appropriate funds for this Agreement for the next succeeding year, this Agreement shall automatically renew on January 1 of each succeeding year for an additional one (1) year term.

3. ADDITIONAL SERVICES. The District may, in writing, request the Contractor provide additional services not set forth in **Exhibit A**. The terms and conditions of the provision of such services shall be subject to the mutual agreement of the Contractor and the District pursuant to a written service/work order executed by an authorized representative of the District and the Contractor or an addendum to this Agreement. Authorization to proceed with additional services shall not be given unless the District has appropriated funds sufficient to cover the additional compensable amount. To the extent additional services are provided pursuant to this Section 3, the terms and conditions of this Agreement relating to Services shall also apply to any additional services rendered.

4. REPAIRS/CLAIMS. The Contractor shall notify the District immediately of any and all damage caused by the Contractor to District property and that of third parties. The Contractor will promptly repair or, at the District's option, reimburse the District for the repair of any damage to property caused by the Contractor or its employees, agents, or equipment. In addition, the Contractor shall promptly notify the District of all potential claims of which it becomes aware. The Contractor further agrees to take all reasonable steps to preserve all physical evidence and information, which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the District the opportunity to review and inspect such evidence, including the scene of any damage or accidents. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Services and shall provide all reasonable protection to prevent damage or injury to persons and property, including any material and equipment related to the Services, whether in storage on or off site, under the care, custody, or control of the Contractor or any of its subcontractors.

5. GENERAL PERFORMANCE STANDARDS.

a. The Contractor has by careful examination ascertained: (i) the nature and location of the Services; (ii) the configuration of the ground on which the Services are to be performed; (iii) the character, quality, and quantity of the labor, materials, equipment, and facilities necessary to complete the Services; (iv) the general and local conditions pertaining to the Services; and (v) all other matters which in any way may affect the performance of the Services by the Contractor. Contractor enters into this Agreement solely because of the results of such examination and not because of any representations pertaining to the Services or the provision thereof made to it by the District or any agent of the District and not contained in this Agreement. The Contractor represents that it has or shall acquire the capacity and the professional experience and skill to perform the Services and that the Services shall be performed in accordance with the

standards of care, skill, and diligence provided by competent professionals who perform services of a similar nature to those specified in this Agreement. If competent professionals find that the Contractor's performance of the Services does not meet this standard, the Contractor shall, at the District's request, re-perform the Services not meeting this standard without additional compensation.

b. The Contractor shall use reasonable commercial efforts to perform and complete the Services in a timely manner. If performance of the Services by the Contractor is delayed due to factors beyond the Contractor's reasonable control, or if conditions of the scope or type of services are expected to change, Contractor shall give prompt notice to the District of such a delay or change and receive an equitable adjustment of time and/or compensation, as negotiated between the Parties.

c. The Services provided under this Agreement shall be adequate and sufficient for the intended purposes and shall be completed in a good and workmanlike manner.

d. The Contractor agrees that it has complied and will continue to comply with all Laws while providing Services under this Agreement. "Laws" means: (i) federal, state, county, and local or municipal body or agency laws, statutes, ordinances, and regulations; (ii) any licensing, bonding, and permit requirements; (iii) any laws relating to storage, use, or disposal of hazardous wastes, substances, or materials; (iv) rules, regulations, ordinances, and/or similar directives regarding business permits, certificates, and licenses; (v) regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970; (vi) Wage and Hour laws, Worker Compensation laws, and immigration laws; and (vii) rules and regulations of the Colorado Department of Public Health and Environment..

e. The responsibilities and obligations of the Contractor under this Agreement shall not be relieved or affected in any respect by the presence of any agent, consultant, sub-consultant, or employee of the District. Review, acceptance, or approval by the District of the Services performed or any documents prepared by the Contractor shall not relieve the Contractor of any responsibility for deficiencies, omissions, or errors in said Services or documents, nor shall it be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

6. MONTHLY STATUS REPORT. The Contractor shall provide to the District, at the District's request, on or before the 25th of each month, a narrative progress and status report describing work in progress and results achieved during the reporting period, including a description of the Services performed during the invoice period and the Services anticipated to be performed during the ensuing invoice period ("**Monthly Report**").

#### 7. COMPENSATION AND INVOICES.

a. Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit A**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in **Exhibit A** of this Agreement, unless said reimbursement or compensation is approved in writing by the

District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor's actual cost, provided that the Contractor shall make a reasonable attempt to notify the District of the estimated amount of such reimbursable costs (or any material adjustments thereto subsequently identified) prior to commencing the requested services. Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) ("**W-9**"). No payments will be made to the Contractor until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as **Exhibit B**.

b. Invoices. Invoices for the Services shall be submitted monthly, by the 10<sup>th</sup> of each month, during the term of this Agreement and shall contain the following information:

- i. An itemized statement of the Services performed.
- ii. Any other reasonable information required by the District to process payment of the invoice, including project and/or cost codes as provided in any applicable written service/work order.

The District shall be charged only for the actual time and direct costs incurred for the performance of the Services. Invoices received by the District after the 10<sup>th</sup> of each month may be processed the following month.

8. TIME FOR PAYMENT. Payment for the Services shall be made by the District within thirty (30) days of receipt of: (i) a timely, satisfactory, and detailed invoice in the form required by Section 7; and (ii) if applicable, a reasonably satisfactory and detailed Monthly Report, for that portion of the Services performed and not previously billed. The District may determine to waive or extend the deadline for filing the Monthly Report, or may make payment for Services to the Contractor notwithstanding a delay in filing the Monthly Report, upon reasonable request of the Contractor, if it is in the interest of the District to do so. In the event a Board meeting is not scheduled in time to review payment of an invoice, the Board hereby authorizes payment for Services, subject to the appropriation and budget requirements under Section 27 hereof, without the need for additional Board approval, so long as any payment required to be made does not exceed the amounts appropriated for such Services as set forth in the District's approved budget. Such payment shall require review and approval of each Monthly Report and invoice by two officers of the District.

9. INDEPENDENT CONTRACTOR. The Contractor is an independent contractor and nothing in this Agreement shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor 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 from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained. The District shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to: local, state or federal income, or other tax contributions, insurance contributions (e.g. FICA taxes),

workers' compensation, disability, injury, health or life insurance, professional liability insurance, errors and omissions insurance, vacation or sick-time benefits, retirement account contributions, or any other form of taxes, benefits, or insurance. The Contractor shall be responsible for its safety, and the safety of its employees, sub-contractors, agents, and representatives. All personnel furnished by the Contractor will be deemed employees or sub-contractors of the Contractor and will not for any purpose be considered employees or agents of the District. **The Contractor is not entitled to worker's compensation benefits or unemployment insurance benefits, unless unemployment compensation coverage is provided by the Contractor or some other entity other than the District, and the Contractor is obligated to pay federal and state income taxes on moneys by it earned pursuant to this Agreement.**

10. **EQUAL OPPORTUNITY.** This Agreement is subject to all applicable laws and executive orders relating to equal opportunity and non-discrimination in employment and the Contractor represents and warrants that it will not discriminate in its employment practices in violation of any such applicable law or executive order.

11. **CONTRACTOR'S INSURANCE.**

a. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of this Agreement, insurance coverage in the minimum amounts set forth in **Exhibit C**, attached hereto and incorporated herein by this reference. A waiver of subrogation and rights of recovery against the District, its directors, officers, employees, and agents is required for Commercial General Liability and workers' compensation coverage. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The District shall have the right to verify or confirm, at any time, all coverage, information, or representations contained in this Agreement.

b. Prior to commencing any work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement, as well as the amounts of coverage for the respective types of coverage, which certificate(s) shall be attached hereto as **Exhibit C-1**. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates evidencing statutory workers' compensation insurance, comprehensive general liability insurance, and automobile liability insurance in amounts satisfactory to the District and the Contractor; provided, however, that sub-contractors of the Contractor shall not be required by the District to provide coverage in excess of that which is required hereunder of the Contractor. If the coverage required expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

c. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations contained in this Agreement, nor shall the purchase of the required insurance serve to limit the Contractor's liability under any provision in this Agreement. The Contractor shall be responsible for the payment of any deductibles on issued policies.



## 12. CONFIDENTIALITY AND CONFLICTS.

a. Confidentiality. Any information deemed confidential by the District and given to the Contractor by the District, or developed by the Contractor as a result of the performance of a particular task, shall remain confidential. In addition, the Contractor shall hold in strict confidence, and shall not use in competition, any information which the Contractor becomes aware of under or by virtue of this Agreement which the District deems confidential, or which the District has agreed to hold confidential, or which, if revealed to a third party, would reasonably be construed to be contrary to the interests of the District. Confidential information shall not include, however, any information which is: (i) generally known to the public at the time provided to the Contractor; (ii) provided to the Contractor by a person or entity not bound by confidentiality to the District; or (iii) independently developed by the Contractor without use of the District's confidential information. During the performance of this Agreement, if the Contractor is notified that certain information is to be considered confidential, the Contractor agrees to enter into a confidentiality agreement in a form reasonably acceptable to the District and the Contractor. The Contractor agrees that any of its employees, agents, or subcontractors with access to any information designated thereunder as confidential information of the District shall agree to be bound by the terms of such confidentiality agreement.

b. Personal Identifying Information. During the performance of this Agreement, the District may disclose Personal Identifying Information to the Contractor. **"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., the Contractor agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to the Contractor; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

c. Conflicts. Prior to the execution of, and during the performance of this Agreement and prior to the execution of future agreements with the District, the Contractor agrees to notify the District of conflicts known to the Contractor that impact the Contractor's provision of Services to the District.

13. OWNERSHIP OF DOCUMENTS. All documents produced by or on behalf of the Contractor pursuant to this Agreement, including, but not limited to, all maps, plans, drawings, specifications, reports, electronic files, and other documents, in whatever form, shall remain the property of the District under all circumstances, upon payment to the Contractor of the invoices representing the work by which such materials were produced. At the District's request the Contractor will provide the District with all documents produced by or on behalf of the Contractor pursuant to this Agreement. The Contractor shall maintain electronic and reproducible copies on file of any such instruments of service involved in the Services for a period of two (2) years after termination of this Agreement, shall make them available for the District's use and shall provide such copies to the District upon request at no cost.



14. LIENS AND ENCUMBRANCES. The Contractor shall not have any right or interest in any District assets, or any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated in this Agreement. The Contractor, for itself, hereby waives and releases any and all statutory or common law mechanic's, materialmen's, or other such lien claims, or rights to place a lien upon the District's property or any improvements thereon in connection with any Services performed under or in connection with this Agreement, and the Contractor shall cause all permitted subcontractors, suppliers, materialmen, and others claiming by, through, or under the Contractor to execute similar waivers prior to commencing any work or providing any materials in connection with the Services. The Contractor further agrees to execute a sworn affidavit respecting the payment and lien releases of all subcontractors, suppliers, and materialmen, and release of lien respecting the Services at such time or times and in such form as may be reasonably requested by the District. The Contractor will provide indemnification against all such liens for labor performed and/or materials supplied or used by the Contractor and/or any other person in connection with the Services undertaken by the Contractor, in accordance with Section 15, below.

15. INDEMNIFICATION.

a. The Contractor shall defend, indemnify, and hold harmless the District and each of its directors, officers, contractors, employees, agents, and consultants (collectively, the "**District Indemnitees**"), from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses (the "**Claims**"), including reasonable legal expenses and attorneys' fees actually incurred, by the District Indemnitees arising directly or indirectly, in whole or in part, out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents, or employees, in connection with this Agreement and/or the Contractor's performance of the Services or work pursuant to this Agreement. Notwithstanding anything else in this Agreement or otherwise to the contrary, the Contractor is not obligated to indemnify the District Indemnitees for the negligence of the District or the negligence of any other District Indemnitee, except the Contractor. Except as otherwise provided by applicable law, this indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation, or benefits payable by or for the Contractor under workers' compensation acts, disability acts, or other employee benefit acts, provided that in no event shall the Contractor be liable for special/consequential or punitive damages.

b. In the event the Contractor fails to assume the defense of any Claims under this Section 15 within fifteen (15) days after notice from the District of the existence of such Claim, the District may assume the defense of the Claim with counsel of its own selection, and the Contractor will pay all reasonable expenses of such counsel. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation.

c. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary with respect to its obligations under this Agreement, including the indemnity obligations set forth

in Section 15. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

16. ASSIGNMENT. The Contractor shall not assign this Agreement or parts thereof, or its respective duties, without the express written consent of the District. Any attempted assignment of this Agreement in whole or in part with respect to which the District has not consented, in writing, shall be null and void and of no effect whatsoever.

17. SUB-CONTRACTORS. The Contractor is solely and fully responsible to the District for the performance of all Services in accordance with the terms set forth in this Agreement, whether performed by the Contractor or a subcontractor engaged by the Contractor, and neither the District's approval of any subcontractor, suppliers, or materialman, nor the failure of performance thereof by such persons or entities, will relieve, release, or affect in any manner the Contractor's duties, liabilities, or obligations under this Agreement. The Contractor shall not subcontract any Services without prior written approval by the District. The Contractor agrees that each and every agreement of the Contractor with any subcontractor to perform Services under this Agreement shall contain an indemnification provision identical to the one contained in this Agreement holding the District harmless for the acts of the subcontractor. Prior to commencing any Services, a subcontractor shall provide evidence of insurance coverage to the District in accordance with the requirements of this Agreement. The Contractor further agrees that all such subcontracts shall provide that they may be terminated immediately without cost or penalty upon termination of this Agreement, other than payment for services rendered prior to the date of any such termination.

18. TERMINATION. In addition to the termination provisions contained in Section 2, above, this Agreement may be terminated for convenience by the Contractor upon delivery of thirty (30) days' prior written notice to the District and by the District by giving the Contractor thirty (30) days' prior written notice. Each Party may terminate this Agreement for cause at any time upon written notice to the other Party setting forth the cause for termination and the notified Party's failure to cure the cause to the reasonable satisfaction of the Party given such notice within the cure period set forth in Section 19. If this Agreement is terminated, the Contractor shall be paid for all the Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business. Should either Party to this Agreement be declared bankrupt, make a general assignment for the benefit of creditors, or commit a substantial and material breach of this Agreement in the view of the other Party, said other Party shall be excused from rendering or accepting any further performance under this Agreement. In the event of termination of this Agreement, the Contractor shall cooperate with the District to ensure a timely and efficient transition of all work and work product to the District or its designees. All time, fees, and costs associated with such transition shall not be billed by the Contractor to the District.

19. DEFAULT. If either Party fails to perform in accordance with the terms, covenants, and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the address specified in Section 20 below, and the defaulting party will have ten (10) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such ten (10)-day period and the defaulting party gives written notice to the

non-defaulting party within such ten (10)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the ten (10)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

20. NOTICES. 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 in this Section 20 of this Agreement, 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:

District:	Blackstone Metropolitan District Westwind Management Group, LLC 27 Inverness Drive East Englewood, CO 80112 Attention: Jordan Devine Phone: (303) 369-1800 x 136 Email: JDevine@westwindmanagement.com
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With a Copy to:	WHITE BEAR ANKELE TANAKA & WALDRON 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122 Attention: Clint C. Waldron, Esq. Phone: (303) 858-1800 E-mail: cwaldron@wbapc.com
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Contractor:	Storm Water Asset Protection, LLC 1626 Cole Blvd., Suite 125 Lakewood, CO 80401 Attention: Barrett Marrocco Phone: (978) 604-0982
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Email: barrettmarrocco@idesllc.com

21. AUDITS. The District shall have the right to audit, with reasonable notice, any of the Contractor's books and records solely as are necessary to substantiate any invoices and payments under this Agreement (including, but not limited to, receipts, time sheets, payroll, and personnel records) and the Contractor agrees to maintain adequate books and records for such purposes during the term of this Agreement and for a period of two (2) years after termination of this Agreement and to make the same available to the District at all reasonable times and for so long thereafter as there may remain any unresolved question or dispute regarding any item pertaining thereto.

22. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties hereto relating to the Services, and sets forth the rights, duties, and obligations of each to the other as of this date, and hereby supersedes any and all prior negotiations, representations, agreements, or arrangements of any kind with respect to the Services, whether written or oral. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Contractor and the District.

23. BINDING AGREEMENT. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and assigns of the Parties hereto.

24. NO WAIVER. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in this Agreement, nor shall the waiver of any default be deemed a waiver of any subsequent default.

25. GOVERNING LAW.

a. Venue. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-conveniens* or otherwise. At the District's request, the Contractor shall carry on its duties and obligations under this Agreement during any legal proceedings and the District shall continue to pay for the Services performed under this Agreement until and unless this Agreement is otherwise terminated.

b. Choice of Law. Colorado law shall apply to any dispute, 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.

c. Litigation. At the District's request, the Contractor will consent to being joined in litigation between the District and third parties, but such consent shall not be construed as an admission of fault or liability. The Contractor shall not be responsible for delays in the performance of the Services caused by factors beyond its reasonable control including delays caused by Act of God, accidents, failure of any governmental or other regulatory authority to act

in a timely manner, or failure of the District to furnish timely information or to approve or disapprove of Contractor's Services in a timely manner.

26. GOOD FAITH OF PARTIES. In the performance of this Agreement, or in considering any requested approval, acceptance, consent, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, consent, or extension of time required or requested pursuant to this Agreement.

27. SUBJECT TO 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. The Contractor expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board 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 Agreement 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 Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The District's obligations under this Agreement exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this Agreement.

28. 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 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.

29. NEGOTIATED PROVISIONS. This Agreement shall not be construed more strictly against one Party than against the other 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 to the preparation of this Agreement.

30. SEVERABILITY. If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, void, or unenforceable, such decision shall not affect the validity of any other portion of this Agreement which shall remain in full force and effect, the intention being that such portions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

31. NO THIRD-PARTY BENEFICIARIES. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is

the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

32. OPEN RECORDS. The Parties understand that all material provided or produced under this Agreement may be subject to the Colorado Open Records Act, §§ 24-72-202, *et seq.*, C.R.S.

33. STANDARD OF CARE. In providing Services under this Agreement, the Contractor shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time.

34. TAX EXEMPT STATUS. The District is exempt from Colorado state sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District. The District 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 materials tax free. The Contractor and subcontractors shall be liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate.

35. COUNTERPART EXECUTION. 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.

*[Signature pages follow].*

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICT:**  
BLACKSTONE METROPOLITAN  
DISTRICT, a quasi-municipal corporation and  
political subdivision of the State of Colorado

\_\_\_\_\_  
Officer of the District

ATTEST:

\_\_\_\_\_

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel for the District

*District's Signature Page to Independent Contractor Agreement for Stormwater Maintenance Services with Storm Water Asset Protection, LLC, dated November 7, 2023*

**CONTRACTOR:**  
STORM WATER ASSET PROTECTION,  
LLC, a Colorado limited liability company

\_\_\_\_\_  
\_\_\_\_\_  
Printed Name  
\_\_\_\_\_  
Title

STATE OF COLORADO                    )  
  ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_  
2023, by \_\_\_\_\_, as the \_\_\_\_\_ of Storm Water Asset  
Protection, LLC, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

*Contractor’s Signature Page to Independent Contractor Agreement for Stormwater  
Maintenance Services with Blackstone Metropolitan District, dated November 7, 2023*



**EXHIBIT A**

**SCOPE OF SERVICES/COMPENSATION SCHEDULE**



November 1, 2023

Blackstone Metropolitan District  
C/O Clint Waldron  
2154 E. Commons Ave #2000  
Centennial, CO 80122

**BLACKSTONE METROPOLITAN DISTRICT STORMWATER FACILITY OBSERVATION, REPORTING, MAINTENANCE CONTRACTING AND OVERSIGHT SERVICES PROPOSAL**

Stormwater Asset Protection, LLC (SWAP) is pleased to respond to your request to provide stormwater observation and maintenance oversight services for the Blackstone Metro District (District) Stormwater System.

**SCOPE OF SERVICES**

**Observation** - SWAP will review IM plans and local jurisdiction reports provided by the District and will conduct a detailed inspection of the storm sewer systems outfalls and treatment facilities.

**Reporting** - SWAP will provide a detailed report that identifies the storm sewer system outfalls and treatment facilities, their condition, and recommended corrections and maintenance including required reports to be sent to the City of Aurora annually.

**Maintenance Contracting** - SWAP will acquire and provide to the District, bids to complete the recommended corrections and maintenance for contract approval or will work directly with the District’s current maintenance contractor to ensure the scope of work is detailed and understood.

**Oversight** - SWAP will conduct oversight of the maintenance operations to ensure the quality of work meets the expectations of the District and the local jurisdiction.

**FEE**

SWAP proposes to perform Services on a Time and Material Basis in accordance with the Charge Rate Schedule below (assumes two detention ponds). Based on our experience, the total amount listed below should allocate the funds for the complete scope of services. Any excess funds may be used for additional services.

Observation	\$2,500.00
Reporting	\$1,500.00
Maintenance Contracting	\$2,500.00
Oversight	\$1,500.00
<b>Total</b>	<b>\$7,500.00</b>

**CHARGE RATE SCHEDULE**

Services will be provided on a Labor Time and Expenses basis as provided below. Hourly rates are revised periodically to reflect the current cost for delivery of services and the fees charged for services under this engagement may change without notice. The District agrees that IDES is authorized perform a task authorized under this scope of services at the direction of any individual board member.

**Billing Rates**

Project Administrator	\$115.00 per hour
Technical Specialist	\$145.00 per hour
Senior Contract Administrator	\$150.00 per hour

Senior Technical Specialist	\$165.00 per hour
Professional Engineer	\$180.00 per hour
Contractor Management	Time + 10% Mark-Up

**Reimbursable Expenses**

Mileage	IRS rate + 10%
Tolls	At cost + 10%
Plan copies, outside copies, other items	At cost + 10%

If you have any comments or questions, please feel free to contact me. We appreciate the opportunity to submit this proposal.

Respectfully Submitted,

*Tanna Boisvert*

Tanna Boisvert, CSM  
SWAP, LLC

**EXHIBIT B**

CONTRACTOR'S COMPLETED W-9

## EXHIBIT C

### INSURANCE REQUIREMENTS

NOTE: All insurance required and provided hereunder shall also comply with the provisions of Section 11 of this Agreement.

1. Standard Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor involved with the performance of the Services, with policy amounts and coverage in compliance with the laws of the jurisdiction in which the Services will be performed.
2. Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 designated location, general aggregate; and \$1,000,000 umbrella. Such insurance will include coverage for contractual liability, personal injury, and broad form property damage, and shall include all major divisions of coverage and be on a comprehensive basis including, but not limited to:
  - a. premises operations;
  - b. personal injury liability without employment exclusion;
  - c. limited contractual;
  - d. broad form property damages, including completed operations;
  - e. medical payments;
  - f. products and completed operations;
  - g. independent consultants coverage; and
  - h. coverage inclusive of construction means, methods, techniques, sequences, and procedures, employed in the capacity of a construction consultant.

**This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**

3. Comprehensive Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used in connection with the performance of the Services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage. **This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**
4. Any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement.
5. Professional liability insurance in the amount of \$2,000,000.00 each occurrence.

**EXHIBIT C-1**  
CERTIFICATE(S) OF INSURANCE

EXHIBIT D

CERTIFICATE OF GOOD STANDING WITH COLORADO SECRETARY OF STATE

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO

**CERTIFICATE OF FACT OF GOOD STANDING**

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Storm Water Asset Protection LLC

is a

Limited Liability Company

formed or registered on 12/10/2015 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20151789950 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 10/24/2023 that have been posted, and by documents delivered to this office electronically through 10/29/2023 @ 17:04:03 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 10/29/2023 @ 17:04:03 in accordance with applicable law. This certificate is assigned Confirmation Number 15442723 .



*Jena Griswold*

Secretary of State of the State of Colorado

\*\*\*\*\*End of Certificate\*\*\*\*\*  
*Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."*

**INDEPENDENT CONTRACTOR AGREEMENT**  
(DESIGN REVIEW SERVICES)

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This INDEPENDENT CONTRACTOR AGREEMENT, including any and all exhibits attached hereto (the “**Agreement**”), is entered into as of the 7th day of November 2023, by and between BLACKSTONE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and LEE DESIGN GROUP, LLC, a Colorado limited liability company (the “**Contractor**”). The District and the Contractor are referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

**RECITALS**

WHEREAS, the District was 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 facilities and improvements for itself, its taxpayers, residents, and users; and

WHEREAS, pursuant to § 32-1-1001(1)(d)(I), C.R.S., the District is empowered to enter into contracts and agreements affecting the affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(i), C.R.S., the District is empowered to appoint, hire, and retain agents, employees, engineers, and attorneys; and

WHEREAS, the District desires to engage the Contractor to perform certain services as are needed by the District to serve the property within and without its boundaries; and

WHEREAS, the Contractor has represented that it has the professional experience, skill, and resources to perform the services, as set forth herein.

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

**TERMS AND CONDITIONS**

1. SCOPE OF SERVICES; PERFORMANCE STANDARDS. The Contractor shall perform the services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Services**”): (a) in a professional manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period and pursuant to the Scope of Services specified in said **Exhibit A**; and (c) using reasonable commercial efforts to minimize any annoyance, interference, or disruption to the residents, tenants, occupants, and invitees within the District. **Exhibit A** may take any form, including forms which may include price and payment terms. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in **Exhibit A**, the terms in the body of this Agreement shall govern. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement



(including **Exhibit A**) or through other authorization expressly delegated to or authorized by the District through its Board of Directors.

2. TERM/RENEWAL. This Agreement shall be effective as of the dated date hereof and shall terminate on the earlier to occur of: (i) termination pursuant to Section 18 hereof; or (ii) midnight on December 31, 2024. Notwithstanding the foregoing, unless terminated pursuant to subsection (i) above, or unless the District determines not to appropriate funds for this Agreement for the next succeeding year, this Agreement shall automatically renew on January 1 of each succeeding year for an additional one (1) year term.

3. ADDITIONAL SERVICES. The District may, in writing, request the Contractor provide additional services not set forth in **Exhibit A**. The terms and conditions of the provision of such services shall be subject to the mutual agreement of the Contractor and the District pursuant to a written service/work order executed by an authorized representative of the District and the Contractor or an addendum to this Agreement. Authorization to proceed with additional services shall not be given unless the District has appropriated funds sufficient to cover the additional compensable amount. To the extent additional services are provided pursuant to this Section 3, the terms and conditions of this Agreement relating to Services shall also apply to any additional services rendered.

4. REPAIRS/CLAIMS. The Contractor shall notify the District immediately of any and all damage caused by the Contractor to District property and that of third parties. The Contractor will promptly repair or, at the District's option, reimburse the District for the repair of any damage to property caused by the Contractor or its employees, agents, or equipment. In addition, the Contractor shall promptly notify the District of all potential claims of which it becomes aware. The Contractor further agrees to take all reasonable steps to preserve all physical evidence and information, which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the District the opportunity to review and inspect such evidence, including the scene of any damage or accidents. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Services and shall provide all reasonable protection to prevent damage or injury to persons and property, including any material and equipment related to the Services, whether in storage on or off site, under the care, custody, or control of the Contractor or any of its subcontractors.

5. GENERAL PERFORMANCE STANDARDS.

a. The Contractor has by careful examination ascertained: (i) the nature and location of the Services; (ii) the configuration of the ground on which the Services are to be performed; (iii) the character, quality, and quantity of the labor, materials, equipment, and facilities necessary to complete the Services; (iv) the general and local conditions pertaining to the Services; and (v) all other matters which in any way may affect the performance of the Services by the Contractor. Contractor enters into this Agreement solely because of the results of such examination and not because of any representations pertaining to the Services or the provision thereof made to it by the District or any agent of the District and not contained in this Agreement. The Contractor represents that it has or shall acquire the capacity and the professional experience and skill to perform the Services and that the Services shall be performed in accordance with the

standards of care, skill, and diligence provided by competent professionals who perform services of a similar nature to those specified in this Agreement. If competent professionals find that the Contractor's performance of the Services does not meet this standard, the Contractor shall, at the District's request, re-perform the Services not meeting this standard without additional compensation.

b. The Contractor shall use reasonable commercial efforts to perform and complete the Services in a timely manner. If performance of the Services by the Contractor is delayed due to factors beyond the Contractor's reasonable control, or if conditions of the scope or type of services are expected to change, Contractor shall give prompt notice to the District of such a delay or change and receive an equitable adjustment of time and/or compensation, as negotiated between the Parties.

c. The Services provided under this Agreement shall be adequate and sufficient for the intended purposes and shall be completed in a good and workmanlike manner.

d. The Contractor agrees that it has complied and will continue to comply with all Laws while providing Services under this Agreement. "**Laws**" means: (i) federal, state, county, and local or municipal body or agency laws, statutes, ordinances, and regulations; (ii) any licensing, bonding, and permit requirements; (iii) any laws relating to storage, use, or disposal of hazardous wastes, substances, or materials; (iv) rules, regulations, ordinances, and/or similar directives regarding business permits, certificates, and licenses; (v) regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970; (vi) Wage and Hour laws, Worker Compensation laws, and immigration laws; and (vii) rules and regulations of the Colorado Department of Public Health and Environment..

e. The responsibilities and obligations of the Contractor under this Agreement shall not be relieved or affected in any respect by the presence of any agent, consultant, sub-consultant, or employee of the District. Review, acceptance, or approval by the District of the Services performed or any documents prepared by the Contractor shall not relieve the Contractor of any responsibility for deficiencies, omissions, or errors in said Services or documents, nor shall it be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

6. MONTHLY STATUS REPORT. The Contractor shall provide to the District, at the District's request, on or before the 25th of each month, a narrative progress and status report describing work in progress and results achieved during the reporting period, including a description of the Services performed during the invoice period and the Services anticipated to be performed during the ensuing invoice period ("**Monthly Report**").

#### 7. COMPENSATION AND INVOICES.

a. Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit B**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in **Exhibit B** of this Agreement, unless said reimbursement or compensation is approved in writing by the

District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor's actual cost, provided that the Contractor shall make a reasonable attempt to notify the District of the estimated amount of such reimbursable costs (or any material adjustments thereto subsequently identified) prior to commencing the requested services. Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) ("**W-9**"). No payments will be made to the Contractor until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as **Exhibit B-1**.

b. Invoices. Invoices for the Services shall be submitted monthly, by the 10<sup>th</sup> of each month, during the term of this Agreement and shall contain the following information:

- i. An itemized statement of the Services performed.
- ii. Any other reasonable information required by the District to process payment of the invoice, including project and/or cost codes as provided in any applicable written service/work order.

The District shall be charged only for the actual time and direct costs incurred for the performance of the Services. Invoices received by the District after the 10<sup>th</sup> of each month may be processed the following month.

8. TIME FOR PAYMENT. Payment for the Services shall be made by the District within thirty (30) days of receipt of: (i) a timely, satisfactory, and detailed invoice in the form required by Section 7; and (ii) if applicable, a reasonably satisfactory and detailed Monthly Report, for that portion of the Services performed and not previously billed. The District may determine to waive or extend the deadline for filing the Monthly Report, or may make payment for Services to the Contractor notwithstanding a delay in filing the Monthly Report, upon reasonable request of the Contractor, if it is in the interest of the District to do so. In the event a Board meeting is not scheduled in time to review payment of an invoice, the Board hereby authorizes payment for Services, subject to the appropriation and budget requirements under Section 27 hereof, without the need for additional Board approval, so long as any payment required to be made does not exceed the amounts appropriated for such Services as set forth in the District's approved budget. Such payment shall require review and approval of each Monthly Report and invoice by two officers of the District.

9. INDEPENDENT CONTRACTOR. The Contractor is an independent contractor and nothing in this Agreement shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor 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 from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained. The District shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to: local, state or federal income, or other tax contributions, insurance contributions (e.g. FICA taxes),

workers' compensation, disability, injury, health or life insurance, professional liability insurance, errors and omissions insurance, vacation or sick-time benefits, retirement account contributions, or any other form of taxes, benefits, or insurance. The Contractor shall be responsible for its safety, and the safety of its employees, sub-contractors, agents, and representatives. All personnel furnished by the Contractor will be deemed employees or sub-contractors of the Contractor and will not for any purpose be considered employees or agents of the District. **The Contractor is not entitled to worker's compensation benefits or unemployment insurance benefits, unless unemployment compensation coverage is provided by the Contractor or some other entity other than the District, and the Contractor is obligated to pay federal and state income taxes on moneys by it earned pursuant to this Agreement.**

10. EQUAL OPPORTUNITY. This Agreement is subject to all applicable laws and executive orders relating to equal opportunity and non-discrimination in employment and the Contractor represents and warrants that it will not discriminate in its employment practices in violation of any such applicable law or executive order.

11. CONTRACTOR'S INSURANCE.

a. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of this Agreement, insurance coverage in the minimum amounts set forth in **Exhibit C**, attached hereto and incorporated herein by this reference. A waiver of subrogation and rights of recovery against the District, its directors, officers, employees, and agents is required for Commercial General Liability and workers' compensation coverage. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The District shall have the right to verify or confirm, at any time, all coverage, information, or representations contained in this Agreement.

b. Prior to commencing any work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement, as well as the amounts of coverage for the respective types of coverage, which certificate(s) shall be attached hereto as **Exhibit C-1**. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates evidencing statutory workers' compensation insurance, comprehensive general liability insurance, and automobile liability insurance in amounts satisfactory to the District and the Contractor; provided, however, that sub-contractors of the Contractor shall not be required by the District to provide coverage in excess of that which is required hereunder of the Contractor. If the coverage required expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

c. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations contained in this Agreement, nor shall the purchase of the required insurance serve to limit the Contractor's liability under any provision in this Agreement. The Contractor shall be responsible for the payment of any deductibles on issued policies.

12. CONFIDENTIALITY AND CONFLICTS.

a. Confidentiality. Any information deemed confidential by the District and given to the Contractor by the District, or developed by the Contractor as a result of the performance of a particular task, shall remain confidential. In addition, the Contractor shall hold in strict confidence, and shall not use in competition, any information which the Contractor becomes aware of under or by virtue of this Agreement which the District deems confidential, or which the District has agreed to hold confidential, or which, if revealed to a third party, would reasonably be construed to be contrary to the interests of the District. Confidential information shall not include, however, any information which is: (i) generally known to the public at the time provided to the Contractor; (ii) provided to the Contractor by a person or entity not bound by confidentiality to the District; or (iii) independently developed by the Contractor without use of the District's confidential information. During the performance of this Agreement, if the Contractor is notified that certain information is to be considered confidential, the Contractor agrees to enter into a confidentiality agreement in a form reasonably acceptable to the District and the Contractor. The Contractor agrees that any of its employees, agents, or subcontractors with access to any information designated thereunder as confidential information of the District shall agree to be bound by the terms of such confidentiality agreement.

b. Personal Identifying Information. During the performance of this Agreement, the District may disclose Personal Identifying Information to the Contractor. "**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., the Contractor agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to the Contractor; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

c. Conflicts. Prior to the execution of, and during the performance of this Agreement and prior to the execution of future agreements with the District, the Contractor agrees to notify the District of conflicts known to the Contractor that impact the Contractor's provision of Services to the District.

13. OWNERSHIP OF DOCUMENTS. All documents produced by or on behalf of the Contractor pursuant to this Agreement, including, but not limited to, all maps, plans, drawings, specifications, reports, electronic files, and other documents, in whatever form, shall remain the property of the District under all circumstances, upon payment to the Contractor of the invoices representing the work by which such materials were produced. At the District's request the Contractor will provide the District with all documents produced by or on behalf of the Contractor pursuant to this Agreement. The Contractor shall maintain electronic and reproducible copies on file of any such instruments of service involved in the Services for a period of two (2) years after termination of this Agreement, shall make them available for the District's use and shall provide such copies to the District upon request at no cost.

14. LIENS AND ENCUMBRANCES. The Contractor shall not have any right or interest in any District assets, or any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated in this Agreement. The Contractor, for itself, hereby waives and releases any and all statutory or common law mechanic's, materialmen's, or other such lien claims, or rights to place a lien upon the District's property or any improvements thereon in connection with any Services performed under or in connection with this Agreement, and the Contractor shall cause all permitted subcontractors, suppliers, materialmen, and others claiming by, through, or under the Contractor to execute similar waivers prior to commencing any work or providing any materials in connection with the Services. The Contractor further agrees to execute a sworn affidavit respecting the payment and lien releases of all subcontractors, suppliers, and materialmen, and release of lien respecting the Services at such time or times and in such form as may be reasonably requested by the District. The Contractor will provide indemnification against all such liens for labor performed and/or materials supplied or used by the Contractor and/or any other person in connection with the Services undertaken by the Contractor, in accordance with Section 15, below.

15. INDEMNIFICATION.

a. The Contractor shall defend, indemnify, and hold harmless the District and each of its directors, officers, contractors, employees, agents, and consultants (collectively, the "**District Indemnitees**"), from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses (the "**Claims**"), including reasonable legal expenses and attorneys' fees actually incurred, by the District Indemnitees arising directly or indirectly, in whole or in part, out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents, or employees, in connection with this Agreement and/or the Contractor's performance of the Services or work pursuant to this Agreement. Notwithstanding anything else in this Agreement or otherwise to the contrary, the Contractor is not obligated to indemnify the District Indemnitees for the negligence of the District or the negligence of any other District Indemnitee, except the Contractor. Except as otherwise provided by applicable law, this indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation, or benefits payable by or for the Contractor under workers' compensation acts, disability acts, or other employee benefit acts, provided that in no event shall the Contractor be liable for special/consequential or punitive damages.

b. In the event the Contractor fails to assume the defense of any Claims under this Section 15 within fifteen (15) days after notice from the District of the existence of such Claim, the District may assume the defense of the Claim with counsel of its own selection, and the Contractor will pay all reasonable expenses of such counsel. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation.

c. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary with respect to its obligations under this Agreement, including the indemnity obligations set forth



in Section 15. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

16. ASSIGNMENT. The Contractor shall not assign this Agreement or parts thereof, or its respective duties, without the express written consent of the District. Any attempted assignment of this Agreement in whole or in part with respect to which the District has not consented, in writing, shall be null and void and of no effect whatsoever.

17. SUB-CONTRACTORS. The Contractor is solely and fully responsible to the District for the performance of all Services in accordance with the terms set forth in this Agreement, whether performed by the Contractor or a subcontractor engaged by the Contractor, and neither the District's approval of any subcontractor, suppliers, or materialman, nor the failure of performance thereof by such persons or entities, will relieve, release, or affect in any manner the Contractor's duties, liabilities, or obligations under this Agreement. The Contractor shall not subcontract any Services without prior written approval by the District. The Contractor agrees that each and every agreement of the Contractor with any subcontractor to perform Services under this Agreement shall contain an indemnification provision identical to the one contained in this Agreement holding the District harmless for the acts of the subcontractor. Prior to commencing any Services, a subcontractor shall provide evidence of insurance coverage to the District in accordance with the requirements of this Agreement. The Contractor further agrees that all such subcontracts shall provide that they may be terminated immediately without cost or penalty upon termination of this Agreement, other than payment for services rendered prior to the date of any such termination.

18. TERMINATION. In addition to the termination provisions contained in Section 2, above, this Agreement may be terminated for convenience by the Contractor upon delivery of thirty (30) days' prior written notice to the District and by the District by giving the Contractor thirty (30) days' prior written notice. Each Party may terminate this Agreement for cause at any time upon written notice to the other Party setting forth the cause for termination and the notified Party's failure to cure the cause to the reasonable satisfaction of the Party given such notice within the cure period set forth in Section 19. If this Agreement is terminated, the Contractor shall be paid for all the Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business. Should either Party to this Agreement be declared bankrupt, make a general assignment for the benefit of creditors, or commit a substantial and material breach of this Agreement in the view of the other Party, said other Party shall be excused from rendering or accepting any further performance under this Agreement. In the event of termination of this Agreement, the Contractor shall cooperate with the District to ensure a timely and efficient transition of all work and work product to the District or its designees. All time, fees, and costs associated with such transition shall not be billed by the Contractor to the District.

19. DEFAULT. If either Party fails to perform in accordance with the terms, covenants, and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the address specified in Section 20 below, and the defaulting party will have ten (10) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such ten (10)-day period and the defaulting party gives written notice to the

non-defaulting party within such ten (10)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the ten (10)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

20. NOTICES. 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 in this Section 20 of this Agreement, 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:

District:	Blackstone Metropolitan District Westwind Management Group, LLC 27 Inverness Drive East Englewood, CO 80112 Attention: Jordan Devine Phone: (303) 369-1800 x 136 Email: JDevine@westwindmanagement.com
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With a Copy to:	WHITE BEAR ANKELE TANAKA & WALDRON 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122 Attention: Clint C. Waldron, Esq. Phone: (303) 858-1800 E-mail: cwaldron@wbapc.com
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Contractor:	Lee Design Group, LLC 1905 Country Club Rd. Fort Collins, CO 80524 Attention: Rachel Lee Phone: (970) 407-8641
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Email: Rachel@leedesigngrp.com

21. AUDITS. The District shall have the right to audit, with reasonable notice, any of the Contractor's books and records solely as are necessary to substantiate any invoices and payments under this Agreement (including, but not limited to, receipts, time sheets, payroll, and personnel records) and the Contractor agrees to maintain adequate books and records for such purposes during the term of this Agreement and for a period of two (2) years after termination of this Agreement and to make the same available to the District at all reasonable times and for so long thereafter as there may remain any unresolved question or dispute regarding any item pertaining thereto.

22. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties hereto relating to the Services, and sets forth the rights, duties, and obligations of each to the other as of this date, and hereby supersedes any and all prior negotiations, representations, agreements, or arrangements of any kind with respect to the Services, whether written or oral. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Contractor and the District.

23. BINDING AGREEMENT. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and assigns of the Parties hereto.

24. NO WAIVER. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in this Agreement, nor shall the waiver of any default be deemed a waiver of any subsequent default.

25. GOVERNING LAW.

a. Venue. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-conveniens* or otherwise. At the District's request, the Contractor shall carry on its duties and obligations under this Agreement during any legal proceedings and the District shall continue to pay for the Services performed under this Agreement until and unless this Agreement is otherwise terminated.

b. Choice of Law. Colorado law shall apply to any dispute, 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.

c. Litigation. At the District's request, the Contractor will consent to being joined in litigation between the District and third parties, but such consent shall not be construed as an admission of fault or liability. The Contractor shall not be responsible for delays in the performance of the Services caused by factors beyond its reasonable control including delays caused by Act of God, accidents, failure of any governmental or other regulatory authority to act

in a timely manner, or failure of the District to furnish timely information or to approve or disapprove of Contractor's Services in a timely manner.

26. GOOD FAITH OF PARTIES. In the performance of this Agreement, or in considering any requested approval, acceptance, consent, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, consent, or extension of time required or requested pursuant to this Agreement.

27. SUBJECT TO 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. The Contractor expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board 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 Agreement 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 Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The District's obligations under this Agreement exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this Agreement.

28. 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 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.

29. NEGOTIATED PROVISIONS. This Agreement shall not be construed more strictly against one Party than against the other 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 to the preparation of this Agreement.

30. SEVERABILITY. If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, void, or unenforceable, such decision shall not affect the validity of any other portion of this Agreement which shall remain in full force and effect, the intention being that such portions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

31. NO THIRD-PARTY BENEFICIARIES. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is

the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

32. OPEN RECORDS. The Parties understand that all material provided or produced under this Agreement may be subject to the Colorado Open Records Act, §§ 24-72-202, *et seq.*, C.R.S.

33. STANDARD OF CARE. In providing Services under this Agreement, the Contractor shall perform in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances at the same time.

34. TAX EXEMPT STATUS. The District is exempt from Colorado state sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District. The District 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 materials tax free. The Contractor and subcontractors shall be liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate.

35. COUNTERPART EXECUTION. 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.

*[Signature pages follow].*

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICT:**  
BLACKSTONE METROPOLITAN  
DISTRICT, a quasi-municipal corporation and  
political subdivision of the State of Colorado

\_\_\_\_\_  
Officer of the District

ATTEST:

\_\_\_\_\_

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel for the District

*District's Signature Page to Independent Contractor Agreement for Design Review Services  
with Lee Design Group, LLC, dated November 7, 2023*

**CONTRACTOR:**

LEE DESIGN GROUP, LLC, a Colorado limited liability company

\_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ 2023, by \_\_\_\_\_, as the \_\_\_\_\_ of Lee Design Group, LLC, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

***Contractor's Signature Page to Independent Contractor Agreement for Design Review Services with Blackstone Metropolitan District, dated November 7, 2023***

## **EXHIBIT A**

### **SCOPE OF SERVICES**

#### **DESIGN REVIEW SERVICES**

Provide design review request services for homeowner residential design review submittals. Services will include a review of the submitted plans to ensure conformance with the Blackstone/High Plains Design Guidelines. A written comment report confirming that the submitted homeowner plans comply with the requirements in the design guidelines will be posted via Smartwebs for the homeowner and property management company. It is the responsibility of the High Plains Metropolitan District to inform the Consultant of any changes to the covenants and design guidelines that will affect the Consultant's review of plans.

#### **Deliverables:**

Written Design Review Responses posted to Smartwebs.

#### **Services Outside Of The Scope of Services:**

Please note that any neighborhood community meetings, board meetings, and homeowner site walk-through visits have not been included in the fee. The primary role of the Consultant is the evaluation of homeowner plan submittals to determine approval or denial of such plans. In an effort to remain impartial, the Consultant maintains limited contact with homeowners and prefers to keep all correspondence in writing via email.

#### **DESIGN GUIDELINE SERVICES**

Reviewing, editing, and strengthening the current design guidelines. The fee estimate includes two client meetings or conference call with the District Manager and/or the Board and 17-21 hours of work on the design guidelines.

1. First draft of the new design guideline document will be created. Meet or conference call with the District Manager and/or the Board to discuss code revisions, updates and/or eliminations to the design guidelines.
2. Edit the first draft of the design guideline document to incorporate updates and revisions per the initial consultation. The resulting document will be the 2<sup>nd</sup> draft version.
3. Meet or conference call with the District Manager and/or the Board to present the 2<sup>nd</sup> draft of the design guidelines.
4. Make any further necessary revisions. Distribute the final version to the Board.

#### **Deliverables:**

PDF or Word file of the design guidelines.

#### **Services Outside Of The Scope of Services:**

Please note that any additional neighborhood community meetings, AutoCAD drafting or site/landscape renderings have not been included in the fee. If these services are desired, a separate proposal will be generated.

**EXHIBIT B**  
COMPENSATION SCHEDULE





Design Review

Site Planning

Urban Design

**Exhibit A**  
**High Plains Metro District**  
**Architectural Design Review Fees**

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**HOME AND YARD IMPROVEMENTS: FEE**

Landscaping - Entire Lot	\$75
Landscaping - Front or Back only	\$75
Addition of bushes/shrubs/trees/mulch	\$45
Awning/Roof Addition	\$45

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**STRUCTURES IN THE YARD: FEE**

Trellis/Gazebo	\$45
Playground Equipment	\$45
Deck/Patio	\$45
Retaining Wall	\$45
Solar Panels/Device	\$45
Water Features	\$45
Hot Tub/Spa	\$45
Fencing	\$45

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**NEW HOME ARCHITECTURE: FEE 1st ROUND 2nd ROUND**

Architectural Reviews	\$200	\$0	\$50
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**CONSULTING SERVICES:**

Consulting services/meeting attendance hourly rate	\$95/hour
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**DESIGN GUIDELINE SERVICES**

- 17-22 hours at \$95/hour
- Not to exceed 22 hours (\$2,090) without approval from the Board of Directors.

**EXHIBIT B-1**

CONTRACTOR'S COMPLETED W-9

## EXHIBIT C

### INSURANCE REQUIREMENTS

NOTE: All insurance required and provided hereunder shall also comply with the provisions of Section 11 of this Agreement.

1. Standard Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor involved with the performance of the Services, with policy amounts and coverage in compliance with the laws of the jurisdiction in which the Services will be performed.
2. Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 designated location, general aggregate; and \$1,000,000 umbrella. Such insurance will include coverage for contractual liability, personal injury, and broad form property damage, and shall include all major divisions of coverage and be on a comprehensive basis including, but not limited to:
  - a. premises operations;
  - b. personal injury liability without employment exclusion;
  - c. limited contractual;
  - d. broad form property damages, including completed operations;
  - e. medical payments;
  - f. products and completed operations;
  - g. independent consultants coverage; and
  - h. coverage inclusive of construction means, methods, techniques, sequences, and procedures, employed in the capacity of a construction consultant.

**This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**

3. Comprehensive Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used in connection with the performance of the Services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage. **This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**
4. Any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement.
5. Professional liability insurance in the amount of \$2,000,000.00 each occurrence.

**EXHIBIT C-1**  
CERTIFICATE(S) OF INSURANCE

**EXHIBIT D**

**CERTIFICATE OF GOOD STANDING WITH COLORADO SECRETARY OF STATE**

**OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO**

**CERTIFICATE OF FACT OF GOOD STANDING**

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

LEE DESIGN GROUP LLC

is a

Limited Liability Company

formed or registered on 04/09/2004 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20041132734 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 10/24/2023 that have been posted, and by documents delivered to this office electronically through 10/26/2023 @ 22:04:58 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 10/26/2023 @ 22:04:58 in accordance with applicable law. This certificate is assigned Confirmation Number 15438301 .



*Jena Griswold*

Secretary of State of the State of Colorado

\*\*\*\*\*End of Certificate\*\*\*\*\*  
*Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."*

**FIRST AMENDMENT TO  
INDEPENDENT CONTRACTOR AGREEMENT  
(LIGHTING MAINTENANCE SERVICES)**

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This FIRST AMENDMENT TO INDEPENDENT CONTRACTOR AGREEMENT (the “**First Amendment**”), is entered into as of the 7th day of November 2023, by and between BLACKSTONE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and KDM INDUSTRIES LLC d/b/a FULL SPECTRUM LIGHTING, a Colorado limited liability company (the “**Contractor**”). The District and Contractor are referred to herein individually as a “**Party**” and collectively as the “**Parties.**”

**RECITALS**

WHEREAS, the Parties entered into that certain *Independent Contractor Agreement (Lighting Maintenance Services)*, dated February 21, 2023 (the “**Agreement**”); and

WHEREAS, the Agreement sets forth the services to be completed in 2023 and the compensation schedule therefor; and

WHEREAS, the Parties desire to amend the Agreement to reflect the Contractor’s increase in rates and to account for services to be provided in 2024.

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

**TERMS AND CONDITIONS**

1. Amendment to Scope of Services/Compensation Schedule. The Parties hereby amend the 2023 Scope of Services/Compensation Schedule set forth in Exhibit A of the Agreement with the 2024 Scope of Services/Compensation Schedule set forth in **Exhibit A-1**, attached hereto and incorporated herein by this reference. This First Amendment shall be effective January 1, 2024.

2. Prior Provisions Effective. Except as specially amended hereby, all the terms and provisions of the Agreement shall remain in full force and effect.

1. Counterpart Execution. This First Amendment 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 of this First Amendment may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories to this First Amendment.

*[Signature Pages Follow.]*

IN WITNESS WHEREOF, the Parties have executed this First Amendment on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this First Amendment.

**DISTRICT:**  
BLACKSTONE METROPOLITAN  
DISTRICT, a quasi-municipal corporation and  
political subdivision of the State of Colorado

---

Officer of the District

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel for the District



**CONTRACTOR:**  
KDM INDUSTRIES LLC d/b/a FULL  
SPECTRUM LIGHTING, a Colorado limited  
liability company

\_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_,  
2023, by \_\_\_\_\_, as the \_\_\_\_\_ of KDM Industries LLC  
d/b/a Full Spectrum Lighting, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

**EXHIBIT A-1****SCOPE OF SERVICES/COMPENSATION SCHEDULE****Blackstone HOA Rate/Scope 2024 Contractor Agreement**

- **Monthly Lighting Inspections on the 15th of every month.**
  1. Tech drives property at night to ensure all lights are working properly. Including pathway lights (bollards), bridge lights, median lighting.
  2. Report turned in and parts ordered for repairs to be completed by the end of month.
- **The following lights are part of the city.**
  1. Sidewalk pole lights are the city's responsibility.
- **Large projects**
  1. Underground wiring.
  2. New electrical installation for lighting.
  3. We will provide estimates on any new projects.

Monthly lighting inspection rate \$150.00 month

Labor rate \$110.00 Hour

Service call \$65.00

Kyle Holmes

President & Partner

Full Spectrum Lighting

303-725-9898

[kyle@fullspectrumlighting-inc.com](mailto:kyle@fullspectrumlighting-inc.com)

David Holmes

President & Partner

Full Spectrum Lighting

720-217-3109

[david@fullspectrumlighting-inc.com](mailto:david@fullspectrumlighting-inc.com)

Matthew Holmes

President & Partner

Full Spectrum Lighting

303-204-0949

[matthew@fullspectrumlighting-inc.com](mailto:matthew@fullspectrumlighting-inc.com)

## BLACKSTONE METROPOLITAN DISTRICT CONTRACT

**Name of Contractor/Provider/Consultant:** Pet Scoop  
**Title of Agreement/Contract:** Pet Waste Removal Services  
**Agreement/Contract Date:** November 7, 2023

This Contract (“Agreement”) is made by and between Blackstone Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”) and the above-referenced contractor, provider, or other consultant (the “Contractor”).

Introduction. The District and the Contractor desire to enter into this Contract to be effective the date above.

1. Scope of Services. The Contractor shall perform the services set forth in **Exhibit A** (the “**Services**”): (a) in a first-class manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period specified in the Agreement; (c) in such a manner as to minimize any annoyance, interference, or disruption to the residents, tenants, occupants, and invitees within the District; and (d) in compliance with all applicable federal, state, county, and local or municipal statutes, ordinances, and regulations.

2. Compensation of Services. Compensation for the Services provided under this Agreement shall be provided in accordance with the compensation schedule attached hereto as **Exhibit A**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided herein, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Exhibit A may take any form. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in Exhibit A, the terms in the body of this Agreement shall govern.

3. Repairs/Claims. The Contractor shall notify the District immediately, in writing, of any and all incidents/accidents which result in injury or property damage. The Contractor will promptly repair or, at the District’s option, reimburse the District for the repair of any damage to District property caused by the Contractor or its employees, agents, or equipment.

4. Independent Contractor. The Contractor is an independent contractor and nothing herein shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor is not entitled to workers’ compensation benefits or unemployment insurance benefits and the District will not provide any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives. The Contractor 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 from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained.

5. Warranty and Permits. The Contractor shall and does by this Agreement guarantee and warrant that all workmanship, materials, and equipment furnished, installed, or performed for the accomplishment of the Services (collectively, the “**Work**”) will be of good quality and new, unless otherwise required or permitted by this Agreement. The Contractor further warrants that the Work will conform to all requirements of this Agreement and the applicable building code and all other applicable laws, ordinances, codes, rules, and regulations of any governmental authorities having jurisdiction over the Work. The Contractor hereby warrants the Work for a period of one (1) year from the date of completion and initial acceptance of the Work. The Contractor will immediately correct or replace any Work that is defective or not conforming to this Agreement at its sole expense to the reasonable satisfaction of the District. The Contractor’s guarantees and warranties shall in all cases survive termination of this Agreement. This warranty shall be enforceable by the District, its successors and assigns.

6. Contractor's Insurance. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of the Agreement, the following insurance coverage: (i) Standard worker's compensation and employer's liability insurance covering all employees of Contractor involved with the performance of the services, with policy amounts and coverage in compliance with law; (ii) Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 general aggregate (iii) Comprehensive Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used in connection with the performance of the services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage, and (iv) any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations; nor shall the purchase of the required insurance serve to limit the Contractor's liability. The Contractor shall be responsible for the payment of any deductibles on issued policies.

7. Indemnification. The Contractor shall defend, indemnify, and hold harmless the District and each of its directors, officers, contractors, employees, agents, and consultants, from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses, including legal expenses and attorneys' fees, arising directly or indirectly out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents, or employees. The Contractor is not obligated to indemnify the District for the District's own negligence. This indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation, or benefits payable by or for the Contractor under worker's compensation acts, disability acts, or other employee benefit acts. Such indemnity shall survive the expiration or termination of this Agreement. To the extent the District is or may be obligated to indemnify, defend, or hold Contractor harmless under the terms of the Agreement, any such indemnification obligation shall arise only to the extent permitted by applicable law and shall be limited solely to sums lawfully appropriated for such purpose in accordance with this Agreement.

8. Termination. This Agreement may be terminated by either party for cause or for convenience upon ten (10) days' prior written notice to the other party. If the Agreement is terminated, the Contractor shall be paid for all Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business.

9. Governing Law / Disputes. 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 shall be in the District Court in and for the county in which the District is located.

10. Subject to 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. The obligations of the District under this Agreement is subject to annual budgeting and appropriations, and the Contractor expressly understands and agrees that the decision whether or not to budget and appropriate funds is within the discretion of District's governing body, and the obligations of the District shall extend only to monies appropriated for the purposes of this Agreement and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. The District and Contractor understand and intend that the District's obligation to make payments and pay other amounts due under the Agreement shall constitute a current expense

and shall not in any way be construed to be a debt in contravention of any applicable constitutional or statutory limitations or requirements.

11. 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 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 §§ 24-10-101, *et seq.*, C.R.S.

12. Remedies. To the extent the Contractor's remedies for a District default under the Agreement include any right to accelerate amounts to become due under the Agreement, such acceleration shall be limited solely to sums lawfully appropriated for such purpose and shall further be limited to amounts to become due during the District's then-current fiscal period.

13. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against the other 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.

14. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

15. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the matters addressed herein, and shall supersede all prior oral or written negotiations, understandings, and commitments.

16. Counterpart Execution. 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.

By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

<b>District:</b>	<b>Contractor:</b>
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

## Exhibit A

### Scope of Services/Compensation Schedule

Shantelle Esquivel  
Blackstone Metro District  
27 Inverness Dr. East  
Englewood, CO 80112



Your Property Estimate for Blackstone Metro District at 8260 S Blackstone  
Parkway

### 3 Simple Steps to Get Started

Step 1	Step 2	Step 3
Review Estimate & Terms	Digitally Sign & Access	Enjoy your clean property

#### ESTIMATE DETAILS

Date: **10/30/2023**

Estimate Code: **G2N8W5U5**

Valid Until: **11/29/2023**

Call Us Anytime: **303-781-7667**

#### PRICING

*Please check the box(es) of desired services and sign below...*

Estimate Description	Quantity	Rate	Amount
Every Other Week Service - common area dog waste cleanup - rate is per visit	1	146.00	146.00

#### WHY PET SCOOP

Since 1994, Pet Scoop has been keeping managed communities safe and clean...

- Largest and oldest pet waste management company in Colorado
- Dedicated team of employed, Commercial technicians
- More service options, faster response to issues and less hassle for you and your staff
- No long-term contracts or up front payments
- Fully Insured with Liability and Workers Comp

#### GUARANTEE

We will provide you and your residents a safer and cleaner environment to live and work. With our RE-DOO GUARANTEE, we promise to provide you with the best service possible and if you are ever not completely satisfied, we'll make it right.

#### TERMS OF SERVICE

1. PET SCOOP INC shall perform the above selected services as an independent contractor and provide all necessary labor and equipment
2. Services will begin on mutually agreed upon date and will continue until terminated (see #6 below)

- 3. Billing dates will be: *1st of every month after service is completed*
- 4. Invoices are payable on receipt. Any balance due not received within forty five (45) days will be charged a \$15.00 late fee per invoice.
- 5. Natural circumstances such as inclement weather may make it hazardous or impossible to make our regular service. In this event, we will be responsible for servicing the property as soon as possible. If we are unable to make-up that particular cleanup, a charge of 3/4 the regular fee will apply due to the additional time required on the next cleanup.
- 6. Either party may terminate this agreement if the contractor is unable to comply with the terms of this agreement or if the client wishes to terminate services for any reason. A thirty (30) day notice is required for termination.
- 7. Any additional fees regarding 3rd party compliance or invoicing services, required by the client/property, will be invoiced to the client/property.
- 8. PET SCOOP INC shall indemnify and save the "client" harmless from any and all claims against the "client" arising out of performance of the services under this agreement.
- 9. The terms of this agreement may only be amended in writing and signed by both parties.
- 10. This agreement is governed by the laws of the State of Colorado.

SIGNATURE

- How To Accept Proposal/Agreement:**
- 1. Selected your desired service options by selecting the box(s) above
  - 2. Click the "Sign Estimate" link below
  - 3. Draw your Signature and then type name in the "Print Name" box
  - 4. Click the "Accept Proposal" link
  - 5. We'll contact you to setup your Initial service date

\_\_\_\_\_

Signature of Client

*By signing you agree to all the terms and conditions set forth in this estimate/agreement document.*

-----



\_\_\_\_\_ 10/30/2023

Signature of Contractor

Sam Johnson  
President, Pet Scoop, Inc.



**AGREEMENT BETWEEN  
THE CITY OF AURORA, COLORADO  
AND THE BLACKSTONE METROPOLITAN DISTRICT  
FOR SNOW REMOVAL AND PLOWING OPERATIONS ON LOCAL STREETS**  
(\_\_\_\_\_)

**THIS AGREEMENT FOR SNOW REMOVAL AND PLOWING OPERATIONS** (“Agreement”) is dated this \_\_\_\_\_ day of \_\_\_\_\_, 2023 , by and between the City of Aurora, Colorado, a home rule municipal corporation (the “City”), and the Blackstone Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), collectively referred to as the “Parties.”

**RECITALS**

**WHEREAS**, the Parties, as government agencies, are authorized by the provisions of Colo. Const., art. XIV, § 18(2)(a) and C.R.S. §§ 29-1-201, et seq., to contract with one another to provide any function, service or facility lawfully authorized to each; and

**WHEREAS**, the City’s Public Works Department is authorized to promulgate rules and regulations for the public right-of-way within the jurisdiction of the City, over all City-owned public streets, roadway and way dedicated for the use of the public, and to provide snow plowing and removal operations thereto; and

**WHEREAS**, due to the necessity for the City to prioritize snow removal on City roads to best facilitate winter travel on all City roads, the City is generally unable to assign a high priority for snow removal on internal subdivision roads or other relatively lower use City roads, such as the roads described in this Agreement; and

**WHEREAS**, the District provides certain operations and maintenance services within the Blackstone subdivision and the roads identified in this Agreement are internal to said subdivision; and

**WHEREAS**, the District may desire to have snow removed or plowed from the City roads described in this Agreement on a more frequent basis than the City is able to provide, given the overall City road priority and demand for snow removal or plowing citywide; and

**WHEREAS**, the City is agreeable to authorizing the District to privately remove or plow snow or contract for the private removal or plowing of snow on the roads described herein, subject to the terms and conditions for such snow removal or plowing operations as are set forth in this Agreement; and

**WHEREAS**, the City is not relinquishing its authority to regulate streets and alleys, pursuant to Section 31-15-702, C.R.S., by agreeing to authorize the District to perform snow removal services or plow snow or contract for said services, for the identified roads or road segments in the attached Exhibit A; and



**WHEREAS**, the District Board met on November 7, 2023 and is in support of this Agreement; and

**WHEREAS**, the City Council is authorized by City Charter 10-12 to enter into this type of agreement; and

**WHEREAS**, pursuant to City Charter 3-9, City Council shall have all legislative powers of the City and all other powers of a home rule city not specifically limited by the Constitution of the State of Colorado and not specifically limited or conferred upon others by the Charter.

**NOW, THEREFORE**, in consideration of the mutual promises, authorizations, and conditions set forth in this Agreement, the Parties hereto agree to the following terms and conditions:

### **AGREEMENT**

The District is hereby authorized to remove or plow snow, or contract for said services, during the term of this Agreement from the City roads or road segments that are identified in Exhibit A, which is attached hereto and is incorporated into this Agreement by this reference, and from no other City roads.

1. The Term of this Agreement shall commence on the 1st day of October, \_\_\_\_\_, 2023 and shall end on the 30<sup>th</sup> day of June, 2028, unless sooner terminated in accordance with the provisions of this Agreement.

2. Prior to commencing any snow removal or plowing operations under this Agreement, the District shall identify to the City for its approval any contractors and/or subcontractors (the “Operator”) who will be performing the snow removal or plowing operations on behalf of the District. In the event that the District desires or needs to change or replace such Operator during the term of this Agreement, the District shall notify the City and shall not perform or authorize the performance of any further snow removal or plowing operations until the City approves the new or replaced Operator. The City may withhold approval of any proposed Operator for any reasonable and lawful cause.

3. In performing the snow removal or plowing operations authorized hereunder, the District and any Operator shall comply with the provisions of Exhibit B attached hereto and incorporated herein by this reference, and the District and any Operator shall exercise all reasonable and due care in the performance of the snow removal or plowing activities authorized under this Agreement and shall, jointly and severally, be responsible for any damages caused to persons or property, directly or indirectly, in the performance of the snow removal or plowing activities.

4. Insurance: The District and its Operator shall provide insurance as set forth in the attached Exhibit C. All equipment used in the performance of the snow removal or plowing activities authorized under this Agreement and the performance of such snow removal or plowing activities shall comply with all applicable federal, state, and local laws, ordinances, and rules and regulations.

5. This Agreement, and any issues involving this Agreement, are subject to and shall be interpreted under the law of the State of Colorado and the rules and regulations of the City. Court venue and jurisdiction shall be in the Colorado District Court for Arapahoe County. The Parties agree that this Agreement shall be deemed to have been made in, and the place of performance is deemed to be in, Arapahoe County, State of Colorado.

6. Any dispute as to the interpretation of this Agreement or the requirements stated in Exhibit B shall be submitted to the City's Director of Public Works or his/her designee. The Director or his/her designee shall review and make a written decision on the dispute within ten (10) City business days of receiving the dispute. The Director's decision shall be final and binding on the Parties.

7. The performance of any City and District obligations under or related to this Agreement, if any, is expressly subject to the appropriation of funds by the Aurora City Council or the District Board, respectively. Nevertheless, it is expressly understood and agreed that this Agreement and the snow removal or plowing activities authorized thereunder are for the benefit of the District and shall be at the sole expense of the District. The City has no obligation to pay for any of or any portion of the snow removal or plowing activities authorized hereunder and the District is entitled to no compensation from the City for its performance of same.

8. This Agreement may be amended only in writing by the duly authorized governmental bodies of the Parties and in the same form as this Agreement.

9. Notices. All notices shall be sent to the following addresses:

For the	Blackstone Metropolitan District
	c/o White Bear Ankele Tanaka & Waldron
District:	2154 E Commons Avenue, Ste 2000
	Centennial, CO 80122

For the City:	Public Works Department
	Attn: Deputy Director of Public Works - Operations
	15151 E. Alameda Pkwy, Ste. 3300
	Aurora, CO 80112

10. THIS AGREEMENT IS MADE AT THE REQUEST OF THE DISTRICT FOR THE DISTRICT'S BENEFIT. THE DISTRICT DOES HEREBY WAIVE, REMISE, AND RELEASE ANY CLAIM, RIGHT, OR CAUSE OF ACTION THE DISTRICT MAY HAVE OR WHICH MAY ACCRUE IN THE FUTURE, WHETHER UNDER THEORIES OF CONTRACT OR ANY OTHER CAUSE OF ACTION WHATSOEVER, AGAINST THE CITY ARISING IN WHOLE OR IN PART FROM THIS AGREEMENT.

11. By entering into this Agreement, the Parties do not waive any governmental immunity available to them or their elected officials, employees or agents under CRS 24-10-101, *et seq.*, or any other federal or state law or the common law, and nothing in this Agreement shall be interpreted to effect a waiver of any such governmental immunity available to the Parties, their elected officials, employees or agents.

12. Either party may terminate this Agreement for convenience upon thirty (30) calendar day's prior written notice to the other party. Any notice of termination shall state the actual effective date of termination. Upon termination of this Agreement, all rights and obligations thereunder shall terminate, except that the District shall remain responsible and liable for any damages caused, directly or indirectly, by its performance under this Agreement.

13. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties hereto, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person or individual homeowner or other person or entity whatsoever on or under this Agreement. It is the express intention of the Parties hereto that any person or entity, other than the Parties to this Agreement, receiving services or benefits under this Agreement shall be deemed to be incidental beneficiaries only.

14. This Agreement constitutes the entire Agreement between the Parties hereto, and all other representations or statements heretofore made, verbal or written, are merged herein.

15. The District shall not assign or otherwise transfer this Agreement or any right or obligation hereunder without the prior lawful approval of the authorized governmental bodies of the Parties and in the same form as this Agreement.

16. This Agreement authorizes the District to conduct snow removal operations on the identified City roads, but the District shall have the right to determine, in its sole and absolute discretion, the frequency of such snow removal operations, if at all. Nothing in the Agreement shall be construed or interpreted to require the District to conduct any snow removal operations on City-owned roads.

17. To the fullest extent permissible under the law of the State of Colorado, the District agrees to indemnify, defend, and hold harmless the City, its officers, employees and agents, from and against any and all loss, damage, injuries, claims, cause or causes of action, or any liability whatsoever resulting from, or arising out of, or in connection with the District's obligations or actions or inactions, and the Operator's obligations or actions or inactions, under this Agreement. The District shall promptly repair to the City's standards and satisfaction, or pay to the City the costs of repairing, any damage to City roads, curbs, gutters, sidewalks, signage, or any other City property resulting from operations or activities under this Agreement. The District's indemnity obligation under this Paragraph shall be for the full amount of any such loss, damages, injuries, claims, cause or causes of action or any liability whatsoever, including attorneys' fees, and court costs, and shall not in any way be capped or limited by the insurance provisions of this Agreement.

18. 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. The Parties hereto agree that this Agreement and related documents may be stored by electronic means. Copies, telecopies, 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. Any electronic signature so affixed to this Agreement or any supplement or consent relating thereto shall carry the full legal force and effect of any original, handwritten signature

**IN WITNESS WHEREOF**, the Parties hereto set their hands in agreement as of the date first written above.

For: **CITY OF AURORA**

By \_\_\_\_\_  
MIKE COFFMAN, MAYOR

Attested to:

\_\_\_\_\_  
KADEE RODRIGUEZ, CITY CLERK

Approved as to Form:

\_\_\_\_\_  
MICHELLE GARDNER, SR. ASST. CITY ATTORNEY

For: **BLACKSTONE METROPOLITAN DISTRICT**

By \_\_\_\_\_  
PRESIDENT

Attested to:

\_\_\_\_\_  
OFFICER OF THE DISTRICT

**EXHIBIT A**

Snow removal or plowing operations authorized under this Agreement are permitted on the following City Roads:

All City Roads within the Blackstone Metropolitan District, as generally depicted within the red border as shown on the attached map.

[See attached map.]

## EXHIBIT B

### General Considerations

- All snow removal or plowing services to be provided shall be performed and completed in a similar manner as performed by the City upon other public roads, exercising all reasonable and due care, and in good and workman like manner.
- The Operator is to report directly to the District Manager for the District. Prior to

### Winter Operations

The Operator shall be responsible for obtaining any other City licenses and permits to operate within the public right-of-way that may be required under the City Code.

The District shall file a snow and ice control plan with the City of Aurora no later than October 1<sup>st</sup> of any year covered by this agreement. The plan shall follow a city provided template and include the following information:

- A. District contact. This person shall be available to respond to city staff during every snow event.
- B. Operator contact. This person shall be the on-site operations supervisor during snow events and will be available to respond to city Staff during every snow event.
- C. List of Equipment - The District in collaboration with the Operator must submit and update as necessary, a complete list of equipment planned for winter operations. The list shall include the following information:
  - Types & makes of vehicles including trucks, loaders and graders,
  - Types & makes of plow,
  - Types of blades (carbide /regular steel) must be equipped with a flexible edge,
  - Models of spreaders (sand and sand/salt mixtures not allowed) ,
  - Types & models of material distribution control units,
  - Types & models of pre-wetting systems; (is this allowed?)
  - Types & models of liquid pre-treatment systems, if applicable.
- D. List of materials to be used during operations. The District will be responsible for any damage caused, or mitigation required, due to their use of these materials. Note, materials used must be approved by the City of Aurora and sand or sand/salt mixtures will not be allowed. This list shall include:
  - Commercial or common name of material,
  - Primary use of the material,
  - Primary distribution method including which equipment is used from the equipment list,
  - Material supplier(s),
  - Material Safety Data Sheets (MSDS) for all materials.
- E. Category of storm (as classified by City of Aurora Snow and Ice Control Plan) for which operations will occur.

- F. Frequency and duration of snow operations during a snow event.
- G. Locations for snow storage. The District is responsible for locating locations for snow storage and obtaining permission to utilize said locations as well as any erosion control measures required. Locations cannot include public rights of way or city-owned property without prior written permission.

#### During Winter Operations

Event Logs - If deployed during a snow event, the Operator shall complete a daily event log using a City provided template. For events of a 24-hour or less duration, the daily event log can serve as the summary log. For events greater than 24-hours in duration, the District shall submit a summary log for the event to the City's Public Works Department within 5 working days of the end of the snow event.

Monthly Report - On a monthly basis, or when requested by the City, the District shall submit a year-to-date summary of deployments grouped by snow event to the City's Public Works Department. This report is required even if the Operator did not deploy. The final monthly report for any season shall be submitted prior to June 1<sup>st</sup> of any year covered by this contract.



## EXHIBIT C

### INSURANCE REQUIREMENTS

**Insurance and Indemnities:** Prior to commencement of this Agreement, the District and its designated Operator, shall provide a certificate of insurance evidencing the following coverages:

- A. **Commercial General Liability Insurance.** During the term of this Agreement, the District and the Operator shall provide general liability coverage against claims arising out of bodily injury, death, damage to or destruction of the property of others, including loss of use thereof, in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) general aggregate.
- B. **Commercial Automobile Liability Insurance.** The District and Operator shall maintain business automobile liability covering liability arising out of the operation of any vehicle (including owned, non-owned and hired vehicles) with minimum limits of \$1,000,000 combined single limit each accident.
- C. **Excess or Umbrella Liability.** The District and the Operator shall maintain an Excess or Umbrella Liability on an occurrence basis in excess of the underlying insurance described in (a), which has coverages as broad as the underlying policies, with a limit of Two Million Dollars (\$2,000,000).
- D. **Workers' Compensation or Employers' Liability Insurance.** The Operator shall provide proof of workers' compensation coverage with limits as required by the laws of the State of Colorado. Additionally, the Operator shall provide proof of Employers' Liability Insurance with limits as follows:  
\$500,000 bodily injury each accident  
\$500,000 bodily injury each disease  
\$500,000 bodily injury disease aggregate.

The Operator will provide to the City a copy of the Operator's insurance which evidences insurance coverages and limits as indicated in this agreement.

- E. **City as Additional Insured.** All insurance policies required by this agreement, except workers' compensation, shall name the City, its officers, employees and agents as an additional insured by endorsement and said coverage shall contain a waiver of subrogation. The Operator shall provide a copy of an endorsement providing this coverage.
- F. **Limits of Insurance.** The total limits of general and excess liability insurance set forth above may be provided to the City using a combination of primary and excess liability insurance.

- G. Certificates of Insurance.** Upon the execution of this Agreement, the District and the Operator shall provide certificates of insurance to the City demonstrating that at the minimum coverages required herein are in effect. The District agrees that the required coverages will not be reduced, canceled, non-renewed or materially changed without thirty (30) days prior written notice to the City. All certificates of insurance must be kept in force throughout the duration of the services. If any of District's or the Operator's coverage is renewed at any time prior to the expiration of this Agreement, the District and the Operator shall be responsible for obtaining updated insurance certificates from the respective insurance carriers and forwarding the replacement certificates to the City within ten (10) days of the expiration date of any previously delivered certificate.

With respect to the Operator, the minimum A.M. Best rating of each primary insurer shall be A-X and the minimum A.M. Best rating of each excess insurer shall be A- VIII. The District and the Operator shall provide copies of insurance policies to the City Risk Manager upon request.

Any of the minimum limits of insurance set out herein may be raised or lowered at the sole discretion of the Risk Manager for the City of Aurora in response to the particular circumstances giving rise to the Agreement. **The District's or the Operator's policy will be primary and non-contributory with respect to any and all self-insurance or insurance policies purchased by the City.**

# **BLACKSTONE METROPOLITAN DISTRICT**

## **2022 Annual Report**

**BLACKSTONE METROPOLITAN DISTRICT**  
**2022 ANNUAL REPORT**  
**TO**  
**THE CITY OF AURORA**

Pursuant to § 32-1-207(3)(c), C.R.S., and the Service Plan for Blackstone Metropolitan District f/k/a High Plains Metropolitan District (the “**District**”), the District is required to provide an annual report to the City of Aurora (the “**City**”). The report is to include information concerning matters which occurred during the prior fiscal year.

For the year ending December 31, 2022, the District, to the best of its actual knowledge, makes the following report:

**§32-1-207(3), C.R.S. Statutory Requirements**

**1. Boundary changes made.**

There were no boundary changes made to the District’s boundary in 2022.

**2. Intergovernmental Agreements entered into or terminated with other governmental entities.**

The Agreement for Snow Removal and Plowing Operations between the District and the City, dated January 11, 2021 and terminated on June 30, 2022 is attached hereto as **Exhibit A**.

**3. Access information to obtain a copy of rules and regulations adopted by the board.**

The District’s current Rules and Regulations are accessible on the District’s website at <https://blackstonemetro.org/>.

**4. A summary of litigation involving public improvements owned by the District.**

To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District’s public improvements as of December 31, 2022.

**5. The status of the construction of public improvements by the District.**

The District completed monument signs at Hilltop Park and Canyons Park, lighting improvements at Hilltop Park, and various landscape improvements during 2022.

- 6. A list of facilities or improvements constructed by the District that were conveyed or dedicated to the county or municipality.**

The District did not convey or dedicate any public improvements to the City during 2022.

- 7. The final assessed valuation of the District as of December 31<sup>st</sup> of the reporting year.**

The District's final assessed valuation is attached hereto as **Exhibit B**.

- 8. A copy of the current year's budget.**

A copy of the 2023 Budget is attached hereto as **Exhibit C**.

- 9. A copy of the audited financial statements, if required by the "Colorado Local Government Audit Law", part 6 of article 1 of title 29, or the application for exemption from audit, as applicable.**

The 2022 Audit is attached hereto as **Exhibit D**.

- 10. Notice of any uncured defaults existing for more than ninety (90) days under any debt instrument of the District.**

The District did not received notice of any uncured defaults existing for more than ninety (90) days under any Debt instrument of the District.

- 11. Any inability of the District to pay its obligations as they come due under any obligation which continues beyond a ninety (90) day period.**

There was not any inability of the District to pay its obligations as they came due under any obligation which continued beyond a ninety (90) day period.

### Service Plan Requirements

- 1. Boundary changes made or proposed to the District's boundaries as of December 31 of the prior year.**

There were no boundary changes made or proposed to the District's boundaries as of December 31, 2022.

- 2. Intergovernmental Agreements with other governmental entities either entered into or proposed as of December 31 of the prior year.**

During 2022, the District proposed renewal of the Agreement for Snow Removal and Plowing Operations between the District and the City, dated January 11, 2021.

- 3. Copies of the District's Rules and Regulations, if any, as of December 31 of the prior year.**

The District's current Rules and Regulations are accessible on the District's website at <https://blackstonemetro.org/>.

- 4. A summary of any litigation which involves the District's Public Improvements as of December 31 of the prior year.**

To our actual knowledge, based on review of the court records in Arapahoe County, Colorado and the Public Access to Court Electronic Records (PACER), there is no litigation involving the District's public improvements as of December 31, 2022.

- 5. Status of the District's construction of the Public Improvements as of December 31 of the prior year.**

The District completed monument signs at Hilltop Park and Canyons Park, lighting improvements at Hilltop Park, and various landscape improvements during 2022.

- 6. A list of all facilities and improvements constructed by the District that have been dedicated to and accepted by the City as of December 31 of the prior year.**

The District did not dedicate any facilities or improvements to the City during 2022.

- 7. The assessed valuation of the District for the current year.**

The District's assessed valuation is attached hereto as **Exhibit B**.

**8. Current year budget including a description of the Public Improvements to be constructed.**

A copy of the 2023 Budget is attached hereto as **Exhibit C**. During 2023, the District plans to begin construction on median and entryway enhancements.

**9. Audit of the District's financial statements, for the year ending December 31 of the previous year, prepared in accordance with generally accepted accounting principles or audit exemption, if applicable.**

The 2022 Audit is attached hereto as **Exhibit D**.

**10. Notice of any uncured events of default by the District, which continue beyond a ninety (90) day period, under any Debt instrument.**

The District did not receive notice of any uncured events of default by the District, which continued beyond a ninety (90) day period, under any Debt instrument.

**11. Any inability of the District to pay its obligations as they come due, in accordance with the terms of such obligations, which continues beyond a ninety (90) day period.**

To our actual knowledge, the District has been able to pay its obligations as they come due.

**EXHIBIT A**  
**Intergovernmental Agreement**



**AGREEMENT BETWEEN  
THE CITY OF AURORA, COLORADO  
AND THE HIGH PLAINS METROPOLITAN DISTRICT  
FOR SNOW REMOVAL AND PLOWING OPERATIONS  
(BLACKSTONE COMMUNITY)**

**THIS AGREEMENT FOR SNOW REMOVAL AND PLOWING OPERATIONS (BLACKSTONE COMMUNITY)** is dated this 11th day of January, 2021, by and between the City of Aurora, Colorado, a home rule municipal corporation (the “City”), and the High Plains Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), collectively referred to as the “Parties.”

**RECITALS**

**WHEREAS**, the Parties, as government agencies, are authorized by the provisions of Colo. Const., art. XIV, § 18(2)(a) and C.R.S. §§ 29-1-201, et seq., to contract with one another to provide any function, service or facility lawfully authorized to each; and

**WHEREAS**, the City Engineer is authorized to promulgate rules and regulations for the public right-of-way within the jurisdiction of the City, over all City-owned public streets, roadway and way dedicated for the use of the public, and to provide snow plowing and removal operations thereto; and

**WHEREAS**, due to the necessity for the City to prioritize snow removal on City roads to best facilitate winter travel on all City roads, the City is generally unable to assign a high priority for snow removal on internal subdivision roads or other relatively lower use City roads, such as the roads described in this Agreement; and

**WHEREAS**, the District provides certain operations and maintenance services within the Blackstone subdivision and the roads identified in this Agreement are internal to said subdivision; and

**WHEREAS**, the District may desire to have snow removed or plowed from the City roads described in this Agreement on a more frequent basis than the City is able to provide, given the overall City road priority and demand for snow removal or plowing citywide; and

**WHEREAS**, the City is agreeable to authorizing the District to privately remove or plow snow or contract for the private removal or plowing of snow on the roads described herein, subject to the terms and conditions for such snow removal or plowing operations as are set forth in this Agreement; and

**WHEREAS**, the District's Board met on October 15, 2020 and is in support of this Agreement; and

**WHEREAS**, the City Council is authorized by City Charter 10-12 to enter into this type of agreement; and

**WHEREAS**, pursuant to City Charter 3-9, City Council shall have all legislative powers of the City and all other powers of a home rule city not specifically limited by the Constitution of the State of Colorado and not specifically limited or conferred upon others by the Charter.

**NOW, THEREFORE**, in consideration of the mutual promises, authorizations, and conditions set forth in this Agreement, the Parties hereto agree to the following terms and conditions:

### **AGREEMENT**

The District is hereby authorized to remove or plow snow, or contract for said services, during the term of this Agreement from the City roads or road segments that are identified in Exhibit A, which is attached hereto and is incorporated into this Agreement by this reference, and from no other City roads.

1. The Term of this Agreement shall commence on the 11th day of January, 2021, and shall end on the 30<sup>th</sup> day of June, 2022, unless sooner terminated in accordance with the provisions of this Agreement.

2. Prior to commencing any snow removal or plowing operations under this Agreement, the District shall identify to the City for its approval any contractors and/or subcontractors (the "Operator") who will be performing the snow removal or plowing operations on behalf of the District. In the event that the District desires or needs to change or replace such Operator during the term of this Agreement, the District shall notify the City and shall not perform or authorize the performance of any further snow removal or plowing operations until the City approves the new or replaced Operator. The City may withhold approval of any proposed Operator for any reasonable and lawful cause.

3. In performing the snow removal or plowing operations authorized hereunder, the District and any Operator shall comply with the provisions of Exhibit B attached hereto and incorporated herein by this reference, and the District and any Operator shall exercise all reasonable and due care in the performance of the snow removal or plowing activities authorized under this Agreement and shall, jointly and severally, be responsible for any damages caused to persons or property, directly or indirectly, in the performance of the snow removal or plowing activities.

4. Insurance: The District and its Operator shall provide insurance as set forth in the attached Exhibit C. All equipment used in the performance of the snow removal or plowing activities authorized under this Agreement and the performance of such snow removal or plowing activities shall comply with all applicable federal, state, and local laws, ordinances, and rules and regulations.

5. This Agreement, and any issues involving this Agreement, are subject to and shall be interpreted under the law of the State of Colorado and the rules and regulations of the City. Court venue and jurisdiction shall be in the Colorado District Court for Arapahoe County. The Parties agree that this Agreement shall be deemed to have been made in, and the place of performance is deemed to be in, Arapahoe County, State of Colorado.

6. Any dispute as to the interpretation of this Agreement or the requirements stated in Exhibit B shall be submitted to the City's Director of Public Works or his/her designee. The Director or his/her designee shall review and make a written decision on the dispute within ten (10) City business days of receiving the dispute. The Director's decision shall be final and binding on the Parties.

7. The performance of any City and District obligations under or related to this Agreement, if any, is expressly subject to the appropriation of funds by the Aurora City Council or the District Board, respectively. Nevertheless, it is expressly understood and agreed that this Agreement and the snow removal or plowing activities authorized thereunder are for the benefit of the District and shall be at the sole expense of the District. The City has no obligation to pay for any of or any portion of the snow removal or plowing activities authorized hereunder and the District is entitled to no compensation from the City for its performance of same.

8. This Agreement may be amended only in writing by the duly authorized governmental bodies of the Parties and in the same form as this Agreement.

9. Notices. All notices shall be sent to the following addresses:

For the District: High Plains Metropolitan District  
c/o White Bear Ankele Tanaka & Waldron  
2154 E Commons Avenue, Ste 2000  
Centennial, CO 80122

For the City: Public Works Department  
Attn: Deputy Director of Public Works - Operations  
15151 E. Alameda Pkwy, Ste. 3300  
Aurora, CO 80112

10. THIS AGREEMENT IS MADE AT THE REQUEST OF THE DISTRICT FOR THE DISTRICT'S BENEFIT. THE DISTRICT DOES HEREBY WAIVE, REMISE, AND RELEASE ANY CLAIM, RIGHT, OR CAUSE OF ACTION THE DISTRICT MAY HAVE OR WHICH MAY ACCRUE IN THE FUTURE, WHETHER UNDER THEORIES OF CONTRACT OR ANY OTHER CAUSE OF ACTION WHATSOEVER, AGAINST THE CITY ARISING IN WHOLE OR IN PART FROM THIS AGREEMENT.

11. By entering into this Agreement, the Parties do not waive any governmental immunity available to them or their elected officials, employees or agents under CRS 24-10-101, *et seq.*, or any other federal or state law or the common law, and nothing in this Agreement shall be interpreted to effect a waiver of any such governmental immunity available to the Parties, their elected officials, employees or agents.

12. Either party may terminate this Agreement for convenience upon thirty (30) calendar day's prior written notice to the other party. Any notice of termination shall state the actual effective date of termination. Upon termination of this Agreement, all rights and obligations

thereunder shall terminate, except that the District shall remain responsible and liable for any damages caused, directly or indirectly, by its performance under this Agreement.

13. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties hereto, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person or individual homeowner or other person or entity whatsoever on or under this Agreement. It is the express intention of the Parties hereto that any person or entity, other than the Parties to this Agreement, receiving services or benefits under this Agreement shall be deemed to be incidental beneficiaries only.

14. This Agreement constitutes the entire Agreement between the Parties hereto, and all other representations or statements heretofore made, verbal or written, are merged herein.

15. The District shall not assign or otherwise transfer this Agreement or any right or obligation hereunder without the prior lawful approval of the authorized governmental bodies of the Parties and in the same form as this Agreement.


16. This Agreement authorizes the District to conduct snow removal operations on the identified City roads, but the District shall have the right to determine, in its sole and absolute discretion, the frequency of such snow removal operations, if at all. Nothing in the Agreement shall be construed or interpreted to require the District to conduct any snow removal operations on City-owned roads.

17. To the fullest extent permissible under the law of the State of Colorado, the District agrees to indemnify, defend, and hold harmless the City, its officers, employees and agents, from and against any and all loss, damage, injuries, claims, cause or causes of action, or any liability whatsoever resulting from, or arising out of, or in connection with the District's obligations or actions or inactions, and the Operator's obligations or actions or inactions, under this Agreement. The District shall promptly repair to the City's standards and satisfaction, or pay to the City the costs of repairing, any damage to City roads, curbs, gutters, sidewalks, signage, or any other City property resulting from operations or activities under this Agreement. The District's indemnity obligation under this Paragraph shall be for the full amount of any such loss, damages, injuries, claims, cause or causes of action or any liability whatsoever, including attorneys' fees, and court costs, and shall not in any way be capped or limited by the insurance provisions of this Agreement.

18. 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. The Parties hereto agree that this Agreement and related documents may be stored by electronic means. Copies, telecopies, 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. Any electronic signature so affixed to this Agreement or any supplement or consent relating thereto shall carry the full legal force and effect of any original, handwritten signature.

**IN WITNESS WHEREOF**, the Parties hereto set their hands in agreement as of the date first written above.


For: **CITY OF AURORA**

By   
MIKE COFFMAN, MAYOR

Attested to:

  
KADEE RODRIGUEZ, CITY CLERK

Approved as to Form:

  
MICHELLE GARDNER, SR. ASST. CITY ATTORNEY

For: **HIGH PLAINS METROPOLITAN DISTRICT**

By   
Shawn P. McGoff (Feb 12, 2021 05:52 MST)  
SHAWN MCGOFF, PRESIDENT

Attested to:

  
Jill Shadwell (Feb 24, 2021 11:20 MST)  
\_\_\_\_\_  
, OFFICER OF THE DISTRICT

**EXHIBIT A**

Snow removal or plowing operations authorized under this Agreement are permitted on the following City Roads:

[See attached map.]

## EXHIBIT B

### General Considerations

- All snow removal or plowing services to be provided shall be performed and completed in a similar manner as performed by the City upon other public roads, exercising all reasonable and due care, and in good and workman like manner.
- The Operator is to report directly to the District Manager for the District.

This document requires certain actions be taken by either the District or the Operator at certain times before, during and after the snow season.

### Prior to Winter Operations

The Operator shall be responsible for obtaining any other City licenses and permits to operate within the public right-of-way that may be required under the City Code.

### Pre-season Requirements

The District and Operator will complete the following tasks no later than September 1st:

- Pre-season meeting - Schedule a pre-season meeting with the Director of Public Works or his/her designee to discuss procedures and associated paperwork.
- Inventory and Condition - Develop and submit an inventory of the roadway system on which winter operations shall be performed. This inventory shall include a spreadsheet detailing the required information as well as a video showing the current condition of the requested items. Items required in the inventory are street names, street dimensions, and the current condition of pavement, curb & gutter, sidewalk, drainage, fencing, mailboxes etc. This inventory must be submitted to the City's Director of Public Works or his/her designee and staff for review.
- Dry Run - The Operator must arrange for a dry run of all applicable roads with the City's Public Works' staff.
- List of Equipment - The District in collaboration with the Operator must submit and update as necessary, a complete list of equipment planned for winter operations. The equipment description should include specific information i.e., type & make of trucks, make of plow, type of blades (carbide /regular steel), model of sanders, calibration units; pre-wetting systems; types & make of loaders/graders, etc.
- Equipment Inspection - The Operator must arrange for the inspection of their equipment with the City's Public Works' staff.
- Snow Plowing Procedures - The District in collaboration with the Operator must provide a copy of their snow removal procedures to the City's Director of Public Works or his/her

designee. These procedures shall include complete information on frequency, duration and the extent of snow plowing as well as details on how the Operator plans to stabilize roads during normal snow events and under heavy storms or blizzard conditions. The Operator will meet with City's Public Works staff prior to commencing operations to discuss and agree upon specific plowing standards and techniques, particularly as they relate to piling snow, snow storage areas, windrows left in front of driveways, intersections, pedestrian ramps, etc.

### Materials

Notwithstanding any contrary provisions of the List of Equipment section stated above, no solid materials may be used as either a de-icing agent or for traction. Any liquid materials must be first approved by the City's Director of Works or his/her designee.

### Training

The District in collaboration with its Operator must ensure all operators (routine drivers and fill-ins) have received proper training on both equipment safety and snowplowing operations/procedures.

### During Winter Operations

Event Logs - On a daily basis during winter operations, the Operator shall complete an event log. On a monthly basis, or when requested by the City, the District shall supply these logs to the City's Public Works Department. The City may require a meeting with the District and its Operator to discuss performance issues at any time. If said issues are not corrected to the City's satisfaction, the District shall be asked to replace its Operator or, alternatively, this Agreement may be terminated.

### End of Season

End of Season Report - On or around June 1st, the District along with its Operator shall supply to the City a combined report that includes all information supplied on a by request or monthly basis as requested above.



## EXHIBIT C

### INSURANCE REQUIREMENTS

**Insurance and Indemnities:** Prior to commencement of this Agreement, the District and its designated Operator, shall provide a certificate of insurance evidencing the following coverages:

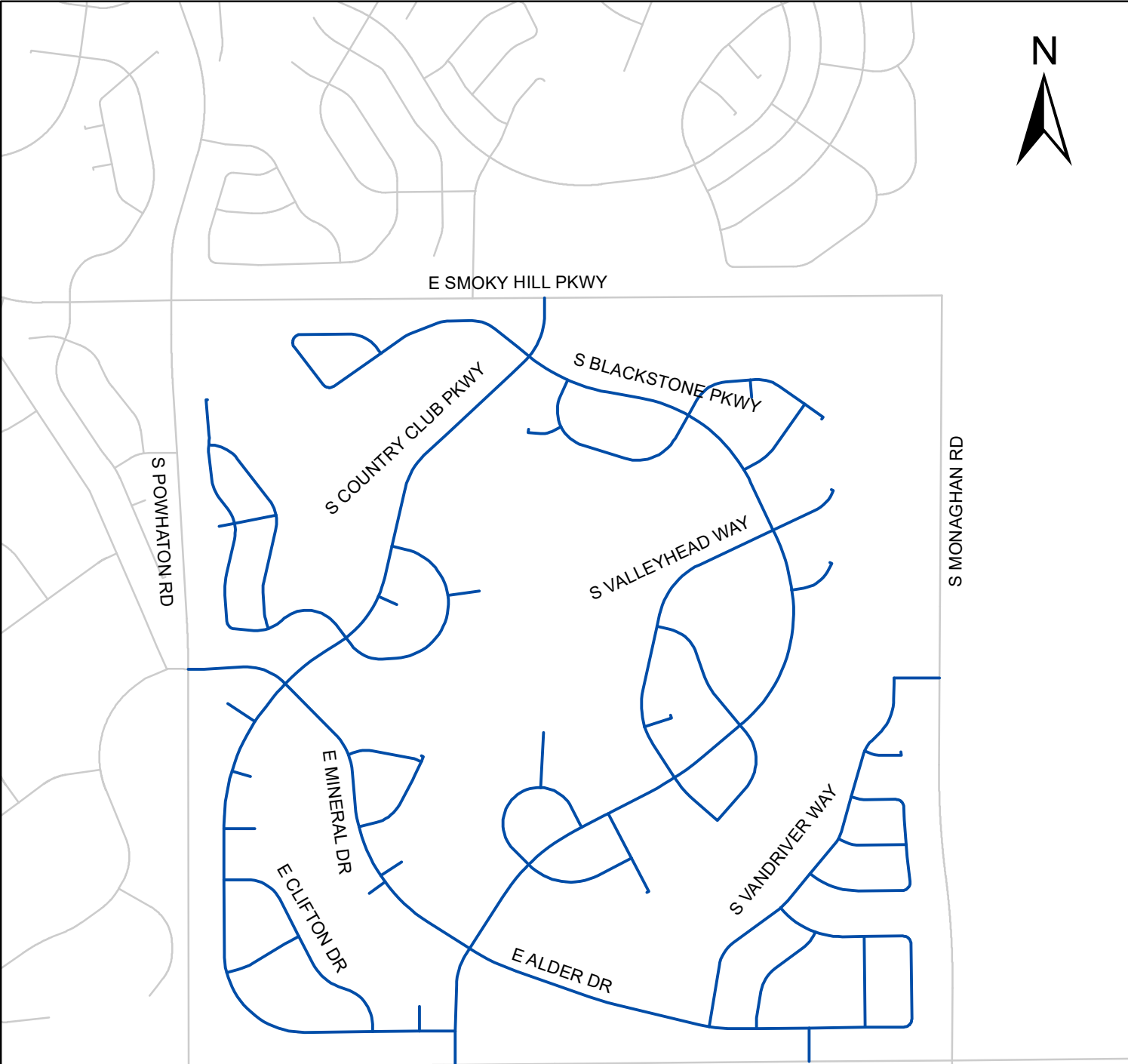
- A. **Commercial General Liability Insurance.** During the term of this Agreement, the District and the Operator shall provide general liability coverage against claims arising out of bodily injury, death, damage to or destruction of the property of others, including loss of use thereof, in an amount not less than One Million Dollars (\$1,000,000.00) per occurrence and Two Million Dollars (\$2,000,000.00) general aggregate.
- B. **Commercial Automobile Liability Insurance.** The District and Operator shall maintain business automobile liability covering liability arising out of the operation of any vehicle (including owned, non-owned and hired vehicles) with minimum limits of \$1,000,000 combined single limit each accident.
- C. **Excess or Umbrella Liability.** The District and the Operator shall maintain an Excess or Umbrella Liability on an occurrence basis in excess of the underlying insurance described in (a), which has coverages as broad as the underlying policies, with a limit of Two Million Dollars (\$2,000,000).
- D. **Workers' Compensation or Employers' Liability Insurance.** The Operator shall provide proof of workers' compensation coverage with limits as required by the laws of the State of Colorado. Additionally, the Operator shall provide proof of Employers' Liability Insurance with limits as follows:  
\$500,000 bodily injury each accident  
\$500,000 bodily injury each disease  
\$500,000 bodily injury disease aggregate.
- The Operator will provide to the City a copy of the Operator's insurance which evidences insurance coverages and limits as indicated in this agreement.
- E. **City as Additional Insured.** All insurance policies required by this agreement, except workers' compensation, shall name the City, its officers, employees and agents as an additional insured by endorsement and said coverage shall contain a waiver of subrogation. The Operator shall provide a copy of an endorsement providing this coverage.
- F. **Limits of Insurance.** The total limits of general and excess liability insurance set forth above may be provided to the City using a combination of primary and excess liability insurance.
- G. **Certificates of Insurance.** Upon the execution of this Agreement, the District and the Operator shall provide certificates of insurance to the City demonstrating that at the minimum coverages required herein are in effect. The District agrees that the required

coverages will not be reduced, canceled, non-renewed or materially changed without thirty (30) days prior written notice to the City. All certificates of insurance must be kept in force throughout the duration of the services. If any of District's or the Operator's coverage is renewed at any time prior to the expiration of this Agreement, the District and the Operator shall be responsible for obtaining updated insurance certificates from the respective insurance carriers and forwarding the replacement certificates to the City within ten (10) days of the expiration date of any previously delivered certificate.

With respect to the Operator, the minimum A.M. Best rating of each primary insurer shall be A-X and the minimum A.M. Best rating of each excess insurer shall be A- VIII. The District and the Operator shall provide copies of insurance policies to the City Risk Manager upon request.

Any of the minimum limits of insurance set out herein may be raised or lowered at the sole discretion of the Risk Manager for the City of Aurora in response to the particular circumstances giving rise to the Agreement. **The District's or the Operator's policy will be primary and non-contributory with respect to any and all self-insurance or insurance policies purchased by the City.**

# Blackstone



## Legend

-  Blackstone
-  COA Streets

**EXHIBIT B**  
**2022 Final AV**



Assessor

OFFICE OF THE ASSESSOR  
5334 S. Prince Street  
Littleton, CO 80120-1136  
Phone: 303-795-4600  
TDD: Relay-711  
Fax:303-797-1295  
<http://www.arapahoegov.com/assessor>  
[assessor@arapahoegov.com](mailto:assessor@arapahoegov.com)

November 23, 2022

AUTH 4355 BLACKSTONE METRO DIST  
WHITE BEAR ANKELE TANAKA & WALDRON  
C/O CLINT C WALDRON  
2154 E COMMONS AVE STE 2000  
CENTENNIAL CO 80122

Code # 4355

### RECERTIFICATION OF VALUATION

The Arapahoe County Assessor reports a taxable assessed valuation for your taxing entity for 2022 of:

\$46,525,922

The breakdown of the taxable valuation of your property is enclosed.

As further required by CRS 39-5-128(1), you are hereby notified to officially certify your levy to the Board of County Commissioners no later than December 15.

CRS 39-1-111(5) requires that this office transmit a notification by December 10 of any changes to valuation made after the original certification.

PK Kaiser, MBA, MS  
Arapahoe County Assessor

enc

## RECERTIFICATION OF VALUATION BY ARAPAHOE COUNTY ASSESSOR

New Tax Entity       YES    NO

Date: November 23, 2022

**NAME OF TAX ENTITY:**                      BLACKSTONE METRO DIST

**USE FOR STATUTORY PROPERTY TAX REVENUE LIMIT CALCULATION ("5.5%" LIMIT) ONLY**

IN ACCORDANCE WITH 39-5-121(2)(a) AND 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES THE TOTAL VALUATION FOR ASSESSMENT FOR THE TAXABLE YEAR 2022:

1. PREVIOUS YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	1.	\$	46,579,695
2. CURRENT YEAR'S GROSS TOTAL TAXABLE ASSESSED VALUATION: ‡	2.	\$	46,525,922
3. LESS TOTAL TIF AREA INCREMENTS, IF ANY:	3.	\$	0
4. CURRENT YEAR'S NET TOTAL TAXABLE ASSESSED VALUATION:	4.	\$	46,525,922
5. NEW CONSTRUCTION: *	5.	\$	1,162,468
6. INCREASED PRODUCTION OF PRODUCING MINE: ≈	6.	\$	0
7. ANNEXATIONS/INCLUSIONS:	7.	\$	0
8. PREVIOUSLY EXEMPT FEDERAL PROPERTY: ≈	8.	\$	0
9. NEW PRIMARY OIL OR GAS PRODUCTION FROM ANY PRODUCING OIL AND GAS LEASEHOLD OR LAND (29-1-301(1)(b), C.R.S.): Φ	9.	\$	0
10. TAXES RECEIVED LAST YEAR ON OMITTED PROPERTY AS OF AUG. 1 (29-1-301(1)(A), C.R.S.). Includes all revenue collected on valuation not previously certified:	10.	\$	0
11. TAXES ABATED AND REFUNDED AS OF AUG. 1 (29-1-301(1)(a), C.R.S.) and (39-10-114(1)(a)(I)(B), C.R.S.):	11.	\$	0

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

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

≈ Jurisdiction must submit to the Division of Local Government respective Certifications of Impact in order for the values to be treated as growth in the limit calculation; use Forms DLG 52 & 52A.

Φ Jurisdiction must apply to the Division of Local Government before the value can be treated as growth in the limit calculation; use Form DLG 52B.

**USE FOR TABOR "LOCAL GROWTH" CALCULATION ONLY**

IN ACCORDANCE WITH ART X, SEC.20, COLO. CONSTITUTION AND 39-5-121(2)(b), C.R.S., THE ASSESSOR CERTIFIES THE TOTAL ACTUAL VALUATION FOR THE TAXABLE YEAR 2022:

1. CURRENT YEAR'S TOTAL ACTUAL VALUE OF ALL REAL PROPERTY: ¶	1.	\$	626,111,750
<b>ADDITIONS TO TAXABLE REAL PROPERTY</b>			
2. CONSTRUCTION OF TAXABLE REAL PROPERTY IMPROVEMENTS:	2.	\$	16,726,128
3. ANNEXATIONS/INCLUSIONS:	3.	\$	0
4. INCREASED MINING PRODUCTION: §	4.	\$	0
5. PREVIOUSLY EXEMPT PROPERTY:	5.	\$	0
6. OIL OR GAS PRODUCTION FROM A NEW WELL:	6.	\$	0
7. TAXABLE REAL PROPERTY OMITTED FROM THE PREVIOUS YEAR'S TAX WARRANT: (If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.):	7.	\$	0

**DELETIONS FROM TAXABLE REAL PROPERTY**

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

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

\* Construction is defined as newly constructed taxable real property structures.

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

IN ACCORDANCE WITH 39-5-128(1), C.R.S., AND NO LATER THAN AUGUST 25, THE ASSESSOR CERTIFIES TO SCHOOL DISTRICTS:

1. TOTAL ACTUAL VALUE OF ALL TAXABLE PROPERTY	1.	\$	0
---	----	----	---

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): **		\$	16,044
--	--	----	--------

\*\* The tax revenue lost due to this exempted value will be reimbursed to the tax entity by the County Treasurer in accordance with 39-3-119.5(3), C.R.S.

NOTE: ALL LEVIES MUST BE CERTIFIED TO THE COUNTY COMMISSIONERS NO LATER THAN DECEMBER 15.

**EXHIBIT C**  
**2023 Budget**

**BLACKSTONE METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**



**BLACKSTONE METROPOLITAN DISTRICT  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 3,947,211	\$ 4,527,255	\$ 5,169,384
REVENUES			
Property taxes	2,838,836	2,893,205	2,658,165
Specific ownership taxes	195,691	183,824	159,490
Interest income	3,236	49,010	68,055
Operations fee (homeowners)	631,106	550,000	600,000
Operations fee (vacant lots)	8,198	6,500	4,500
Working capital	39,835	35,000	50,000
Design review fees	430	3,500	4,000
Legal collection fees	2,370	18,000	20,000
Violations and late fees	7,068	12,000	15,000
Other revenue	6,802	9,993	10,000
Total revenues	<u>3,733,572</u>	<u>3,761,032</u>	<u>3,589,210</u>
TRANSFERS IN	<u>850,229</u>	<u>490,072</u>	<u>2,265,545</u>
Total funds available	<u>8,531,012</u>	<u>8,778,359</u>	<u>11,024,139</u>
EXPENDITURES			
General Fund	161,943	194,303	264,000
Debt Service Fund	1,769,439	1,546,432	1,562,000
Capital Projects Fund	400,229	294,500	1,815,000
Operations Fee Fund	774,125	1,031,325	1,159,000
Capital Projects Fund - Regional Improvement Fund	47,792	51,843	52,713
Total expenditures	<u>3,153,528</u>	<u>3,118,403</u>	<u>4,852,713</u>
TRANSFERS OUT	<u>850,229</u>	<u>490,572</u>	<u>2,265,545</u>
Total expenditures and transfers out requiring appropriation	<u>4,003,757</u>	<u>3,608,975</u>	<u>7,118,258</u>
ENDING FUND BALANCES	<u>\$ 4,527,255</u>	<u>\$ 5,169,384</u>	<u>\$ 3,905,881</u>
EMERGENCY RESERVE	\$ 62,500	\$ 61,600	\$ 60,900
AVAILABLE FOR OPERATIONS	2,226,357	2,956,138	1,750,810
SERIES 2017 SURPLUS FUND	1,042,125	1,042,125	1,042,125
CAPITAL PROJECTS RESERVE	450,000	450,000	450,000
TOTAL RESERVE	<u>\$ 3,780,982</u>	<u>\$ 4,509,863</u>	<u>\$ 3,303,835</u>

**BLACKSTONE METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>			
Residential	\$ 37,701,453	\$ 42,632,450	\$ 42,869,846
Commercial	1,583,057	1,378,952	1,378,952
State assessed	2,250	3,720	8,930
Personal	821,497	900,597	1,208,868
Vacant land	2,839,541	1,663,976	1,059,326
Certified Assessed Value	<u>\$ 42,947,798</u>	<u>\$ 46,579,695</u>	<u>\$ 46,525,922</u>
<b>MILL LEVY</b>			
General	30.000	28.000	26.000
Debt Service	35.000	33.000	30.000
Capital Projects - Regional Improvement	1.113	1.113	1.133
Total mill levy	<u>66.113</u>	<u>62.113</u>	<u>57.133</u>
<b>PROPERTY TAXES</b>			
General	\$ 1,288,434	\$ 1,304,231	\$ 1,209,674
Debt Service	1,503,173	1,537,130	1,395,778
Capital Projects - Regional Improvement	47,801	51,843	52,713
Levied property taxes	2,839,408	2,893,205	2,658,165
Adjustments to actual/rounding	(572)	-	-
Budgeted property taxes	<u>\$ 2,838,836</u>	<u>\$ 2,893,205</u>	<u>\$ 2,658,165</u>
<b>BUDGETED PROPERTY TAXES</b>			
General	<b>\$ 1,288,173</b>	<b>\$ 1,304,232</b>	<b>\$ 1,209,674</b>
Debt Service	<b>1,502,871</b>	<b>1,537,130</b>	<b>1,395,778</b>
Capital Projects - Regional Improvement	<b>47,792</b>	<b>51,843</b>	<b>52,713</b>
<b>Total</b>	<b><u>\$ 2,838,836</u></b>	<b><u>\$ 2,893,205</u></b>	<b><u>\$ 2,658,165</u></b>

**BLACKSTONE METROPOLITAN DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,890,549	\$ 2,268,157	\$ 2,998,638
REVENUES			
Property taxes	1,288,173	1,304,232	1,209,674
Specific ownership taxes	93,274	86,124	75,743
Interest income	1,531	25,000	36,000
Other revenue	6,802	-	-
Total revenues	<u>1,389,780</u>	<u>1,415,356</u>	<u>1,321,417</u>
Total funds available	<u>3,280,329</u>	<u>3,683,513</u>	<u>4,320,055</u>
EXPENDITURES			
General and administrative			
Accounting	42,558	45,000	55,000
Audit	5,000	5,100	5,500
County Treasurer's fee	19,340	19,563	18,145
Directors' fees	1,700	600	5,000
Director and meeting expense	-	-	2,000
Election expense	-	27,651	40,000
Insurance	32,931	33,843	40,000
Legal	56,792	60,000	70,000
Miscellaneous	3,327	1,000	2,000
Payroll taxes	145	46	383
Website	150	1,500	1,500
Contingency	-	-	24,472
Total expenditures	<u>161,943</u>	<u>194,303</u>	<u>264,000</u>
TRANSFERS OUT			
Transfers to other fund	<u>850,229</u>	<u>490,572</u>	<u>2,265,545</u>
Total expenditures and transfers out requiring appropriation	<u>1,012,172</u>	<u>684,875</u>	<u>2,529,545</u>
ENDING FUND BALANCE	<u>\$ 2,268,157</u>	<u>\$ 2,998,638</u>	<u>\$ 1,790,510</u>
EMERGENCY RESERVE	\$ 41,800	\$ 42,500	\$ 39,700
AVAILABLE FOR OPERATIONS	2,226,357	2,956,138	1,750,810
TOTAL RESERVE	<u>\$ 2,268,157</u>	<u>\$ 2,998,638</u>	<u>\$ 1,790,510</u>

**BLACKSTONE METROPOLITAN DISTRICT  
OPERATIONS FEE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 300,936	\$ 215,850	\$ 19,100
<b>REVENUES</b>			
Interest income	32	10	305
Operations fee (homeowners)	631,106	550,000	600,000
Operations fee (vacant lots)	8,198	6,500	4,500
Working capital	39,835	35,000	50,000
Design review fees	430	3,500	4,000
Legal collection fees	2,370	18,000	20,000
Violations and late fees	7,068	12,000	15,000
Other revenue	-	9,993	10,000
Total revenues	<u>689,039</u>	<u>635,003</u>	<u>703,805</u>
<b>TRANSFERS IN</b>			
Transfers from other funds	-	199,572	457,295
Total funds available	<u>989,975</u>	<u>1,050,425</u>	<u>1,180,200</u>
<b>EXPENDITURES</b>			
Operations and maintenance			
Community activities	8,580	16,000	35,000
Contingency	-	-	35,000
Design review	13,634	10,000	12,000
Facilities management - contract	47,794	51,000	53,000
Facilities management - costs	5,722	20,000	25,000
Legal - collections	10,522	32,000	30,000
Security	-	28,325	24,000
Miscellaneous	15	50,000	5,000
Landscape maintenance			
Irrigation repairs and improvements	41,858	30,000	50,000
Landscape improvements	8,856	45,000	50,000
Landscape maintenance - contract	279,564	385,000	395,000
Tree and shrub maintenance	20,445	-	25,000
Grounds & park maintenance			
Grounds maintenance	15,725	15,000	25,000
Holiday lighting	12,035	25,000	25,000
Lighting	5,879	8,000	11,000
Playground inspection and repairs	4,516	4,000	11,000
Snow removal	11,763	15,000	35,000
Vandalism	650	-	-
Utilites			
Gas and electric	12,176	9,000	20,000
Trash removal	152,019	153,000	153,000
Water - irrigation	122,372	135,000	140,000
Total expenditures	<u>774,125</u>	<u>1,031,325</u>	<u>1,159,000</u>
Total expenditures and transfers out requiring appropriation	<u>774,125</u>	<u>1,031,325</u>	<u>1,159,000</u>
ENDING FUND BALANCE	<u>\$ 215,850</u>	<u>\$ 19,100</u>	<u>\$ 21,200</u>
EMERGENCY RESERVE	<u>\$ 20,700</u>	<u>\$ 19,100</u>	<u>\$ 21,200</u>
TOTAL RESERVE	<u>\$ 20,700</u>	<u>\$ 19,100</u>	<u>\$ 21,200</u>

**BLACKSTONE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 1,755,726	\$ 1,593,248	\$ 1,701,646
REVENUES			
Property taxes	1,502,871	1,537,130	1,395,778
Specific ownership taxes	102,417	97,700	83,747
Interest income	1,673	20,000	25,000
Total revenues	<u>1,606,961</u>	<u>1,654,830</u>	<u>1,504,525</u>
Total funds available	<u>3,362,687</u>	<u>3,248,078</u>	<u>3,206,171</u>
EXPENDITURES			
Debt Service			
Bond interest - Series 2017	1,114,925	1,102,925	1,086,125
Bond principal - Series 2017	300,000	420,000	450,000
County Treasurer's fee	22,564	23,057	20,937
Paying agent fees	450	450	450
Repay developer advance	331,500	-	-
Contingency	-	-	4,488
Total expenditures	<u>1,769,439</u>	<u>1,546,432</u>	<u>1,562,000</u>
Total expenditures and transfers out requiring appropriation	<u>1,769,439</u>	<u>1,546,432</u>	<u>1,562,000</u>
ENDING FUND BALANCE	<u>\$ 1,593,248</u>	<u>\$ 1,701,646</u>	<u>\$ 1,644,171</u>
SERIES 2017 SURPLUS FUND	<u>\$ 1,042,125</u>	<u>\$ 1,042,125</u>	<u>\$ 1,042,125</u>
TOTAL RESERVE	<u>\$ 1,042,125</u>	<u>\$ 1,042,125</u>	<u>\$ 1,042,125</u>

**BLACKSTONE METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ 450,000	\$ 450,000
REVENUES			
Interest income	-	4,000	6,750
Total revenues	<u>-</u>	<u>4,000</u>	<u>6,750</u>
TRANSFERS IN			
Transfers from other funds	<u>850,229</u>	<u>290,500</u>	<u>1,808,250</u>
Total funds available	<u>850,229</u>	<u>744,500</u>	<u>2,265,000</u>
EXPENDITURES			
Capital Projects			
Reserve study	-	-	15,000
Legal	-	1,500	-
Entryways/Roundabouts	9,385	40,000	1,500,000
Lighting	19,504	35,000	-
Monumentation	12,090	-	-
Filing 3 improvements	-	30,000	-
Trees	359,250	188,000	300,000
Total expenditures	<u>400,229</u>	<u>294,500</u>	<u>1,815,000</u>
Total expenditures and transfers out requiring appropriation	<u>400,229</u>	<u>294,500</u>	<u>1,815,000</u>
ENDING FUND BALANCE	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 450,000</u>
CAPITAL PROJECTS RESERVE	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 450,000</u>
TOTAL RESERVE	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ 450,000</u>

**BLACKSTONE METROPOLITAN DISTRICT  
CAPITAL PROJECTS - REGIONAL IMPROVEMENT FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

1/5/23

	ACTUAL 2021	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -
REVENUES			
Property taxes - Regional mill levy	47,792	51,843	52,713
Total revenues	<u>47,792</u>	<u>51,843</u>	<u>52,713</u>
Total funds available	<u>47,792</u>	<u>51,843</u>	<u>52,713</u>
EXPENDITURES			
Capital Projects			
County Treasurer fees - Regional mill levy	718	778	791
Regional mill levy - Payment to SARIA	47,074	51,065	51,922
Total expenditures	<u>47,792</u>	<u>51,843</u>	<u>52,713</u>
Total expenditures and transfers out requiring appropriation	<u>47,792</u>	<u>51,843</u>	<u>52,713</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**BLACKSTONE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on November 27, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Second Amended and Restated Service Plan approved on July 26, 2010.

The District was established to provide sanitation, water, streets, traffic and safety controls, parks and recreation, and other related improvements for the benefit of the taxpayers and service users within the Districts' boundaries.

As of December 31, 2015, the District had remaining voted debt authorization of approximately \$1,981,510,000. The District has not budgeted to issue any new debt during 2023. Per the District's Service Plan, the District cannot issue debt in excess of \$100,000,000.

The District has no employees and all administrative functions are contracted.

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

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April, or in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.



**BLACKSTONE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Aurora Regional Improvements Mill Levy**

Pursuant to the Service Plan, which is dated August 6, 2004, the District is required to impose a 1.000 mill levy for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the ARI Master Plan. The ARI Master Plan is one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time. The District is a participant in the South Aurora Regional Improvement Authority. Revenues collected and held under the ARI mill levy will be held in a segregated account for the benefit of the Authority. The required mill levy after the twentieth year is 5.000.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6.0% of the property taxes collected.

**Operations Fee**

The District imposes a monthly operations fee on homeowners and vacant lot owners. The fee varies between the two types of owners based on applicable costs to operate the landscape and maintenance of the District property. The fees and associated expenditures are tracked in the Operations Fee fund.

**Interest Income**

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

**Expenditures**

**General, Administrative, and Operations Expenditures**

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, audit, managerial, insurance, banking, meeting expense and other administrative expenses. Additionally, the operations expenditures to maintain District property are detailed in the Operations Fee fund.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Capital Outlay**

The District anticipates infrastructure improvements as displayed on page 6 of the Budget.

**BLACKSTONE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017 General Obligation Refunding Bonds. The District's current debt service schedule is attached.

See related notes below under Debt and Leases.

**Debt and Leases**

On June 6, 2017 the District issued General Obligation Refunding Bonds Series 2017 in the amount of \$27,415,000. The proceeds from the sale of the 2017 Bonds were used to (i) refund the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2005A, (ii) fund an initial deposit of \$1,000,000 to the Surplus Account, and (iii) pay certain costs of issuance of the Bonds.

The Series 2017 Bonds bear interest at rates ranging from 2.375% to 5.000%, payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019. The Series 2017 Bonds mature on December 1, 2047. The Series 2017 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

The Series 2017 Bonds are a general obligation of the District. The full faith and credit of the District are pledged for the payment of the principal of, premium, if any and interest on the Bonds. Without limiting the foregoing, the Pledged Revenue is pledged to the payment of the Bonds, on a parity with Parity Bonds, if any. "Pledged Revenue" is defined in the Bond Resolution to mean: (i) all amounts derived by the District from imposition of the Required Mill Levy and, to the extent not applied to the payment or refunding of the Series 2005A Bonds, the debt service mill levy imposed by the District in 2016 (less costs of collection and any tax refunds or abatements authorized by or on behalf of the County); and (ii) Specific Ownership Taxes. The Series 2017 Bonds are secured by amounts held by the District in the Surplus Account, if any. All of the Series 2017 Bonds shall be additionally secured by a Bond Insurance Policy issued by National Public Finance Guarantee Corp, rated A by Standard & Poor's.

The District has no operating or capital leases.

**Reserves**

**Emergency Reserves**

The District has provided an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**BLACKSTONE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>Bonds and Interest Maturing in the Year Ending December 31,</b>	<b>\$27,415,000 General Obligation Refunding Bonds Series 2017 Dated June 6, 2017 Rates ranging from 2.375% to 5.000% Interest Payable June 1 and December 1 Principal Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 450,000	\$ 1,086,125	\$ 1,536,125
2024	500,000	1,068,125	1,568,125
2025	520,000	1,048,125	1,568,125
2026	565,000	1,035,775	1,600,775
2027	595,000	1,007,525	1,602,525
2028	655,000	977,775	1,632,775
2029	685,000	945,025	1,630,025
2030	755,000	910,775	1,665,775
2031	780,000	886,237	1,666,237
2032	835,000	860,888	1,695,888
2033	865,000	833,750	1,698,750
2034	940,000	790,500	1,730,500
2035	990,000	743,500	1,733,500
2036	1,070,000	694,000	1,764,000
2037	1,115,000	651,200	1,766,200
2038	1,195,000	606,600	1,801,600
2039	1,245,000	558,800	1,803,800
2040	1,330,000	509,000	1,839,000
2041	1,380,000	455,800	1,835,800
2042	1,475,000	400,600	1,875,600
2043	1,535,000	341,600	1,876,600
2044	1,630,000	280,200	1,910,200
2045	1,695,000	215,000	1,910,000
2046	1,805,000	147,200	1,952,200
2047	1,875,000	75,000	1,950,000
	<u>\$ 26,485,000</u>	<u>\$ 17,129,125</u>	<u>\$ 43,614,125</u>

**EXHIBIT D**  
**2022 Audit**

**BLACKSTONE METROPOLITAN DISTRICT  
Arapahoe County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**

**BLACKSTONE METROPOLITAN DISTRICT  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2022**

<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF NET POSITION</b>	<b>1</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>2</b>
<b>FUND FINANCIAL STATEMENTS</b>	
<b>BALANCE SHEET – GOVERNMENTAL FUNDS</b>	<b>3</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN     FUND BALANCES – GOVERNMENTAL FUNDS</b>	<b>4</b>
<b>RECONCILIATION OF THE STATEMENT OF REVENUES,     EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE     GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES</b>	<b>5</b>
<b>GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND     CHANGES IN FUND BALANCE – BUDGET AND ACTUAL</b>	<b>6</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>7</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES,     AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL</b>	<b>23</b>
<b>CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES,     EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND     ACTUAL</b>	<b>24</b>
<b>CAPITAL PROJECTS – REGIONAL IMPROVEMENTS FUND – SCHEDULE     OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –     BUDGET AND ACTUAL</b>	<b>25</b>
<b>OTHER INFORMATION</b>	
<b>SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY</b>	<b>27</b>
<b>SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY     TAXES COLLECTED</b>	<b>28</b>
<b>CONTINUING DISCLOSURE ANNUAL INFORMATION AS REQUIRED BY THE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2017</b>	<b>29</b>

Board of Directors  
Blackstone Metropolitan District  
Arapahoe County, Colorado

## Independent Auditor's Report

### Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Blackstone Metropolitan District (the "District"), as of and for the year ended December 31, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Blackstone Metropolitan District as of December 31, 2022, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

Exercise professional judgment and maintain professional skepticism throughout the audit.

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.

Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



## Other Matters

### Required Supplemental Information

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

### Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The supplementary information as listed in the table of contents is presented for the purposes of legal compliance and additional analysis and is not a required part of the financial statements. The supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States. In our opinion, such information is fairly stated in all material respects in relation to the financial statements as a whole.

### Other Information and Continuing Disclosure Annual Information

The other information and continuing disclosure annual information, as listed in the table of contents, has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and continuing disclosure annual information and consider whether a material inconsistency exists between the other information and continuing disclosure annual information and the basic financial statements, or the other information and continuing disclosure annual information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information and continuing disclosure annual information exists, we are required to describe it in our report.

*Wipfli LLP*

Wipfli LLP  
Lakewood, Colorado

July 26, 2023

**BASIC FINANCIAL STATEMENTS**

**BLACKSTONE METROPOLITAN DISTRICT  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 3,013,739
Cash and Investments - Restricted	2,270,290
Accounts Receivable - Assessments	147,114
Receivable - County Treasurer	13,490
Property Taxes Receivable	2,658,165
Prepaid Expense	450
Capital Assets, Not Being Depreciated	11,987,466
Capital Assets, Being Depreciated	712,347
Total Assets	20,803,061
<b>LIABILITIES</b>	
Accounts Payable	108,636
Accrued Bond Interest Payable	90,510
Due to SARIA	312
Prepaid Assessments	91,770
Noncurrent Liabilities:	
Due Within One Year	503,152
Due in More Than One Year	26,820,096
Total Liabilities	27,614,476
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Property Tax Revenue	2,658,165
Total Deferred Inflows of Resources	2,658,165
<b>NET POSITION</b>	
Net Investment in Capital Assets	3,142,141
Restricted for:	
Emergency Reserves	64,000
Debt Service	643,740
Unrestricted	(13,319,461)
Total Net Position	\$ (9,469,580)

See accompanying Notes to Basic Financial Statements.

**BLACKSTONE METROPOLITAN DISTRICT  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

FUNCTIONS/PROGRAMS	Program Revenues			Net Revenues (Expenses) and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	
Primary Government:				
Governmental Activities:				
General Government	\$ 1,277,531	\$ 670,279	\$ -	\$ (607,252)
Interest and Related Costs on Long-Term Debt	1,071,082	-	-	(1,071,082)
Total Governmental Activities	\$ 2,348,613	\$ 670,279	\$ -	(1,678,334)
<b>GENERAL REVENUES</b>				
Property Taxes				2,841,361
Regional Property Taxes				51,843
Specific Ownership Taxes				183,286
Net Investment Income				100,733
Other Revenue				16,885
Total General Revenues				<u>3,194,108</u>
<b>CHANGE IN NET POSITION</b>				1,515,774
Net Position - Beginning of Year				<u>(10,985,354)</u>
<b>NET POSITION - END OF YEAR</b>				<u>\$ (9,469,580)</u>

See accompanying Notes to Basic Financial Statements.

(2)

**BLACKSTONE METROPOLITAN DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2022**

<b>ASSETS</b>	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Capital Projects - Regional Improvements</u>	<u>Total Governmental Funds</u>
Cash and Investments	\$ 3,013,739	\$ -	\$ -	\$ -	\$ 3,013,739
Cash and Investments - Restricted	64,000	1,727,533	478,445	312	2,270,290
Accounts Receivable - Assessments	147,114	-	-	-	147,114
Receivable - County Treasurer	6,323	7,167	-	-	13,490
Property Taxes Receivable	1,209,674	1,395,778	-	52,713	2,658,165
Prepaid Expense	450	-	-	-	450
<b>Total Assets</b>	<b><u>\$ 4,441,300</u></b>	<b><u>\$ 3,130,478</u></b>	<b><u>\$ 478,445</u></b>	<b><u>\$ 53,025</u></b>	<b><u>\$ 8,103,248</u></b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable	\$ 79,741	\$ 450	\$ 28,445	\$ -	\$ 108,636
Due to SARIA	-	-	-	312	312
Prepaid Assessments	91,770	-	-	-	91,770
<b>Total Liabilities</b>	<b><u>171,511</u></b>	<b><u>450</u></b>	<b><u>28,445</u></b>	<b><u>312</u></b>	<b><u>200,718</u></b>
<b>DEFERRED INFLOWS OF RESOURCES</b>					
Property Tax Revenue	1,209,674	1,395,778	-	52,713	2,658,165
<b>Total Deferred Inflows of Resources</b>	<b><u>1,209,674</u></b>	<b><u>1,395,778</u></b>	<b><u>-</u></b>	<b><u>52,713</u></b>	<b><u>2,658,165</u></b>
<b>FUND BALANCES</b>					
Nonspendable:					
Prepaid Expenses	450	-	-	-	450
Restricted for:					
Emergency Reserves	64,000	-	-	-	64,000
Debt Service	-	1,734,250	-	-	1,734,250
Committed for:					
Capital Projects	-	-	450,000	-	450,000
Assigned for:					
Subsequent Year's Expenditures	1,206,028	-	-	-	1,206,028
Unassigned	1,789,637	-	-	-	1,789,637
<b>Total Fund Balances</b>	<b><u>3,060,115</u></b>	<b><u>1,734,250</u></b>	<b><u>450,000</u></b>	<b><u>-</u></b>	<b><u>5,244,365</u></b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances</b>	<b><u>\$ 4,441,300</u></b>	<b><u>\$ 3,130,478</u></b>	<b><u>\$ 478,445</u></b>	<b><u>\$ 53,025</u></b>	

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the funds.

Capital Assets, Net

12,699,813

Long-term liabilities, including bonds payable and developer advances, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.

Bonds Payable

(26,485,000)

Bond Premium

(838,248)

Accrued Interest on Bonds Payable

(90,510)

Net Position of Governmental Activities

**\$ (9,469,580)**

See accompanying Notes to Basic Financial Statements.

**BLACKSTONE METROPOLITAN DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2022**

	General	Debt Service	Capital Projects	Capital Projects - Regional Improvements	Total Governmental Funds
<b>REVENUES</b>					
Property Taxes	\$ 1,304,231	\$ 1,537,130	\$ -	\$ -	\$ 2,841,361
Regional Property Taxes	-	-	-	51,843	51,843
Specific Ownership Taxes	85,908	97,378	-	-	183,286
Operations Fee (Homeowners)	609,935	-	-	-	609,935
Operations Fee (Vacant Lots)	4,650	-	-	-	4,650
Working Capital Fees	28,710	-	-	-	28,710
Design Review Fee	2,720	-	-	-	2,720
Legal Collection Fees	12,922	-	-	-	12,922
Violations and Late Fees	11,342	-	-	-	11,342
Net Investment Income	55,987	40,162	4,584	-	100,733
Miscellaneous Income	16,885	-	-	-	16,885
Total Revenues	<u>2,133,290</u>	<u>1,674,670</u>	<u>4,584</u>	<u>51,843</u>	<u>3,864,387</u>
<b>EXPENDITURES</b>					
General:					
Accounting	44,555	-	-	-	44,555
Audit	5,400	-	-	-	5,400
County Treasurer's Fees	19,584	23,081	-	778	43,443
Director and Meeting Expense	1,918	-	-	-	1,918
Directors' Fees	1,200	-	-	-	1,200
Election	27,998	-	-	-	27,998
Insurance and Bonds	33,843	-	-	-	33,843
Legal	68,399	-	1,076	-	69,475
Miscellaneous	488	-	-	-	488
Payroll Taxes	46	-	-	-	46
Website	1,200	-	-	-	1,200
Regional Mill Levy - Payment to SARIA	-	-	-	51,065	51,065
Operations and Maintenance	998,005	-	-	-	998,005
Debt Service:					
Bond Interest - Series 2017	-	1,102,925	-	-	1,102,925
Bond Principal - Series 2017	-	420,000	-	-	420,000
Paying Agent Fees	-	450	-	-	450
Capital Projects:					
Filing 3 Enhancements	-	-	23,674	-	23,674
Entryways	-	-	109,892	-	109,892
Trees	-	-	185,670	-	185,670
Lighting	-	-	38,818	-	38,818
Total Expenditures	<u>1,202,636</u>	<u>1,546,456</u>	<u>359,130</u>	<u>51,843</u>	<u>3,160,065</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	930,654	128,214	(354,546)	-	704,322
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers (to) from Other Funds	(354,546)	-	354,546	-	-
Total Other Financing Sources (Uses)	<u>(354,546)</u>	<u>-</u>	<u>354,546</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	576,108	128,214	-	-	704,322
Fund Balances - Beginning of Year	<u>2,484,007</u>	<u>1,606,036</u>	<u>450,000</u>	<u>-</u>	<u>4,540,043</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 3,060,115</u>	<u>\$ 1,734,250</u>	<u>\$ 450,000</u>	<u>\$ -</u>	<u>\$ 5,244,365</u>

See accompanying Notes to Basic Financial Statements.

**BLACKSTONE METROPOLITAN DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Total Governmental Funds \$ 704,322

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay	358,054
Depreciation	(21,976)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Bond Principal Payment	420,000
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Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in Accrued Bond Interest Payable	1,400
Current Year Bond Issue Premium	53,974
	55,374

Change in Net Position of Governmental Activities	\$ 1,515,774
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**BLACKSTONE METROPOLITAN DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 1,304,232	\$ 1,304,231	\$ (1)
Specific Ownership Taxes	94,925	85,908	(9,017)
Operations Fee (Homeowners)	561,660	609,935	48,275
Operations Fee (Vacant Lots)	18,228	4,650	(13,578)
Working Capital Fees	61,000	28,710	(32,290)
Design Review Fee	6,000	2,720	(3,280)
Legal Collection Fees	7,000	12,922	5,922
Violations and Late Fees	6,000	11,342	5,342
Net Investment Income	1,600	55,987	54,387
Other Revenue	-	16,885	16,885
Total Revenues	<u>2,060,645</u>	<u>2,133,290</u>	<u>72,645</u>
<b>EXPENDITURES</b>			
General Administration:			
Accounting	52,000	44,555	7,445
Audit	5,100	5,400	(300)
Contingency	24,069	-	24,069
County Treasurer's Fees	19,563	19,584	(21)
Director and Meeting Expense	2,000	1,918	82
Directors' Fees	3,500	1,200	2,300
Election	40,000	27,998	12,002
Insurance and Bonds	35,000	33,843	1,157
Legal	65,000	68,399	(3,399)
Miscellaneous	2,000	488	1,512
Payroll Taxes	268	46	222
Website	1,500	1,200	300
Operations and Maintenance:			
Community Activities	16,000	9,897	6,103
Design Review	6,000	10,108	(4,108)
Facilities Management - Contract	51,000	44,825	6,175
Facilities Management - Costs	14,000	28,948	(14,948)
Legal Collections	7,000	41,137	(34,137)
Contingency	38,000	-	38,000
Lighting	11,000	8,205	2,795
Gas and Electric	20,000	8,705	11,295
Ground Maintenance	31,000	11,533	19,467
Irrigation Repairs and Improvements	51,000	91,249	(40,249)
Landscape Contract	385,000	351,252	33,748
Landscape Improvements	50,000	67,801	(17,801)
Holiday Lights	25,000	10,213	14,787
Playground Inspection and Repair	11,000	-	11,000
Safety and Security	-	28,325	(28,325)
Snow Removal	35,000	-	35,000
Trash Removal	153,000	144,668	8,332
Trees/Shrubs/Beds	100,000	7,085	92,915
Miscellaneous	3,000	-	3,000
Vandalism Repairs	3,000	-	3,000
Water - Irrigation	128,000	134,054	(6,054)
Total Expenditures	<u>1,388,000</u>	<u>1,202,636</u>	<u>185,364</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	672,645	930,654	258,009
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers to Other Fund	(1,304,600)	(470,114)	834,486
Transfers from Other Funds	205,000	115,568	(89,432)
Total Other Financing Sources (Uses)	<u>(1,099,600)</u>	<u>(354,546)</u>	<u>745,054</u>
<b>NET CHANGE IN FUND BALANCE</b>	(426,955)	576,108	1,003,063
Fund Balance - Beginning of Year	<u>1,823,891</u>	<u>2,484,007</u>	<u>660,116</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,396,936</u>	<u>\$ 3,060,115</u>	<u>\$ 1,663,179</u>

See accompanying Notes to Basic Financial Statements.



**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Blackstone Metropolitan District, formerly High Plains Metropolitan District, (the District), a quasi-municipal corporation, and political subdivision of the State of Colorado was organized on November 27, 2002 concurrently with Beacon Point Metropolitan District (Beacon Point) and East Plains Metropolitan District (East Plains), and is governed pursuant to provisions of the Colorado Special District Act. The District is located entirely within the City of Aurora (City), County of Arapahoe, Colorado. On March 10, 2006, an Amended and Restated Consolidated Service Plan for the District, East Plains, and Beacon Point was approved by the City. The District was established to provide for the design, construction, installation, financing, and acquisition of certain street, traffic, and safety controls, water, sanitation, park and recreation improvements, and mosquito control.

On April 15, 2010, the District, along with Beacon Point and East Plains, adopted Resolution No. 2010-04-02, Joint Resolution of East Plains, Blackstone and Beacon Point Acknowledging and Authorizing the Dissolution of East Plains (Resolution). Pursuant to the Resolution, East Plains, Blackstone and Beacon Point acknowledged that the purposes for which East Plains was organized have been satisfied and in order to simplify and increase efficiency in provision of improvements and services to Blackstone and Beacon Point, it is in the best interests of East Plains, Blackstone and Beacon Point, and their respective constituents, for East Plains to seek dissolution and transfer its rights and obligations with respect to the provision of improvements and services to Blackstone and Beacon Point, as appropriate. The Resolution authorized East Plains to take the necessary actions to implement the dissolution.

In anticipation of the dissolution, on April 14, 2010, the District entered into two agreements with MS Rialto Blackstone CO, LLC (MS Rialto) and one agreement with Lennar Colorado, LLC (the Developer) whereby the District accepted the reimbursement obligations previously held by East Plains with respect to advances made by MS Rialto and/or the Developer for the benefit of the District.

On July 26, 2010, in anticipation of the dissolution of East Plains, a Second Amended and Restated Service Plan (SARSP) for the District was approved by the City, segregating the rights and responsibilities of the Districts. On November 23, 2010, East Plains Metropolitan District was dissolved and all assets or liabilities of East Plains relating to the District were transferred to the District. As a result of the dissolution, the District is responsible for providing the day-to-day operations and administrative management and for constructing, owning, transferring, operating, and maintaining certain public facilities and services for the benefit of the District and for providing funding for the same.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 1 DEFINITION OF REPORTING ENTITY (CONTINUED)**

The District has no employees, and all operations and administrative functions are contracted.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting and Financial Statement Presentation  
(Continued)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes, specific ownership taxes, and operations fees. All other revenue items are considered to be measurable and available only when cash is received by the District. The District determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations are recorded when the liability is incurred or the long-term obligation is due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the governmental funds.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

The Capital Projects – Regional Improvements Fund is used to account for financial resources to be used for a regional improvement or to be remitted to the South Aurora Regional Improvement Authority or to the City.

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank or investment account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash.

**Interfund Balances**

The District reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds (current portion of interfund loans) or advances to/from other funds (long-term portion of interfund loans). The interfund balances have been eliminated in the government-wide statements except for the residual balances between the governmental activities and business-type activities, which are reported as internal balances.

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioner to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, at the taxpayer's election, in equal installments in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The unearned property tax revenues are recorded as revenue in the year they are available or collected.

**Capital Assets**

Capital assets, which include infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets (Continued)**

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable.

Depreciation expense has been computed using the straight-line method over the following estimated economic useful lives:

Entryways/Monuments	30 Years
Lighting	15 Years

**Amortization**

**Original Issue Discount/Premium**

In the government-wide financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as expenditures.

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, deferred property tax revenue, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Equity**

**Net Position**

For government-wide presentation purposes when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance (Continued)**

Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

*Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

*Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

*Assigned Fund Balance* – The portion of fund balance that is constrained by the government's intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

*Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

**Adoption of New Accounting Standards**

In June 2017, the Governmental Accounting Standards Board (GASB) issued GASB Statement No. 87, Leases. This standard requires the recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and as inflows of resources or outflows of resources recognized based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principal that leases are financing of the right to use an underlying asset. Under this standard, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

The District reviewed the requirements of the guidance effective January 1, 2022 and has elected not to apply the provisions of this standard. The lease agreement in Note 7 does not meet the requirements of GASB 87 based on any payments under the lease agreement being contingent on the production of oil & gas.



**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 3,013,739
Cash and Investments - Restricted	<u>2,270,290</u>
Total Cash and Investments	<u><u>\$ 5,284,029</u></u>

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$ 45,828
Investments	<u>5,238,201</u>
Total Cash and Investments	<u><u>\$ 5,284,029</u></u>

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, the District's cash deposits had a bank balance and a carrying balance of \$45,828.

**Investments**

The District has not adopted a formal investment policy; however, the District follows the state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Revenue bonds of local government securities, corporate and bank securities, and guaranteed investment contracts not purchased with bond proceeds, are limited to maturities of three years or less.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- \* Local government investment pools

As of December 31, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	<u>\$ 5,238,201</u>

**COLOTRUST**

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.



**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Colotrust (Continued)**

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAs1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

**NOTE 4 CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2022, follows:

	Balance at December 31, 2021	Increases	Decreases	Balance at December 31, 2022
Capital Assets, Not Being Depreciated:				
Parks - Land Improvements	\$ 11,778,122	\$ 209,344	\$ -	\$ 11,987,466
Total Capital Assets, Not Being Depreciated	<u>\$ 11,778,122</u>	<u>\$ 209,344</u>	<u>\$ -</u>	<u>\$ 11,987,466</u>
Capital Assets, Being Depreciated:				
Entryways	\$ 233,734	\$ 109,892	\$ -	\$ 343,626
Lighting	19,504	38,818	-	58,322
Monumentation	361,759	-	-	361,759
Total Capital Assets, Being Depreciated	614,997	148,710	-	763,707
Less Accumulated Depreciation For:				
Entryways	11,373	8,402	-	19,775
Lighting	325	1,516	-	1,841
Monumentation	17,686	12,058	-	29,744
Total Accumulated Depreciation	<u>29,384</u>	<u>21,976</u>	<u>-</u>	<u>51,360</u>
Total Capital Assets, Being Depreciated	<u>585,613</u>	<u>126,734</u>	<u>-</u>	<u>712,347</u>
Governmental Activities Capital Assets, Net	<u>\$ 12,363,735</u>	<u>\$ 336,078</u>	<u>\$ -</u>	<u>\$ 12,699,813</u>

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS**

The following is an analysis of the changes in the District's outstanding long-term obligations for the year ended December 31, 2022:

	Balance at December 31, 2021	Additions	Reductions	Balance at December 31, 2022	Due Within One Year
<b>Bonds Payable</b>					
Series 2017 Limited Tax General Obligation Bonds	\$ 26,905,000	\$ -	\$ 420,000	\$ 26,485,000	\$ 450,000
Unamortized Bond Premium - Series 2017	892,222	-	53,974	838,248	53,152
Subtotal of Bonds Payable	<u>27,797,222</u>	-	<u>473,974</u>	<u>27,323,248</u>	<u>503,152</u>
Total Long Term Obligations	<u>\$ 27,797,222</u>	<u>\$ -</u>	<u>\$ 473,974</u>	<u>\$ 27,323,248</u>	<u>\$ 503,152</u>

The details of the District's long-term obligations are as follows:

**General Obligation Bonds**

**\$27,415,000 General Obligation Refunding Bonds, Series 2017, Dated June 6, 2017**

With interest at rates ranging from 2.375% to 5.000%, payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019. The Series 2017 Bonds mature on December 1, 2047. The Series 2017 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

The proceeds from the sale of the 2017 Bonds were used to (i) refund the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2005A, (ii) fund an initial deposit of \$1,000,000 to the Surplus Account, and (iii) pay certain costs of issuance of the Bonds.

The Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: (1) the Required Mill Levy, (2) the portion of the Specific Ownership Tax which is collected as a result of the imposition of the Required Mill Levy, and (3) any other legally available monies which the District determines to be treated as Pledged Revenue. The Bonds are also secured by amounts held by the Trustee in the Reserve Fund(s). Required Mill Levy means, so long as the Surplus Account is less than the Maximum Surplus Amount, an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal, premium if any, and interest on the Bonds as the same become due and payable and to make up any deficiencies in the Reserve Fund. The maximum Required Mill Levy is 40.000 mills, adjusted for changes in the ratio of actual value to assessed value of property within the District. As of December 31, 2022, the District had funded the Surplus Account to the Maximum Surplus Amount, removing the requirement for a minimum mill levy. For collection year 2023, the District levied 30.000 mills. The Series 2017 Bonds are additionally secured by a Bond Insurance Policy issued by National Public Finance Guarantee Corp, rated A by Standard & Poor's.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

**Unused Lines of Credit**

The Series 2017 Bonds do not have any unused lines of credit

**Collateral**

No assets have been pledged as collateral on the Series 2017 Bonds

**Events of Default**

The occurrence or existence of any one or more of the following events is to be an Event of Default under the Bond Resolution:

- (a) the District fails to impose the Required Mill Levy or to apply the Pledged Revenue as required therein;
- (b) payment of the principal of or redemption premium on any Bond is not made by the District when due;
- (c) payment of any interest on any Bond is not made by the District when due;
- (d) the District defaults in the performance of any other of its covenants in the Bond Resolution, and such default continues for 60 days after written notice specifying such default and requiring the same to be remedied is given to the District by the Owners of 25% in aggregate principal amount of the Bonds then Outstanding; or
- (e) the District files a petition under the federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the debt represented by the Bonds.

**Termination Events**

The Series 2017 Bonds do not have a termination provision.

**Acceleration**

The Series 2017 Bonds are not subject to acceleration.

On May 15, 2017, the First Amendment to the Second Amended and Restated Service Plan was approved by the City, authorizing the District to issue one or more series of unlimited mill levy Bonds, or other Debt or obligations which are not subject to the Maximum Debt Mill Levy.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 LONG-TERM OBLIGATIONS (CONTINUED)**

The District's long-term obligations will mature as follows:

<u>Year Ending December 31,</u>	<u>Governmental Activities</u>		
	<u>Bonded Debt</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 450,000	\$ 1,086,125	\$ 1,536,125
2024	500,000	1,068,125	1,568,125
2025	520,000	1,048,125	1,568,125
2026	565,000	1,035,775	1,600,775
2027	595,000	1,007,525	1,602,525
2028-2032	3,710,000	4,580,700	8,290,700
2033-2037	4,980,000	3,712,950	8,692,950
2038-2042	6,625,000	2,530,800	9,155,800
2043-2047	8,540,000	1,059,000	9,599,000
Total	<u>\$ 26,485,000</u>	<u>\$ 17,129,125</u>	<u>\$ 43,614,125</u>

**Debt Authorization**

As of December 31, 2022, the District had remaining voted debt authorization of approximately \$1,667,835,000. Per the District's SARSP, the District cannot issue debt in excess of \$100,000,000.

In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District's service area.

**NOTE 6 NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2022, the District had net investments in capital assets calculated as follows:

Net Investment in Capital Assets:	
Capital Assets, Net	\$ 12,699,813
Bond Premium (Net of Accumulated Amortization)	(293,219)
Bonds Payable	(9,264,453)
Net Investment in Capital Assets	<u>\$ 3,142,141</u>

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 NET POSITION (CONTINUED)**

Restricted assets include net position that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation, the District had restricted net position as of December 31, 2022, as follows:

Restricted Net Position	
Emergencies	\$ 64,000
Debt Service	643,740
Total Restricted Net Position	<u>\$ 707,740</u>

The District has a deficit in unrestricted net position. The deficit was a result of the District being responsible for the repayment of bonds issued for public improvements which were conveyed to other governmental entities and which costs were removed from the District's financial records.

**NOTE 7 AGREEMENTS**

**Intergovernmental Agreements**

On November 3, 2004, the District, along with East Plains and Beacon Point entered into an Amended and Restated Intergovernmental Agreement with the City of Aurora as amended September 26, 2008 by First Amendment (Service Plan IGA), as required by the Amended and Restated Consolidated Service Plan. On July 26, 2010, the District entered into a Second Amended and Restated Intergovernmental Agreement (SARIGA) concurrent with the approval of the SARSP. On May 15, 2017, the District entered into a First Amendment to the Second Amended and Restated Intergovernmental Agreement (FASARIGA). Under the SARIGA, the District must obtain the approval of the Aurora City Council prior to any inclusion of property outside of the service area into the boundaries of the District, or any consolidation with any other special District. Prior to the issuance of any privately placed debt, the District shall obtain a certificate from an External Financial Advisor certifying to the reasonableness of the interest rate and the structure. Pursuant to the SARIGA and the SARSP, the District is required to levy a regional mill levy and to remit it to an Aurora Regional Improvement (ARI) Authority or to the City under certain circumstances. Under the FASARIGA, the District is authorized to issue one or more series of unlimited mill levy Bond or other Debt or obligations which are not subject to the Maximum Debt Mill Levy for the purpose of refunding or refinancing the Debt outstanding at the date of the agreement.

The SARSP requires the District to dedicate certain public improvements to the City of Aurora or other appropriate jurisdiction or owners association for ownership and maintenance. The District is not authorized to operate or maintain any part of the improvements, other than park and recreation improvements, drainage improvements including detention and retention ponds, trickle channels and all necessary or proper equipment or appurtenances thereto, unless the provision of such operation and maintenance is pursuant to an intergovernmental agreement with the City.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 7 AGREEMENTS (CONTINUED)**

**Intergovernmental Agreements (Continued)**

On July 10, 2017, the District entered into the South Aurora Regional Improvement Authority Establishment Agreement (SARIA), concurrently with Beacon Point, Forest Trace Metropolitan District No. 1, Forest Trace Metropolitan District No. 2, Forest Trace Metropolitan District No. 3, Sorrell Ranch Metropolitan District, Southlands Metropolitan District No. 2, Wheatlands Metropolitan District, Kings Point South Metropolitan District No. 1, Kings Point South Metropolitan District No. 2, Kings Point Metropolitan District No. 1, Whispering Pines Metropolitan District No. 1, Inspiration Metropolitan District, and Pronghorn Valley Metropolitan District (together, the SARIA Districts.) Upon execution of the agreement, the South Aurora Regional Improvement Authority (the Authority) was established for the purpose of planning, constructing, installing and financing the Regional Improvements designated in ARI Master Plans. On October 2, 2018, the District, along with the SARIA Districts entered into the First Amendment to the South Aurora Regional Improvement Authority Establishment Agreement (the FASARIAEA). Under the terms of the FASARIAEA, the District and SARIA District covenant to impose an ARI Mill Levy as set forth in such District's service plan, and to remit all proceeds of such District's ARI Mill Levy (net of County treasurer collection costs and excluding any specific ownership taxes received by the District as a result of its imposition of the ARI Mill Levy) to the Authority within 30 days of receipt by such District.

On December 8, 2017, the Parties to the SARIA IGA approved the SARIA ARI Master Plan No. 1 (ARI Master Plan No. 1). On June 15, 2018, the Parties to the SARIA IGA approved the SARIA ARI Master Plan No. 2 (ARI Master Plan No. 2), which supersedes ARI Master Plan No. 1. ARI Master Plan No. 2 prioritizes regional improvement projects within the Authority.

**Oil and Gas Lease**

On December 16, 2022, the District (lessor) and Axis Exploration LLC (lessee) entered into an Oil and Gas Lease and an Addendum to the Oil and Gas Lease to lease 8.58 acres of land owned by the District, with the exclusive right for the purpose of drilling, mining, exploring by geophysical and other methods, and for operating for and producing therefrom oil and all gas of whatsoever nature of kind. The lease carries a primary term of four years from the date of the agreement and as long thereafter as oil or gas is produced from the premises. The District will receive a 20% royalty payment of the net proceeds realized from the sale of oil and gas and also a one-time bonus of \$25,748 to be received in 2023.

**NOTE 8 INTERFUND AND OPERATING TRANSFERS**

The transfer from the General Fund to the Capital Projects Fund was to fund capital projects.

**BLACKSTONE METROPOLITAN DISTRICT  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 9 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery and workers compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 10 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue and debt limitations that apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases.

On November 5, 2002, the District voters passed an election question to increase property taxes \$1,000,000 annually to pay the District's operations, maintenance, and other expenses. On November 4, 2004, the District voters passed an election question to increase property taxes \$625,000 annually to pay the District's operations, maintenance, and other expenses. Additionally, the District voters authorized the District to collect, retain, and spend all revenue without regard to any limitations under TABOR.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits will require judicial interpretation.

**SUPPLEMENTARY INFORMATION**



**BLACKSTONE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 1,537,130	\$ 1,537,130	\$ -
Specific Ownership Taxes	107,599	97,378	(10,221)
Net Investment Income	1,600	40,162	38,562
Total Revenues	<u>1,646,329</u>	<u>1,674,670</u>	<u>28,341</u>
<b>EXPENDITURES</b>			
Contingency	6,568	-	6,568
County Treasurer's Fees	23,057	23,081	(24)
Bond Interest - Series 2017	1,102,925	1,102,925	-
Bond Principal - Series 2017	420,000	420,000	-
Paying Agent Fees	450	450	-
Total Expenditures	<u>1,553,000</u>	<u>1,546,456</u>	<u>6,544</u>
<b>NET CHANGE IN FUND BALANCE</b>	93,329	128,214	34,885
Fund Balance - Beginning of Year	<u>1,564,547</u>	<u>1,606,036</u>	<u>41,489</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 1,657,876</u></u>	<u><u>\$ 1,734,250</u></u>	<u><u>\$ 76,374</u></u>

**BLACKSTONE METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Net Investment Income	\$ 400	\$ 4,584	\$ 4,184
Total Revenues	<u>400</u>	<u>4,584</u>	<u>4,184</u>
<b>EXPENDITURES</b>			
Filing 3 Enhancements	30,000	23,674	6,326
Park Improvements	35,000	-	35,000
Entryways	750,000	109,892	640,108
Trees	150,000	185,670	(35,670)
Lighting	35,000	38,818	(3,818)
Legal	-	1,076	(1,076)
Total Expenditures	<u>1,000,000</u>	<u>359,130</u>	<u>640,870</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(999,600)	(354,546)	645,054
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfer from Other Fund	1,099,600	354,546	(745,054)
Total Other Financing Sources (Uses)	<u>1,099,600</u>	<u>354,546</u>	<u>(745,054)</u>
<b>NET CHANGE IN FUND BALANCE</b>	100,000	-	(100,000)
Fund Balance - Beginning of Year	<u>350,000</u>	<u>450,000</u>	<u>100,000</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 450,000</u>	<u>\$ 450,000</u>	<u>\$ -</u>

**BLACKSTONE METROPOLITAN DISTRICT  
CAPITAL PROJECTS – REGIONAL IMPROVEMENTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Regional Property Taxes	\$ 51,843	\$ 51,843	\$ -
Total Revenues	<u>51,843</u>	<u>51,843</u>	<u>-</u>
<b>EXPENDITURES</b>			
County Treasurer's Fees - Regional Mill Levy	778	778	-
Regional Mill Levy - Payment to SARIA	51,065	51,065	-
Total Expenditures	<u>51,843</u>	<u>51,843</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OTHER INFORMATION**

**BLACKSTONE METROPOLITAN DISTRICT**  
**SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**  
**DECEMBER 31, 2022**

\$27,415,000 General Obligation Refunding Bonds  
Series 2017, Dated June 6, 2017  
Interest Rate Varying from 2.375% to 5.00%  
Interest Payable June 1 and December 1,  
Principal Due December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 450,000	\$ 1,086,125	\$ 1,536,125
2024	500,000	1,068,125	1,568,125
2025	520,000	1,048,125	1,568,125
2026	565,000	1,035,775	1,600,775
2027	595,000	1,007,525	1,602,525
2028	655,000	977,775	1,632,775
2029	685,000	945,025	1,630,025
2030	755,000	910,775	1,665,775
2031	780,000	886,237	1,666,237
2032	835,000	860,888	1,695,888
2033	865,000	833,750	1,698,750
2034	940,000	790,500	1,730,500
2035	990,000	743,500	1,733,500
2036	1,070,000	694,000	1,764,000
2037	1,115,000	651,200	1,766,200
2038	1,195,000	606,600	1,801,600
2039	1,245,000	558,800	1,803,800
2040	1,330,000	509,000	1,839,000
2041	1,380,000	455,800	1,835,800
2042	1,475,000	400,600	1,875,600
2043	1,535,000	341,600	1,876,600
2044	1,630,000	280,200	1,910,200
2045	1,695,000	215,000	1,910,000
2046	1,805,000	147,200	1,952,200
2047	1,875,000	75,000	1,950,000
Total	<u>\$ 26,485,000</u>	<u>\$ 17,129,125</u>	<u>\$ 43,614,125</u>

**BLACKSTONE METROPOLITAN DISTRICT**  
**SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED**  
**DECEMBER 31, 2022**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied				Total Property Taxes		Percentage Collected to Levied
		General	Debt Service	ARI	Total	Levied	Collected	
2018	\$ 28,662,891	20.000	45.000	1.105	66.105	\$ 1,894,760	\$ 1,892,446	99.88 %
2019	34,918,090	30.000	35.000	1.105	66.105	2,308,260	2,267,263	98.22
2020	40,887,691	30.000	35.000	1.113	66.113	2,702,547	2,702,004	99.98
2021	42,947,789	30.000	35.000	1.113	66.113	2,839,408	2,838,836	99.98
2022	46,579,659	28.000	33.000	1.113	62.113	2,893,205	2,893,204	100.00
Estimated for the Year Ending <u>December 31,</u>								
2023	\$ 46,525,922	26.000	30.000	1.133	57.133	\$ 2,658,165		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes and/or abatements of valuations in prior years. Information received from the County Treasurer does not permit identification of specific year assessment.

**CONTINUING DISCLOSURE ANNUAL INFORMATION AS REQUIRED BY THE GENERAL  
OBLIGATION REFUNDING BONDS, SERIES 2017**

**BLACKSTONE METROPOLITAN DISTRICT**  
**CONTINUING DISCLOSURE ANNUAL INFORMATION AS REQUIRED BY THE GENERAL**  
**OBLIGATION REFUNDING BONDS, SERIES 2017 (UNAUDITED)**  
**DECEMBER 31, 2022**

**History of Valuation and Mill Levies for the District**

Levy/Collection Year	Assessed Valuation	Percent Change	General Fund Mill Levy	Debt Service Fund Mill Levy	Regional Mill Levy <sup>1</sup>	Total Mill Levy
2011/2012	\$ 13,074,830	- %	15.500	50.000	1.000	66.500
2012/2013	13,696,900	4.76	15.500	50.000	1.000	66.500
2013/2014	14,374,650	4.95	15.500	50.000	1.000	66.500
2014/2015	14,563,493	1.31	20.000	50.000	1.000	71.000
2015/2016	20,266,417	39.16	20.000	50.000	1.000	71.000
2016/2017	23,027,942	13.63	20.000	50.000	1.000	71.000
2017/2018	28,662,891	24.47	20.000	45.000	1.105	66.105
2018/2019	34,918,090	21.82	30.000	35.000	1.105	66.105
2019/2020	40,877,691	17.07	30.000	35.000	1.113	66.113
2020/2021	42,947,798	5.06	30.000	35.000	1.113	66.113
2021/2022	46,579,695	8.46	28.000	33.000	1.113	62.113
2022/2023	46,525,922	(0.12)	26.000	30.000	1.133	57.133

<sup>1</sup>Regional Mill Levy is the Aurora Regional Improvement "ARI" Mill Levy  
Source - Arapahoe County Assessor's Office

**History of Property Tax Collections**

Levy/Collection Year	Taxes Levied	Taxes Collected	Tax Collections as Percent of Tax Levied
2011/2012	\$ 869,476	\$ 656,423	75.50 % (a)
2012/2013	910,844	883,884	97.04
2013/2014	955,914	941,365	98.48
2014/2015	1,034,008	1,034,008	100.00
2015/2016	1,438,915	1,424,410	98.99
2016/2017	1,634,984	1,631,106	99.76
2017/2018	1,894,760	1,892,446	99.88
2018/2019	2,308,260	2,267,263	98.22
2019/2020	2,702,547	2,702,004	99.98
2020/2021	2,839,408	2,838,836	99.98
2021/2022	2,893,205	2,893,204	100.00
2022/2023	2,658,165	1,613,350 (b)	60.69

(a) According to District officials, the low property tax collections in 2012 collection year were the result of property tax abatements in the amount of \$203,934

(b) Property taxes collected through May 31, 2023



**BLACKSTONE METROPOLITAN DISTRICT  
CONTINUING DISCLOSURE ANNUAL INFORMATION AS REQUIRED BY THE GENERAL  
OBLIGATION REFUNDING BONDS, SERIES 2017 (UNAUDITED) (CONTINUED)  
DECEMBER 31, 2022**

**2022 Assessed and "Actual" Valuation of Classes of Property of the District**

Property Class	Assessed Valuation	Percentage of Assessed Valuation	Actual Valuation	Percentage of Actual Valuation
Residential	\$ 42,869,846	92.14 %	\$ 616,833,400	98.00 %
Commercial	1,378,952	2.96	4,755,007	0.76
State Assessed	8,930	0.02	30,793	0.00
Personal	1,208,868	2.60	4,168,515	0.66
Vacant Land	1,059,326	2.28	3,652,850	0.58
Total	\$ 46,525,922	100.00 %	\$ 629,440,565	100.00 %

Source - Arapahoe County Assessor's Office

# **FINANCIAL REPORT**

**BLACKSTONE METROPOLITAN DISTRICT**  
**FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2023**

**Blackstone Metro District**  
**Balance Sheet - Governmental Funds**  
**September 30, 2023**

	General	Special Revenue	Debt Service	Capital Projects	Capital Projects - Regional Improvement	Total
<b>Assets</b>						
Checking Account	\$ 45,376.40	\$ 21,308.45	\$ -	\$ -	\$ 19,961.56	\$ 86,646.41
Colotrust	2,764,387.11	1,261.76	2,701,750.21	451,938.50	-	5,919,337.58
Accounts Receivable	-	173,384.57	-	-	-	173,384.57
Receivable from County Treasurer	6,623.82	-	7,323.73	-	-	13,947.55
Prepaid Insurance	450.00	-	-	-	-	450.00
<b>Total Assets</b>	<b>\$ 2,816,837.33</b>	<b>\$ 195,954.78</b>	<b>\$ 2,709,073.94</b>	<b>\$ 451,938.50</b>	<b>\$ 19,961.56</b>	<b>\$ 6,193,766.11</b>
<b>Liabilities</b>						
Accounts Payable	\$ 12,891.17	\$ 70,431.75	\$ -	\$ 328,707.11	\$ 19,961.56	\$ 431,991.59
Retainage Payable	-	-	-	60,184.13	-	60,184.13
Prepaid assessments	-	91,939.62	-	-	-	91,939.62
<b>Total Liabilities</b>	<b>12,891.17</b>	<b>162,371.37</b>	<b>-</b>	<b>388,891.24</b>	<b>19,961.56</b>	<b>584,115.34</b>
<b>Fund Balances</b>	<b>2,803,946.16</b>	<b>33,583.41</b>	<b>2,709,073.94</b>	<b>63,047.26</b>	<b>-</b>	<b>5,609,650.77</b>
<b>Liabilities and Fund Balances</b>	<b>\$ 2,816,837.33</b>	<b>\$ 195,954.78</b>	<b>\$ 2,709,073.94</b>	<b>\$ 451,938.50</b>	<b>\$ 19,961.56</b>	<b>\$ 6,193,766.11</b>

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

**Blackstone Metro District**  
**General Fund Statement of Revenues, Expenditures and Changes in**  
**Fund Balances - Budget and Actual**  
**For the Period Ending September 30, 2023**

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 1,209,674.00	\$ 1,199,253.77	\$ 10,420.23
Specific ownership taxes	75,743.00	63,424.30	12,318.70
Interest income	75,000.00	132,864.58	(57,864.58)
Oil and gas lease	26,000.00	25,740.00	260.00
Total Revenue	<u>1,386,417.00</u>	<u>1,421,282.65</u>	<u>(34,865.65)</u>
Expenditures			
Accounting	55,000.00	45,665.35	9,334.65
Auditing	5,500.00	5,700.00	(200.00)
County Treasurer's fee	18,145.00	18,005.62	139.38
Directors' fees	5,000.00	3,600.00	1,400.00
Director and meeting expense	2,000.00	790.70	1,209.30
Insurance	40,000.00	35,008.75	4,991.25
Legal	70,000.00	43,594.39	26,405.61
Miscellaneous	2,000.00	1,283.40	716.60
Payroll taxes	383.00	275.40	107.60
Election	40,000.00	3,937.03	36,062.97
Website	1,500.00	600.00	900.00
Contingency	24,472.00	-	24,472.00
Total Expenditures	<u>264,000.00</u>	<u>158,460.64</u>	<u>105,539.36</u>
Other Financing Sources (Uses)			
Transfers to other fund	(2,530,545.00)	(1,498,410.26)	(1,032,134.74)
Total Other Financing Sources (Uses)	<u>(2,530,545.00)</u>	<u>(1,498,410.26)</u>	<u>(1,032,134.74)</u>
Net Change in Fund Balances	(1,408,128.00)	(235,588.25)	(1,172,539.75)
Fund Balance - Beginning	3,039,534.00	3,039,534.41	(0.41)
Fund Balance - Ending	<u>\$ 1,631,406.00</u>	<u>\$ 2,803,946.16</u>	<u>\$ (1,172,540.16)</u>

**Blackstone Metro District**  
**Special Revenue Fund Statement of Revenues, Expenditures and Changes in**  
**Fund Balances - Budget and Actual**  
**For the Period Ending September 30, 2023**

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Operations fee (homeowners)	\$ 600,000.00	\$ 459,569.01	\$ 140,430.99
Operations fee (vacant lots)	4,500.00	2,364.00	2,136.00
Working capital	50,000.00	16,835.00	33,165.00
Design review fees	4,000.00	847.52	3,152.48
Legal collection fees	20,000.00	15,491.07	4,508.93
Violations and late fees	15,000.00	4,860.35	10,139.65
Interest income	305.00	229.25	75.75
Other revenue	10,000.00	13,829.33	(3,829.33)
Total Revenue	<u>703,805.00</u>	<u>514,025.53</u>	<u>189,779.47</u>
Expenditures			
Facilities management - contract	53,000.00	39,600.00	13,400.00
Facilities management - costs	25,000.00	13,016.88	11,983.12
Miscellaneous	5,000.00	8,046.62	(3,046.62)
Security	24,000.00	24,000.00	-
Irrigation repairs and improvements	50,000.00	32,636.10	17,363.90
Landscape improvements	50,000.00	27,845.00	22,155.00
Landscape maintenance - contract	395,000.00	294,353.00	100,647.00
Tree and shrub maintenance	25,000.00	7,840.00	17,160.00
Snow removal	35,000.00	-	35,000.00
Grounds maintenance	25,000.00	2,703.00	22,297.00
Holiday lighting	25,000.00	621.00	24,379.00
Lighting	11,100.00	600.00	10,500.00
Playground inspection and repairs	11,000.00	184.92	10,815.08
Utilities	-	8,253.18	(8,253.18)
Water	140,000.00	91,878.50	48,121.50
Gas and electric	20,000.00	10,578.09	9,421.91
Community activities	35,000.00	27,573.39	7,426.61
Design review	12,000.00	2,735.00	9,265.00
Legal - collections	30,000.00	37,666.41	(7,666.41)
Trash Collection	153,000.00	141,010.06	11,989.94
Contingency	35,000.00	-	35,000.00
Total Expenditures	<u>1,159,100.00</u>	<u>771,141.15</u>	<u>387,958.85</u>
Other Financing Sources (Uses)			
Transfers from other funds	457,259.00	270,119.24	187,139.76
Total Other Financing Sources (Uses)	<u>457,259.00</u>	<u>270,119.24</u>	<u>187,139.76</u>
Net Change in Fund Balances	1,964.00	13,003.62	(11,039.62)
Fund Balance - Beginning	19,100.00	20,579.79	(1,479.79)
Fund Balance - Ending	<u>\$ 21,064.00</u>	<u>\$ 33,583.41</u>	<u>\$ (12,519.41)</u>

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

**SUPPLEMENTARY INFORMATION**

**Blackstone Metro District**  
**Debt Service Fund Schedule of Revenues, Expenditures and Changes in**  
**Fund Balances - Budget and Actual**  
**For the Period Ending September 30, 2023**

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 1,395,778.00	\$ 1,383,754.73	\$ 12,023.27
Specific ownership taxes	83,747.00	69,493.58	14,253.42
Interest income	25,000.00	85,854.94	(60,854.94)
Total Revenue	<u>1,504,525.00</u>	<u>1,539,103.25</u>	<u>(34,578.25)</u>
Expenditures			
County Treasurer's fee	20,937.00	20,765.83	171.17
Paying agent fees	450.00	450.00	-
Bond interest	1,086,125.00	543,062.50	543,062.50
Bond principal	450,000.00	-	450,000.00
Contingency	4,488.00	-	4,488.00
Total Expenditures	<u>1,562,000.00</u>	<u>564,278.33</u>	<u>997,721.67</u>
Net Change in Fund Balances	(57,475.00)	974,824.92	(1,032,299.92)
Fund Balance - Beginning	1,701,646.00	1,734,249.02	(32,603.02)
Fund Balance - Ending	<u>\$ 1,644,171.00</u>	<u>\$ 2,709,073.94</u>	<u>\$ (1,064,902.94)</u>



**Blackstone Metro District**  
**Capital Projects Fund Schedule of Revenues, Expenditures and Changes in**  
**Fund Balances - Budget and Actual**  
**For the Period Ending September 30, 2023**

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Interest income	\$ 6,750.00	\$ 17,186.16	\$ (10,436.16)
Total Revenue	<u>6,750.00</u>	<u>17,186.16</u>	<u>(10,436.16)</u>
Expenditures			
Legal	-	10,739.95	(10,739.95)
Reserve study	15,000.00	3,250.00	11,750.00
Entryways/roundabouts	1,750,000.00	1,329,249.75	420,750.25
Trees	300,000.00	289,190.00	10,810.00
Contingency	15,000.00	-	15,000.00
Total Expenditures	<u>2,080,000.00</u>	<u>1,632,429.70</u>	<u>447,570.30</u>
Other Financing Sources (Uses)			
Transfers from other funds	<u>2,073,250.00</u>	<u>1,228,291.02</u>	<u>844,958.98</u>
Total Other Financing Sources (Uses)	<u>2,073,250.00</u>	<u>1,228,291.02</u>	<u>844,958.98</u>
Net Change in Fund Balances	-	(386,952.52)	386,952.52
Fund Balance - Beginning	450,000.00	449,999.78	0.22
Fund Balance - Ending	<u>\$ 450,000.00</u>	<u>\$ 63,047.26</u>	<u>\$ 386,952.74</u>

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

**Blackstone Metro District**  
**Fund Financials - Capital Projects - Regional Improvement Fund**  
**Fund Balances - Budget and Actual**  
**For the Period Ending September 30, 2023**

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 52,713.00	\$ 52,259.99	\$ (453.01)
Total Revenue	<u>52,713.00</u>	<u>52,259.99</u>	<u>(453.01)</u>
Expenditures			
County Treasurer's fee	791.00	784.27	(6.73)
Regional mill levy - Payment to SARIA	51,922.00	51,475.72	(446.28)
Total Expenditures	<u>52,713.00</u>	<u>52,259.99</u>	<u>(453.01)</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance - Beginning	-	-	-
Fund Balance - Ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Blackstone Metropolitan District  
 Schedule of Cash Position  
 September 30, 2023  
 Updated as of October 26, 2023

	General Fund	Special Revenue Fee Fund	Debt Service Fund GO Bonds	Capital Projects Fund	Capital Projects Regional Imprvmt	Total
<b><u>1st Bank - Checking</u></b>						
Balance as of 09/30/2023	\$ 45,376.40	\$ 21,308.45	\$ -	\$ -	\$ 19,961.56	\$ 86,646.41
Subsequent activity:						
10/03/23 - Public Storage Autopay	-	(148.00)	-	-	-	(148.00)
10/03/23 - Aurora Water Autopay	-	(8,253.18)	-	-	-	(8,253.18)
10/04/23 - Bill.com Payment	-	(19,262.03)	-	-	-	(19,262.03)
10/05/23 - Xeel Autopay	-	(710.27)	-	-	-	(710.27)
10/10/23 - Bill.com Payment	-	(335.00)	-	-	-	(335.00)
10/11/23 - Bill.com Payment	-	-	-	-	(19,961.56)	(19,961.56)
10/20/23 - Void Bill.com Payment	-	2,421.19	-	-	-	2,421.19
<i>Anticipated Transfer from HOA</i>	-	60,000.00	-	-	-	60,000.00
<i>Anticipated Bill.com Payment</i>	(5,404.49)	(92,609.50)	-	(328,707.11)	-	(426,721.10)
<i>Anticipated Transfer from Colotrust</i>	-	51,292.89	-	328,707.11	-	380,000.00
<i>Anticipated Balance</i>	39,971.91	13,704.55	-	-	-	53,676.46
<b><u>Colotrust - Savings Account</u></b>						
Balance as of 09/30/2023	\$ 2,764,387.11	\$ 1,261.76	\$ 2,701,750.21	\$ 451,938.50	\$ -	\$ 5,919,337.58
Subsequent activity:						
10/10/23 - Property Taxes	6,623.82	7,323.73	-	-	-	13,947.55
Surplus fund	-	-	(1,000,000.00)	-	-	(1,000,000.00)
<i>Anticipated Transfer to Checking</i>	-	(51,292.89)	-	(328,707.11)	-	(380,000.00)
<i>Anticipated Transfer Between Funds</i>	(419,768.61)	93,000.00	-	326,768.61	-	-
<i>Anticipated Balance</i>	2,351,242.32	50,292.60	1,701,750.21	450,000.00	-	4,553,285.13
<i>Total by fund</i>	\$ 2,391,214.23	\$ 63,997.15	\$ 1,701,750.21	\$ 450,000.00	\$ -	\$ 4,606,961.59
<b><u>Yield Information:</u></b>						
Colotrust Prime (Sept 2023) - 5.1665%						
Colotrust Plus (Sept 2023) - 5.5058%						

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

**BLACKSTONE METROPOLITAN DISTRICT**  
Property Taxes Reconciliation  
2023

	Current Year						Prior Year					
	Property Taxes	Delinquent Taxes, Rebates & Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
								Monthly	Y-T-D		Monthly	YTD
January	\$ 4,109.69	\$ -	\$ 13,400.92	\$ -	\$ (61.65)	\$ -	\$ 17,448.96	0.15%	0.15%	\$ 48,552.84	1.20%	1.20%
February	1,122,283.14	-	13,571.90	-	(16,834.25)	-	1,119,020.79	42.22%	42.37%	1,260,554.11	43.66%	44.86%
March	150,546.26	-	17,034.86	26.66	(2,258.59)	-	165,349.19	5.66%	48.04%	119,892.01	3.63%	48.49%
April	130,529.28	-	14,255.35	-	(1,966.52)	-	142,818.11	4.91%	52.95%	145,818.08	4.60%	53.09%
May	205,882.04	-	15,405.41	227.70	(3,091.65)	-	218,423.50	7.75%	60.69%	164,506.68	5.29%	58.38%
June	991,743.95	-	14,144.72	104.57	(14,877.73)	-	991,115.51	37.31%	98.00%	1,160,255.28	40.19%	98.57%
July	27,471.26	-	14,324.64	766.50	(423.57)	-	42,138.83	1.03%	99.04%	38,139.96	0.82%	99.39%
August	2,702.87	-	16,832.53	81.09	(41.76)	-	19,574.73	0.10%	99.14%	26,662.93	0.27%	99.66%
September	-	-	13,947.55	-	-	-	13,947.55	0.00%	99.14%	16,687.06	0.03%	99.70%
October	-	-	-	-	-	-	-	0.00%	99.14%	14,957.70	0.00%	99.70%
November	-	-	-	-	-	-	-	0.00%	99.14%	25,945.12	0.30%	100.00%
December	-	-	-	-	-	-	-	0.00%	99.14%	13,489.32	0.00%	100.00%
	\$ 2,635,268.49	\$ -	\$ 132,917.88	\$ 1,206.52	\$ (39,555.72)	\$ -	\$ 2,729,837.17	99.14%	99.14%	\$ 3,035,461.09	100.00%	100.00%

Taxes Levied	% of Levied	Property Tax Collected	% Collected to Amount Levied
--------------	-------------	------------------------	------------------------------

<b>Property Tax</b>			
General Fund	45.51%	\$ 1,199,253.77	99.14%
Debt Service Fund	52.51%	1,383,754.73	99.14%
Regional	1.98%	52,259.99	99.14%
<b>\$ 2,635,268.49</b>	<b>100.00%</b>	<b>\$ 2,635,268.49</b>	

<b>Specific Ownership Tax</b>			
General Fund	47.49%	\$ 63,424.30	83.74%
Debt Service Fund	52.51%	69,493.58	82.98%
<b>\$ 159,490.00</b>	<b>100.00%</b>	<b>\$ 132,917.88</b>	

<b>Treasurer's Fees</b>			
General Fund	45.51%	\$ 18,005.62	99.23%
Debt Service Fund	52.51%	20,765.83	99.18%
Regional	1.98%	784.27	99.15%
<b>\$ 39,873.00</b>	<b>100.00%</b>	<b>\$ 39,555.72</b>	

Due To SARIA From 2022	\$ 312.30
Pledged Ptax Collected	51,475.72
Payments to SARIA	51,788.02
Due To SARIA	\$ 0.00

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

### **Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on November 27, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Second Amended and Restated Service Plan approved on July 26, 2010.

The District was established to provide sanitation, water, streets, traffic and safety controls, parks and recreation, and other related improvements for the benefit of the taxpayers and service users within the Districts' boundaries.

As of December 31, 2015, the District had remaining voted debt authorization of approximately \$1,981,510,000. The District has not budgeted to issue any new debt during 2023. Per the District's Service Plan, the District cannot issue debt in excess of \$100,000,000.

The District has no employees and all administrative functions are contracted.

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

### **Revenues**

#### **Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April, or in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

## Revenues (continued)

### Aurora Regional Improvements Mill Levy

Pursuant to the Service Plan, which is dated August 6, 2004, the District is required to impose a 1.000 mill levy for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the ARI Master Plan. The ARI Master Plan is one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time. The District is a participant in the South Aurora Regional Improvement Authority. Revenues collected and held under the ARI mill levy will be held in a segregated account for the benefit of the Authority. The required mill levy after the twentieth year is 5.000.

### Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6.0% of the property taxes collected.

### Operations Fee

The District imposes a monthly operations fee on homeowners and vacant lot owners. The fee varies between the two types of owners based on applicable costs to operate the landscape and maintenance of the District property. The fees and associated expenditures are tracked in the Operations Fee fund.

### Interest Income

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

## Expenditures

### General, Administrative, and Operations Expenditures

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, audit, managerial, insurance, banking, meeting expense and other administrative expenses. Additionally, the operations expenditures to maintain District property are detailed in the Operations Fee fund.

### County Treasurer's Fees

County Treasurer's fees have been computed at 1.5% of property tax collections.

### Capital Outlay

The District anticipates infrastructure improvements as displayed on page 6 of the Budget.

**BLACKSTONE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017 General Obligation Refunding Bonds. The District's current debt service schedule is attached.

See related notes below under Debt and Leases.

**Debt and Leases**

On June 6, 2017 the District issued General Obligation Refunding Bonds Series 2017 in the amount of \$27,415,000. The proceeds from the sale of the 2017 Bonds were used to (i) refund the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2005A, (ii) fund an initial deposit of \$1,000,000 to the Surplus Account, and (iii) pay certain costs of issuance of the Bonds.

The Series 2017 Bonds bear interest at rates ranging from 2.375% to 5.000%, payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019. The Series 2017 Bonds mature on December 1, 2047. The Series 2017 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

The Series 2017 Bonds are a general obligation of the District. The full faith and credit of the District are pledged for the payment of the principal of, premium, if any and interest on the Bonds. Without limiting the foregoing, the Pledged Revenue is pledged to the payment of the Bonds, on a parity with Parity Bonds, if any. "Pledged Revenue" is defined in the Bond Resolution to mean: (i) all amounts derived by the District from imposition of the Required Mill Levy and, to the extent not applied to the payment or refunding of the Series 2005A Bonds, the debt service mill levy imposed by the District in 2016 (less costs of collection and any tax refunds or abatements authorized by or on behalf of the County); and (ii) Specific Ownership Taxes. The Series 2017 Bonds are secured by amounts held by the District in the Surplus Account, if any. All of the Series 2017 Bonds shall be additionally secured by a Bond Insurance Policy issued by National Public Finance Guarantee Corp, rated A by Standard & Poor's.

The District has no operating or capital leases.

**Reserves**

**Emergency Reserves**

The District has provided an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

**BLACKSTONE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b>Bonds and Interest Maturing in the Year Ending December 31,</b>	<b>\$27,415,000 General Obligation Refunding Bonds Series 2017 Dated June 6, 2017 Rates ranging from 2.375% to 5.000% Interest Payable June 1 and December 1 Principal Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2023	\$ 450,000	\$ 1,086,125	\$ 1,536,125
2024	500,000	1,068,125	1,568,125
2025	520,000	1,048,125	1,568,125
2026	565,000	1,035,775	1,600,775
2027	595,000	1,007,525	1,602,525
2028	655,000	977,775	1,632,775
2029	685,000	945,025	1,630,025
2030	755,000	910,775	1,665,775
2031	780,000	886,237	1,666,237
2032	835,000	860,888	1,695,888
2033	865,000	833,750	1,698,750
2034	940,000	790,500	1,730,500
2035	990,000	743,500	1,733,500
2036	1,070,000	694,000	1,764,000
2037	1,115,000	651,200	1,766,200
2038	1,195,000	606,600	1,801,600
2039	1,245,000	558,800	1,803,800
2040	1,330,000	509,000	1,839,000
2041	1,380,000	455,800	1,835,800
2042	1,475,000	400,600	1,875,600
2043	1,535,000	341,600	1,876,600
2044	1,630,000	280,200	1,910,200
2045	1,695,000	215,000	1,910,000
2046	1,805,000	147,200	1,952,200
2047	1,875,000	75,000	1,950,000
	<b>\$ 26,485,000</b>	<b>\$ 17,129,125</b>	<b>\$ 43,614,125</b>

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





CliftonLarsonAllen LLP  
<https://www.claconnect.com>

## Special Districts Master Services Agreement

Blackstone Metro District  
8390 E. Crescent Pkwy., Ste.300, Greenwood Village, CO, 80111  
MSA Date: October 15, 2023

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 Blackstone 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 role 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. CLA and the district agree that the foregoing sentence is not intended and shall not be construed to be a limitation of liability for the benefit of CLA nor an exculpatory clause for the benefit of CLA. CLA is and will remain liable to the district for CLA's negligence and gross negligence in the work that it performs under this MSA or under any SOW.

### **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](http://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**

Each party agrees that in no event shall the other party be liable 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 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 Blackstone 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.

Colorado law requires special districts to maintain websites and further requires that certain documents which may be prepared by CLA to be uploaded to those websites. CLA specifically acknowledges and agrees that the district may upload to its website any documents prepared by CLA for the district and further, that those documents may be used in public meetings hosted by or to which the district is a party.

**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.

**CliftonLarsonAllen LLP**

Carrie Bartow

Principal

719-284-7239

carrie.bartow@CLAconnect.com

**Response**

This MSA correctly sets forth the understanding of Blackstone Metro District and is accepted by:

**CLA**  
CliftonLarsonAllen LLP

*Carrie Bartow*

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Carrie Bartow, Principal

**SIGNED** 11/1/2023, 9:33:07 AM MDT

**Client**  
Blackstone Metro District

SIGN:

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Shawn McGoff, President

DATE:

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## Special Districts Preparation Statement of Work

Date: November 1, 2023

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 Blackstone Metro District (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

### **Scope of professional services**

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

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

- Outsourced accounting activities
  - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
    - Cash receipts journal
    - Cash disbursements journal
    - General ledger
    - Accounts receivable journals and ledgers
    - Deposits with banks and financial institutions
    - Schedule of disbursements
    - Bank account reconciliations
    - Investment records
    - Detailed development fee records

- Process accounts payable including the preparation and issuance of checks for approval by the board of directors
- Prepare billings, record billings, enter cash receipts, and track revenues
- Reconcile certain accounts regularly and prepare journal entries
- Prepare depreciation schedules
- Prepare monthly 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 monitor the district's cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district's board of directors and in accordance with state law
- At the direction of the board of directors, assist with the coordination and execution of banking and investment transactions and documentation
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district's board of directors in monitoring actual expenditures against appropriation/budget
- 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 on cash flows
  - Assist with bank communications
  - Perform other non-attest services

### **Compilation services**

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

### **Preparation services - financial statements**

We will prepare the monthly 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 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 financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c) Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d) Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material

modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.

- e) If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f) If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

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

#### **Engagement procedures and limitations**

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

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

#### **Our report**

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

purpose.

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

### **No assurance statements**

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

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: “No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted”.

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

### **Management responsibilities**

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

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

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

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

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

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

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

### **Fees and terms**

Billing rates guaranteed through **December 31, 2024**:

<b>Services performed by</b>	<b>Rate per hour</b>
Principal	\$300-\$600
Consulting CFO	\$290-\$400
Consulting Controller	\$240-\$380
Assistant Controller	\$210-\$290
Senior	\$150-\$220
Staff	\$130-\$190
Administrative Support	\$120-\$170

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed.

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

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

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

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial



statements should not be relied on or distributed.

### **Municipal advisors**

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

### **Agreement**

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

### **CliftonLarsonAllen LLP**

Carrie Bartow

Principal

719-284-7239

carrie.bartow@CLAconnect.com

### **Response**

This SOW correctly sets forth the understanding of Blackstone Metro District and is accepted by:

**CLA**  
CliftonLarsonAllen LLP

*Carrie Bartow*

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Carrie Bartow, Principal

**SIGNED** 11/1/2023, 9:35:34 AM MDT

**Client**  
Blackstone Metro District

SIGN:

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Shawn McGoff, President

DATE:

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# Special Districts Payroll Services Statement of Work

Date: November 1, 2023

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 Blackstone Metro District (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

## Scope of payroll services

We will provide the following payroll preparation services each pay period based on information you provide:

- Perform payroll calculations within ADP
- Facilitate ADP’s preparation of payroll checks and/or pay stubs
- Use ADP to initiate the electronic transfer of funds for employee net pay and payroll tax deposit

We will assist with the preparation of the following government forms, when applicable, for each calendar quarter-end and year-end with the understanding that ADP directly handles filing the payroll tax returns and payments:

- Form 941 – Employers Quarterly Tax Return
- State Employers Quarterly Withholding Return
- State Employers Quarterly Unemployment Return (SUTA)
- Form 940 – Employers Annual Federal Unemployment Tax Return
- All copies of required forms W-2 and W-3 – Transmittal of Tax and Wage Statements (annual)
- All necessary state forms (annual)

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

We will prepare your federal and state (when applicable) payroll forms and tax returns.

We will not audit or otherwise verify the accuracy or completeness of the information we receive from you for the preparation of the payroll and related returns, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information. However, we will inform the appropriate level of management of any material errors and of any evidence or information that comes to our attention during the performance of our payroll preparation services that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our payroll preparation services regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify 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 entity's payroll that we may not identify as a result of misrepresentations made to us by you.

If applicable, our payroll preparation services will include electronically transmitting management-approved information to taxing authorities and your financial institution to facilitate the electronic transfer of funds.

If applicable, our payroll preparation services will include transmitting management-approved federal Form W-2, federal Form 1099, and payroll data forms to federal and state taxing authorities on your behalf.

CLA's relationship with you shall be solely that of an independent contractor and nothing in the MSA or a SOW shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

**Your responsibilities**

It is your responsibility to provide us with all of the information needed to prepare complete and accurate payrolls and to facilitate ADP's preparation of payroll tax returns. We will have no obligations with regards to a particular payroll or withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us.

Additionally, it is your responsibility to provide us with all of the information needed to facilitate ADP's preparation of payroll tax returns. We will have no obligations with regards to particular withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us.

Specifically, your responsibilities include:

- Accuracy of information used in the preparation of the payrolls and payroll tax returns.
- Review and approval of paychecks or paystubs prior to issuance, and payroll registers for each pay period prior to submission of payroll information to ADP.
- Evaluation of information used in the preparation and filing of all government forms for accuracy.

- Before submission of payroll information to ADP, review and approval of each electronic funds transfer to be initiated on your behalf for employee net pay amounts, payroll tax, withholding liabilities, and related benefit amounts.
- One-time authorization to your financial institution for it to make transfers and direct deposits in accordance with future instructions from ADP.
- One-time authorization for ADP to submit tax filings and complete electronic fund transfers on your behalf.
- Sign or approve ADP issuance of all physical and/or electronic payroll checks.

If applicable, we will advise you with regard to tax positions taken in the preparation of the payroll forms and tax returns, but the responsibility for the payroll forms and tax returns remains with you.

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

## **Fees and terms**

***The billing rates (guaranteed through one year from 1st payroll live date) for these services are as follows:***

<b>Services performed by</b>	<b>Rate per hour</b>
Payroll Analyst I	\$90-\$95
Payroll Analyst II	\$100-\$110
Senior Payroll Analyst	\$125-\$130

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees

billed.

This agreement will automatically renew for one year from the rate guarantee expiration date unless it is cancelled in writing at least 30 days prior to the expiration date or is changed by the mutual signing of a new SOW. The terms of the applicable MSA shall continue to govern this SOW if the SOW is automatically renewed.

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

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

#### **Tax examinations**

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

#### **Record retention**

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

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

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

### **Tax consulting services**

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

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

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

### **Legal compliance**

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

### **Agreement**

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

**CliftonLarsonAllen LLP**

Carrie Bartow  
Principal  
719-284-7239  
carrie.bartow@CLAconnect.com

**Response**

This SOW correctly sets forth the understanding of Blackstone Metro District and is accepted by:



**CLA**  
CliftonLarsonAllen LLP

*Carrie Bartow*

---

Carrie Bartow, Principal

**SIGNED** 11/1/2023, 9:40:44 AM MDT

**Client**  
Blackstone Metro District

SIGN:

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Shawn McGoff, President

DATE:

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**BLACKSTONE METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2024**

Draft

**BLACKSTONE METROPOLITAN DISTRICT  
SUMMARY  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 8/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 4,540,043	\$ 5,210,280	\$ 5,244,365	\$ 5,244,365	\$ 4,180,373	\$ 4,180,373
REVENUES						
Property taxes	2,841,361	2,605,452	2,583,009	2,605,451	2,983,748	2,876,656
Specific ownership taxes	183,286	159,490	118,970	159,490	176,009	172,599
ARI - Aurora Regional Improvement Tax	51,843	52,713	52,260	52,714	304,464	293,536
Interest income	100,733	107,055	207,191	310,392	170,800	170,800
Operations fee (homeowners)	609,935	600,000	444,077	609,180	609,180	609,180
Operations fee (vacant lots)	4,650	4,500	1,941	2,976	2,976	2,976
Working capital	28,710	50,000	14,835	30,000	30,000	30,000
Design review fees	2,720	4,000	661	2,000	4,000	4,000
Legal collection fees	12,922	20,000	6,731	12,000	15,000	15,000
Violations and late fees	11,342	15,000	3,717	10,000	10,000	10,000
Oil and gas lease	-	26,000	25,740	25,740	-	-
Other revenue	16,885	10,000	10,503	11,000	10,000	10,000
Total revenues	3,864,387	3,654,210	3,469,635	3,830,943	4,316,177	4,194,747
TRANSFERS IN	470,114	2,530,545	889,979	2,393,681	1,257,233	1,257,233
Total funds available	8,874,544	11,395,035	9,603,979	11,468,989	9,753,783	9,632,353
EXPENDITURES						
General Fund	204,631	264,000	134,464	190,519	246,000	246,000
Debt Service Fund	1,546,456	1,562,000	564,279	1,557,512	1,600,000	1,600,000
Capital Projects Fund	359,130	2,080,000	736,107	2,069,190	515,000	515,000
Capital Projects - Regional Improvement Fund	51,843	52,713	52,260	52,714	304,464	293,536
Special Revenue Fund	998,005	1,159,000	672,369	1,025,000	1,240,000	1,240,000
Total expenditures	3,160,065	5,117,713	2,159,479	4,894,935	3,905,464	3,894,536
TRANSFERS OUT	470,114	2,530,545	889,979	2,393,681	1,257,233	1,257,233
Total expenditures and transfers out requiring appropriation	3,630,179	7,648,258	3,049,458	7,288,616	5,162,697	5,151,769
ENDING FUND BALANCES	\$ 5,244,365	\$ 3,746,777	\$ 6,554,521	\$ 4,180,373	\$ 4,591,086	\$ 4,480,584
EMERGENCY RESERVE	\$ 64,100	\$ 62,800	\$ 56,500	\$ 65,000	\$ 67,300	\$ 65,800
AVAILABLE FOR OPERATIONS	2,996,134	1,589,806	3,371,812	1,896,891	1,948,509	1,899,741
SERIES 2017 SURPLUS FUND	1,042,125	1,042,125	1,042,125	1,042,125	1,042,125	1,042,125
CAPITAL PROJECTS RESERVE	450,000	450,000	450,000	450,000	656,089	656,089
TOTAL RESERVE	\$ 4,552,359	\$ 3,144,731	\$ 4,920,437	\$ 3,454,016	\$ 3,714,023	\$ 3,663,755

No assurance provided. See summary of significant assumptions.

**BLACKSTONE METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 8/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
<b>ASSESSED VALUATION</b>						
Residential	\$ 42,632,450	\$ 42,869,846	\$ 42,869,846	\$ 42,869,846	\$ 57,172,421	\$ 54,986,881
Commercial	1,378,952	1,378,952	1,378,952	1,378,952	1,630,573	1,630,573
State assessed	3,720	8,930	8,930	8,930	9,180	9,180
Vacant land	1,663,976	1,059,326	1,059,326	1,059,326	771,811	771,811
Personal property	900,597	1,208,868	1,208,868	1,208,868	1,308,793	1,308,793
Natural resources	-	-	-	-	33	33
Certified Assessed Value	<u>\$ 46,579,695</u>	<u>\$ 46,525,922</u>	<u>\$ 46,525,922</u>	<u>\$ 46,525,922</u>	<u>\$ 60,892,811</u>	<u>\$ 58,707,271</u>
<b>MILL LEVY</b>						
General	28.000	26.000	26.000	26.000	23.000	23.000
Debt Service	33.000	30.000	30.000	30.000	26.000	26.000
ARI	1.113	1.133	1.133	1.133	5.000	5.000
Total mill levy	<u>62.113</u>	<u>57.133</u>	<u>57.133</u>	<u>57.133</u>	<u>54.000</u>	<u>54.000</u>
<b>PROPERTY TAXES</b>						
General	\$ 1,304,231	\$ 1,209,674	\$ 1,209,674	\$ 1,209,674	\$ 1,400,535	\$ 1,350,267
Debt Service	1,537,130	1,395,778	1,395,778	1,395,778	1,583,213	1,526,389
ARI	51,843	52,713	52,714	52,714	304,464	293,536
Levied property taxes	<u>2,893,204</u>	<u>2,658,165</u>	<u>2,658,166</u>	<u>2,658,166</u>	<u>3,288,212</u>	<u>3,170,192</u>
Adjustments to actual/rounding	-	-	(22,897)	(1)	-	-
Budgeted property taxes	<u>\$ 2,893,204</u>	<u>\$ 2,658,165</u>	<u>\$ 2,635,269</u>	<u>\$ 2,658,165</u>	<u>\$ 3,288,212</u>	<u>\$ 3,170,192</u>
<b>BUDGETED PROPERTY TAXES</b>						
General	\$ 1,304,231	\$ 1,209,674	\$ 1,199,254	\$ 1,209,674	\$ 1,400,535	\$ 1,350,267
Debt Service	1,537,130	1,395,777	1,383,755	1,395,777	1,583,213	1,526,389
ARI	51,843	52,714	52,260	52,714	304,464	293,536
	<u>\$ 2,893,204</u>	<u>\$ 2,658,165</u>	<u>\$ 2,635,269</u>	<u>\$ 2,658,165</u>	<u>\$ 3,288,212</u>	<u>\$ 3,170,192</u>

**BLACKSTONE METROPOLITAN DISTRICT  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 8/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 2,268,156	\$ 3,039,534	\$ 3,039,534	\$ 3,039,534	\$ 1,941,491	\$ 1,941,491
REVENUES						
Property taxes	1,304,231	1,209,674	1,199,254	1,209,674	1,400,535	1,350,267
Specific ownership taxes	85,908	75,743	56,800	75,743	81,016	81,016
Interest income	55,984	75,000	116,927	175,000	75,500	75,500
Oil and gas lease	-	26,000	25,740	25,740	-	-
Total revenues	1,446,123	1,386,417	1,398,721	1,486,157	1,557,051	1,506,783
Total funds available	3,714,279	4,425,951	4,438,255	4,525,691	3,498,542	3,448,274
EXPENDITURES						
General and administrative						
Accounting	44,555	55,000	33,744	57,500	60,500	60,500
Auditing	5,400	5,500	5,700	5,700	6,300	6,300
County Treasurer's fee	19,584	18,145	18,006	18,145	20,254	20,254
Directors' fees	1,200	5,000	2,900	4,500	6,000	6,000
Director and meeting expense	1,918	2,000	791	2,000	2,000	2,000
Election	27,998	40,000	3,822	3,822	-	-
Insurance	33,843	40,000	35,008	35,008	40,000	40,000
Legal	68,399	70,000	32,688	60,000	77,000	77,000
Miscellaneous	488	2,000	1,283	2,000	2,000	2,000
Payroll taxes	46	383	222	344	459	459
Website	1,200	1,500	300	1,500	1,500	1,500
Contingency	-	24,472	-	-	29,987	29,987
Total expenditures	204,631	264,000	134,464	190,519	246,000	246,000
TRANSFERS OUT						
Transfers to other fund	470,114	2,530,545	889,979	2,393,681	1,257,233	1,257,233
Total expenditures and transfers out requiring appropriation	674,745	2,794,545	1,024,443	2,584,200	1,503,233	1,503,233
ENDING FUND BALANCES	\$ 3,039,534	\$ 1,631,406	\$ 3,413,812	\$ 1,941,491	\$ 1,995,309	\$ 1,945,041
EMERGENCY RESERVE	\$ 43,400	\$ 41,600	\$ 42,000	\$ 44,600	\$ 46,800	\$ 45,300
AVAILABLE FOR OPERATIONS	2,996,134	1,589,806	3,371,812	1,896,891	1,948,509	1,899,741
TOTAL RESERVE	\$ 3,039,534	\$ 1,631,406	\$ 3,413,812	\$ 1,941,491	\$ 1,995,309	\$ 1,945,041

No assurance provided. See summary of significant assumptions.

**BLACKSTONE METROPOLITAN DISTRICT  
SPECIAL REVENUE FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 8/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 215,851	\$ 19,100	\$ 20,581	\$ 20,581	\$ 20,400	\$ 20,400
<b>REVENUES</b>						
Operations fee (homeowners)	609,935	600,000	444,077	609,180	609,180	609,180
Operations fee (vacant lots)	4,650	4,500	1,941	2,976	2,976	2,976
Working capital	28,710	50,000	14,835	30,000	30,000	30,000
Design review fees	2,720	4,000	661	2,000	4,000	4,000
Legal collection fees	12,922	20,000	6,731	12,000	15,000	15,000
Violations and late fees	11,342	15,000	3,717	10,000	10,000	10,000
Interest income	3	305	204	300	800	800
Other revenue	16,885	10,000	10,503	11,000	10,000	10,000
Total revenues	687,167	703,805	482,669	677,456	681,956	681,956
<b>TRANSFERS IN</b>						
Transfers from other funds	115,568	457,295	169,119	347,363	563,144	563,144
Total funds available	1,018,586	1,180,200	672,369	1,045,400	1,265,500	1,265,500
<b>EXPENDITURES</b>						
Operations and maintenance						
Community activities	9,897	35,000	18,430	35,000	60,000	60,000
Contingency	-	35,000	-	-	37,100	37,100
Design review	10,108	12,000	2,400	4,000	10,000	10,000
Facilities management - contract	44,825	53,000	30,800	53,000	53,000	53,000
Facilities management - costs	28,948	25,000	10,069	25,000	25,000	25,000
Legal - collections	41,137	30,000	30,644	40,000	40,000	40,000
Security	28,325	24,000	24,000	24,000	24,000	24,000
Miscellaneous	-	5,000	7,588	10,000	5,000	5,000
Landscape Maintenance						
Irrigation repairs and improvements	91,249	50,000	22,144	35,000	50,000	50,000
Landscape improvements	67,801	50,000	22,550	35,000	50,000	50,000
Landscape maintenance - contract	351,252	395,000	261,028	395,000	399,900	399,900
Tree and shrub maintenance	7,085	25,000	7,840	15,000	25,000	25,000
Grounds & Park Maintenance						
Grounds maintenance	11,533	25,000	1,782	4,000	25,000	25,000
Holiday lighting	10,213	25,000	547	25,000	25,000	25,000
Lighting	8,205	11,000	500	1,000	10,000	10,000
Playground inspection and repairs	-	11,000	150	1,000	10,000	10,000
Snow removal	-	35,000	-	-	35,000	35,000
Utilities						
Gas and electric	8,705	20,000	9,868	20,000	22,000	22,000
Trash Collection	144,668	153,000	113,287	153,000	174,000	174,000
Water	134,054	140,000	108,742	150,000	160,000	160,000
Total expenditures	998,005	1,159,000	672,369	1,025,000	1,240,000	1,240,000
Total expenditures and transfers out requiring appropriation	998,005	1,159,000	672,369	1,025,000	1,240,000	1,240,000
ENDING FUND BALANCES	\$ 20,581	\$ 21,200	\$ -	\$ 20,400	\$ 25,500	\$ 25,500
EMERGENCY RESERVE	\$ 20,700	\$ 21,200	\$ 14,500	\$ 20,400	\$ 20,500	\$ 20,500
TOTAL RESERVE	\$ 20,700	\$ 21,200	\$ 14,500	\$ 20,400	\$ 20,500	\$ 20,500

No assurance provided. See summary of significant assumptions.

**BLACKSTONE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 8/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 1,606,036	\$ 1,701,646	\$ 1,734,250	\$ 1,734,250	\$ 1,768,482	\$ 1,768,482
REVENUES						
Property taxes	1,537,130	1,395,778	1,383,755	1,395,777	1,583,213	1,526,389
Specific ownership taxes	97,378	83,747	62,170	83,747	94,993	91,583
Interest income	40,162	25,000	74,813	112,220	72,500	72,500
Total revenues	1,674,670	1,504,525	1,520,738	1,591,744	1,750,706	1,690,472
Total funds available	3,280,706	3,206,171	3,254,988	3,325,994	3,519,188	3,458,954
EXPENDITURES						
Debt Service						
Bond interest	1,102,925	1,086,125	543,063	1,086,125	1,068,125	1,068,125
Bond Principal	420,000	450,000	-	450,000	500,000	500,000
County Treasurer's fee	23,081	20,937	20,766	20,937	22,896	22,896
Paying agent fees	450	450	450	450	450	450
Contingency	-	4,488	-	-	8,529	8,529
Total expenditures	1,546,456	1,562,000	564,279	1,557,512	1,600,000	1,600,000
Total expenditures and transfers out requiring appropriation	1,546,456	1,562,000	564,279	1,557,512	1,600,000	1,600,000
ENDING FUND BALANCES	\$ 1,734,250	\$ 1,644,171	\$ 2,690,709	\$ 1,768,482	\$ 1,919,188	\$ 1,858,954
SERIES 2017 SURPLUS FUND	\$ 1,042,125	\$ 1,042,125	\$ 1,042,125	\$ 1,042,125	\$ 1,042,125	\$ 1,042,125
TOTAL RESERVE	\$ 1,042,125	\$ 1,042,125	\$ 1,042,125	\$ 1,042,125	\$ 1,042,125	\$ 1,042,125

No assurance provided. See summary of significant assumptions.

**BLACKSTONE METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 8/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000
REVENUES						
Interest income	4,584	6,750	15,247	22,872	22,000	22,000
Total revenues	4,584	6,750	15,247	22,872	22,000	22,000
TRANSFERS IN						
Transfers from other funds	354,546	2,073,250	720,860	2,046,318	694,089	694,089
Total funds available	809,130	2,530,000	1,186,107	2,519,190	1,166,089	1,166,089
EXPENDITURES						
Capital Projects						
Reserve study	-	15,000	3,250	15,000	-	-
Legal	1,076	-	10,234	15,000	15,000	15,000
Entryways/roundabouts	109,892	1,750,000	433,433	1,750,000	-	-
Lighting	38,818	-	-	-	-	-
Capital outlay	23,674	-	-	-	500,000	500,000
Trees	185,670	300,000	289,190	289,190	-	-
Contingency	-	15,000	-	-	-	-
Total expenditures	359,130	2,080,000	736,107	2,069,190	515,000	515,000
Total expenditures and transfers out requiring appropriation	359,130	2,080,000	736,107	2,069,190	515,000	515,000
ENDING FUND BALANCES	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 651,089	\$ 651,089
CAPITAL PROJECTS RESERVE	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 656,089	\$ 656,089
TOTAL RESERVE	\$ 450,000	\$ 450,000	\$ 450,000	\$ 450,000	\$ 656,089	\$ 656,089

No assurance provided. See summary of significant assumptions.



**BLACKSTONE METROPOLITAN DISTRICT  
CAPITAL PROJECTS - REGIONAL IMPROVEMENT FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 8/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES						
ARI - Aurora Regional Improvement Tax	51,843	52,713	52,260	52,714	304,464	293,536
Total revenues	<u>51,843</u>	<u>52,713</u>	<u>52,260</u>	<u>52,714</u>	<u>304,464</u>	<u>293,536</u>
Total funds available	<u>51,843</u>	<u>52,713</u>	<u>52,260</u>	<u>52,714</u>	<u>304,464</u>	<u>293,536</u>
EXPENDITURES						
Capital Projects						
County Treasurer's fee	778	791	784	791	4,567	4,403
Regional mill levy - Payment to SARIA	51,065	51,922	51,476	51,923	299,897	289,133
Total expenditures	<u>51,843</u>	<u>52,713</u>	<u>52,260</u>	<u>52,714</u>	<u>304,464</u>	<u>293,536</u>
Total expenditures and transfers out requiring appropriation	<u>51,843</u>	<u>52,713</u>	<u>52,260</u>	<u>52,714</u>	<u>304,464</u>	<u>293,536</u>
ENDING FUND BALANCES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**BLACKSTONE METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on November 27, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Second Amended and Restated Service Plan approved on July 26, 2010.

The District was established to provide sanitation, water, streets, traffic and safety controls, parks and recreation, and other related improvements for the benefit of the taxpayers and service users within the Districts' boundaries.

As of December 31, 2015, the District had remaining voted debt authorization of approximately \$1,981,510,000. The District has not budgeted to issue any new debt during 2024. Per the District's Service Plan, the District cannot issue debt in excess of \$100,000,000.

The District has no employees and all administrative functions are contracted.

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

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April, or in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The method of calculating assessed valuation of residential assessment rates in the State of Colorado changed to 7.15% from 7.20% for property tax years 2019-2020 on June 10, 2019 with a report submitted to the State Board of Equalization. Accordingly, the ARI mill levy increased to 5.000 from 1.113 mills and will remain at this amount for 2024.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**BLACKSTONE METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Aurora Regional Improvements Mill Levy**

Pursuant to the Service Plan, which is dated August 6, 2004, the District is required to impose a 1.000 mill levy for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the ARI Master Plan. The ARI Master Plan is one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time. The District is a participant in the South Aurora Regional Improvement Authority. Revenues collected and held under the ARI mill levy will be held in a segregated account for the benefit of the Authority. The required mill levy after the twentieth year is 5.000.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6.0% of the property taxes collected.

**Operations Fee**

The District imposes a monthly operations fee on homeowners and vacant lot owners. The fee varies between the two types of owners based on applicable costs to operate the landscape and maintenance of the District property. The fees and associated expenditures are tracked in the Operations Fee fund.

**Interest Income**

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

**Expenditures**

**General, Administrative, and Operations Expenditures**

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, audit, managerial, insurance, banking, meeting expense and other administrative expenses. Additionally, the operations expenditures to maintain District property are detailed in the Operations Fee fund.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Capital Outlay**

The District anticipates infrastructure improvements as displayed on page 6 of the Budget.

**BLACKSTONE METROPOLITAN DISTRICT  
2024 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017 General Obligation Refunding Bonds. The District's current debt service schedule is attached.

See related notes below under Debt and Leases.

**Debt and Leases**

On June 6, 2017 the District issued General Obligation Refunding Bonds Series 2017 in the amount of \$27,415,000. The proceeds from the sale of the 2017 Bonds were used to (i) refund the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2005A, (ii) fund an initial deposit of \$1,000,000 to the Surplus Account, and (iii) pay certain costs of issuance of the Bonds.

The Series 2017 Bonds bear interest at rates ranging from 2.375% to 5.000%, payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019. The Series 2017 Bonds mature on December 1, 2047. The Series 2017 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

The Series 2017 Bonds are a general obligation of the District. The full faith and credit of the District are pledged for the payment of the principal of, premium, if any and interest on the Bonds. Without limiting the foregoing, the Pledged Revenue is pledged to the payment of the Bonds, on a parity with Parity Bonds, if any. "Pledged Revenue" is defined in the Bond Resolution to mean: (i) all amounts derived by the District from imposition of the Required Mill Levy and, to the extent not applied to the payment or refunding of the Series 2005A Bonds, the debt service mill levy imposed by the District in 2016 (less costs of collection and any tax refunds or abatements authorized by or on behalf of the County); and (ii) Specific Ownership Taxes. The Series 2017 Bonds are secured by amounts held by the District in the Surplus Account, if any. All of the Series 2017 Bonds shall be additionally secured by a Bond Insurance Policy issued by National Public Finance Guarantee Corp, rated A by Standard & Poor's.

The District has no operating or capital leases.

**Reserves**

**Emergency Reserves**

The District has provided an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2024, as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**BLACKSTONE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<b><u>Bonds and Interest Maturing in the Year Ending December 31,</u></b>	<b>\$27,415,000 General Obligation Refunding Bonds Series 2017 Dated June 6, 2017 Rates ranging from 2.375% to 5.000% Interest Payable June 1 and December 1 Principal Due December 1</b>		
	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b><u>Total</u></b>
2024	\$ 500,000	\$ 1,068,125	\$ 1,568,125
2025	520,000	1,048,125	1,568,125
2026	565,000	1,035,775	1,600,775
2027	595,000	1,007,525	1,602,525
2028	655,000	977,775	1,632,775
2029	685,000	945,025	1,630,025
2030	755,000	910,775	1,665,775
2031	780,000	886,237	1,666,237
2032	835,000	860,888	1,695,888
2033	865,000	833,750	1,698,750
2034	940,000	790,500	1,730,500
2035	990,000	743,500	1,733,500
2036	1,070,000	694,000	1,764,000
2037	1,115,000	651,200	1,766,200
2038	1,195,000	606,600	1,801,600
2039	1,245,000	558,800	1,803,800
2040	1,330,000	509,000	1,839,000
2041	1,380,000	455,800	1,835,800
2042	1,475,000	400,600	1,875,600
2043	1,535,000	341,600	1,876,600
2044	1,630,000	280,200	1,910,200
2045	1,695,000	215,000	1,910,000
2046	1,805,000	147,200	1,952,200
2047	1,875,000	75,000	1,950,000
	<b><u>\$ 26,035,000</u></b>	<b><u>\$ 16,043,000</u></b>	<b><u>\$ 42,078,000</u></b>

No assurance provided. See summary of significant assumptions.

# **LANDSCAPE REPORT**

# October And November Monthly Report

Monday, October 30, 2023

Prepared For Blackstone Metropolitan District



**Item 1**

Blackstone Monument Sign. Flowers were removed from this sign earlier in October.

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**Item 2**

View of Canyon Park covered with snow.  
Snow photos taken on 10.30.2023.

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**Item 3**  
Country Club Park.



**Item 4**  
Hilltop Park.



**Item 5**

Looking south along Country Club Parkway.

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**Item 6**

Looking west along Mineral Ave.

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**Item 7**

Looking east along Mineral Ave. line of site cutting of ornamental grasses shown in photo.



**Item 8**

Irrigation install along Monaghan portion of the community.





**Item 9**

Trees and sod being installed by Monaghan entrance.



**Item 10**

Irrigation, sod, and trees installed.



**Item 11**

Mulch rings in place as well.



**Item 12**

View of the gravel path repair performed earlier in October.





**Item 13**

Trickle channel pond has been cleared. You can also see the larger rock and rip rap installed on the maintenance path to slow down the flow of water and minimize erosion.



**Item 14**

Maintenance path looking south.



**Item 15**

View of maintenance path from the Powhatan sidewalk.



**Item 16**

Image of the maintenance path that was repaired.





**Item 17**

Same as previous.



**Item 18**

View of the maintenance path repair from the south Queensburg Way cul-de-sac.





**Item 19**

Mulch refresh of the community was performed the week of the 23rd. This is the Hilltop Park. You can also see new plant material installed in the foreground.



**Item 20**

Same as previous.



**Item 21**

Mulch refresh at Hilltop Park with new plant material shown.



**Item 22**

Same as previous.





**Item 23**

Mulch refresh at Country line entrance to Hilltop Park.



**Item 24**

Annual flower beds are covered with mulch now for aesthetic purposes.



**Item 25**

All triangle beds have mulch now in the off season until spring flowers are replanted in 2024.



**Item 26**

Annual flower bed off Mineral Ave that now is covered with mulch.

**Item 27**

## Ongoing Services:

- Servicing dog stations.
- Fall clean-ups.
- Snow removal as needed.

## Completed services:

- Removal of flowers.
- Line of site cutting around the community.
- Monaghan entrance sod, irrigation, and trees.
- Hilltop Park shrub installation.
- Mulch refresh of the community.
- Final native mow of the season.
- Installation of tree wrap and gator bags on the 2022 and 2023 trees that are under warranty.
- Water has been drained from the irrigation system.

## Upcoming services

- Weekly winter trash patrol of the property.
- Holiday decorations will be installed starting the week of the 6th of November. Lights will not be turned on until after Thanksgiving.
- Full and final winterization of the irrigation system will take place late November in coordination with the Country Club staff.

## Questions:

- What color do you all want the Blackstone sign to be? We had it as red the past few years.
  - Do you all want a proposal for winter watering and tree wrap for all the trees we installed in 2021 that no longer are covered under the 2 year warranty, and have had their 2 years of tree wrap and winter watering already completed?
-



## 2024 - 12 Month Landscape Maintenance Proposal

**Date** 10/24/2023

**Customer** Jordan Devine | Westwind Management | 27 Inverness Drive East | Englewood, CO 80112

**Property** Blackstone Metro District | 7777 S. Country Club Pkwy | Aurora, CO 80016

I would like to **thank you** for considering Landtech to meet your specific needs. For over **thirty-five years** we have been dedicated to serving clients *just like you* by *creating and maintaining* the **most beautiful landscapes** in Denver, Colorado Springs, Loveland and surrounding areas. Our *modern fleet of equipment* and *best personnel in the industry* keep us highly recommended by our clients, and enable us to serve your specific needs and fulfill **all your landscaping desires**. Our *full range* services include: **Custom Enhancements, Innovative Construction, Skillful Maintenance, and Punctual Snow Removal.**

### Fixed Payment Services

Description	Frequency
<b>12 Month Landscape Maintenance Standard Package</b>	
Weekly Service - Includes Doggy Stations	26
Winter Service - Includes Doggy Stations	20
Bed Pre Emergent	1
Turf/Broadleaf/PreEm	1
Turf/Broadleaf	2
Aeration	1
Irrigation Activation	1
Irrigation Check	26
Irrigation Winterization	1
Spring Clean up	1
Fall Clean up	2
Pruning	2
Native Mow	2
Native Mow Beauty Bands	7
Native Weed Application	2
Post Emergent	26
Sod/Seed Repairs - Up to 12,500 SF	1
Mulch Replenishment - Up to 100 CY	1
Breeze/Rock Refresh - Up to 25 Tons	1

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Holiday Décor: Set-up, Takedown, & Storage of Holiday Decorations	1
Spring Flowers	1
Snow Removal: 1"- 8" Snow Removal. Beyond 8" will be at T & M Rates	1
<b>Annual Maintenance Price</b>	<b>\$399,900.00</b>



## Payment Schedule

<b>Schedule</b>	<b>Price</b>
May	\$33,325.00
June	\$33,325.00
July	\$33,325.00
August	\$33,325.00
September	\$33,325.00
October	\$33,325.00
November	\$33,325.00
December	\$33,325.00
January	\$33,325.00
February	\$33,325.00
March	\$33,325.00
April	\$33,325.00
	<b>\$399,900.00</b>

Contractor will charge the following rates for additional materials outside the scope of services.

Unit Cost - Includes Labor:

- 1,000 SF of sod - \$1,950.00
- 1 CY of Mulch - \$185.00
- 1 Ton of Rock/Breeze - \$230.00

Contractor will charge the following rates for additional work outside the scope of services.

Hourly Contract Rates	Regular Rate	Overtime Rates
Irrigation Technician w/Van	\$83.00/HR + Material	\$98.00/HR + Materials
General Labor Rate	\$44.00/HR	\$57.00/HR
Foreman Rate	\$55.00/HR	\$71.00/HR
Supervisor Rate	\$66.00/HR	\$86.00/HR
Medium Mower 36"/ 48"	\$58.00/HR	\$73.00/HR
Large Mower 52"/ 63"	\$81.00/HR	\$96.00/HR
21" Mower	\$53.00/HR	\$68.00/HR
Trimmer/Blower	\$48.00/HR	\$54.00/HR

Automatic Renewal: Landtech will auto-renew this contract for 2025 with a 2.0% increase for 2025 if the line below is signed. Please understand that by not choosing this option we will offer you a renewal contract that may have a higher percentage increase, and there may be an interruption to your services.

Signature for Automatic Renewal: \_\_\_\_\_

**By** \_\_\_\_\_

**Ben Zand**

**Date** 10/24/2023 \_\_\_\_\_

**Landtech Contractors**

**By** \_\_\_\_\_

**Date** \_\_\_\_\_

**Blackstone Metro District**



## Services

### Weekly Service - Includes Doggy Stations

#### Mowing

1. All turf areas shall be mowed at the specified frequencies noted on the attached proposal. The Contractor will determine mowing height. Frequency of mowing will vary in the spring and fall, due to seasonal weather conditions and growth rate of turf.
2. Grass catchers will be used only if there is a specific need and will be used at the discretion of the Contractor. Excessive clippings will be removed from turf.
3. Contractor reserves the right to leave areas un-mowed which he feels would be unsafe to mow due to, but not limited to, the following reasons:
  - a. Areas in use at the time of mowing by large groups of residents, children, etc.
  - b. Areas excessively wet due to rain or improper drainage not caused by the contractor.
  - c. Areas with large concentration of pet droppings.
  - d. Areas under construction.

#### Trimming

1. All turf areas inaccessible to mowing equipment will be trimmed as needed in conjunction with mowing operations to maintain a neat well-groomed appearance.
2. Where practical, Contractor may use an approved herbicide and/or growth regulator around fences, trees, and other obstacles that may be damaged by repeated use of string line trimmers.
3. After mowing operations are completed, all grass clippings will be blown and/or removed from walks, drives, patios, etc.

#### Edging

1. Edging of walks, swimming pool decks, etc. will be done at the frequency specified in the attached proposal, through the use of a steel blade edger.
2. Edging is limited to concrete areas, in order to avoid damage to irregular asphalt, flagstone, brick, wood walks and decks.
3. Concrete drainage pans/spillways will not be edged, unless otherwise specified in this contract.
4. Excessive debris resulting from edging shall be collected and removed.

#### Police Area

1. All landscape areas will be policed for loose trash in conjunction with mowing operations. Annual contracts will be policed for loose trash at the frequencies specified in the attached proposal.
2. Policing does not include the clean-up of drives and parking lots unless specified in this contract. The clean-up of debris due to vandalism, dumping, improperly contained dumpsters, acts of God, etc., will be an extra service to this contract.
3. Removal of pet droppings is not the responsibility of the Contractor unless otherwise specified. Tree, Shrub, and Bed Care

#### Bed Care

1. Rock bed areas will be inspected at the frequencies specified in the attached proposal for mulch depth and conditions. If additional materials are required, the Contracting Company will

- be notified and provided with an estimate to perform the work.
2. Rock bed areas will be kept substantially free of weeds by means of chemical control, or hand weeding at the frequencies specified in the attached proposal. Every effort will be made to control grasses and bindweed growing directly in shrubs and ground cover; however, control of these items is not always guaranteed.
  3. Flower planting and flowerbed care is not included as part of this contract unless specified in the attached proposal.

#### **Tree and Shrub Care**

1. Contractor will monitor, on a regular basis, the health of all plant materials and will provide recommendations and estimates to the Contracting Company for such items as: fertilization, insect, and disease control. Most treatment would be done on a curative basis; however Contractor may recommend from time to time to treat potential problems on a preventive basis. **Note:** Contractor reserves the right to hire a subcontractor to perform this service. Subcontractor shall be a licensed commercial applicator.
2. In order to prevent damage by mowers and trimmers to trees and shrubs planted in turf areas, the Contractor if included in the attached proposal will provide a grass-free area around all trees and shrubs. Contractor assumes no liability for damage to trees and shrubs not properly protected.

#### **Winter Service - Includes Doggy Stations**

1. All landscape areas will be policed at the frequencies specified in the attached proposal for loose trash and debris in bed, and turf areas only.
2. The Contractor will visit the site at the frequencies specified in the attached proposal to inspect all landscape and plant material. Any problems will be brought to the attention of the Contracting Company.
3. Contractor will be available to the Contracting Company to aid and assist in the preparation and formulation of: plans, schedules, budgets, projections, etc., for the coming season.
4. Emergency after hour rates are billed at overtime rates and at a two hour minimum.

#### **Bed Pre Emergent**

1. Where needed, Contractor will recommend pre-emergent weed control if not included in the attached proposal. Pre-emergent weed control will be done at the expense of the Contracting Company, and only after approval is obtained.

#### **Turf/Broadleaf/PreEm**

1. Where needed, Contractor will recommend pre-emergent weed control if not included in the attached proposal. Pre-emergent weed control will be done at the expense of the Contracting Company, and only after approval is obtained. **Note:** Contractor reserves the right to hire a subcontractor to perform this task. Subcontractor shall be a licensed and insured commercial applicator.

## Turf/Broadleaf

### Turf Weed Control

1. All turf areas will be treated for the control of broadleaf weeds at the frequency specified in the attached proposal.
2. The Contractor will be responsible for weed control between the months of May 1<sup>st</sup> thru October 31<sup>st</sup> as needed. The Contractor is not responsible for excessive rains, which may wash treatment material away. The cost of all additional treatment is the responsibility of the Contracting Company. From May 1<sup>st</sup> thru October 31<sup>st</sup> broadleaf weed control in turf is handled on a curative basis, rather than a preventive basis.

### Turf Fertilization

1. All turf areas will be fertilized at the frequency specified in the attached proposal. A quality, balanced fertilizer will be provided by Contractor.
2. Care will be taken to clean fertilizer off all sidewalks, patios, pool decks, etc., to minimize the possibility of iron stains, however, even with the utmost care some staining may still occur. **Note:** Contractor reserves the right to hire a subcontractor to perform this task. Subcontractor shall be a licensed and insured commercial applicator

### Aeration

1. Aerations will be performed with a core aerator at the frequency specified in the attached proposal.

### Irrigation Activation

1. Contractor shall activate the irrigation system once (1) in the spring if included in attached proposal. Activation usually occurs in April, depending on weather conditions. Contractor is not responsible for any freeze damage, which may occur after sprinkler activation.
2. Contracting company agrees to all repairs required for activation of the system up to a preapproved amount of one thousand dollars (\$1000). If the repair is more than one thousand dollars (\$1000) a proposal will be sent to contracting company prior to commencement of repair. All repairs required for activation are not part of this contract and will be billed on a time and material basis.
3. At the time of activation, all necessary repairs will be made to bring the system up to operating condition. These repairs will be billed on a time and material basis. Contracting Company will be informed of repair work being performed.

### Irrigation Check

1. After system is activated and operating, Contractor will be responsible for checking the system at the frequencies specified in the attached proposal to insure proper operation during contract period.
2. In the event malfunctions are found during the regular check of the irrigation system, repairs will be made and billed on a time and material basis. Contracting company agrees to a preapproval amount of five hundred dollars (\$500) in repairs for each regular check, if the repairs total more than five hundred dollars (\$500) a proposal will be sent to contracting company prior to commencement of the repair.
3. Contractor shall keep the need for water conservation in mind. During extended cold or rainy periods, irrigation controller may be turned off. However, occasional rainstorms will not constitute adequate reason for turning off controllers. Special requests are billed on a time and material basis.

**Irrigation Winterization**

1. Contractor shall winterize the irrigation system once (1) in the fall if included in attached proposal. Winterization usually occurs between October 1st and December 1st. Contractor is not responsible for any freeze damage, which may occur before and after sprinkler winterization operations.
2. Proper winterization will include the use of a compressor, unless otherwise specified.

**Spring Clean up**

1. At the frequency specified in the attached proposal, Contractor will perform spring cleanup including gathering and removing trash, leaves, and debris in turf and bed areas. Parking lots are excluded.

**Fall Clean up**

1. At the frequency specified in the attached proposal, Contractor shall be responsible for gathering and removing leaves from the site in the fall. Contracting Company will direct Contractor as to when each service frequency is to be performed. Additional frequencies will be an extra service to this contract.

**Pruning**

1. The Contractor shall be responsible for pruning of all trees and shrubs on the property at the frequencies indicated in the attached proposal. All plant material over 15 feet in height is excluded.
2. Plants shall be pruned in accordance with regularly accepted industry standards for pruning. Pruning is done to promote healthy growth; to prevent weak or abnormal limb structure; to control unwanted leggy growth and to maintain the natural growth habit of the plants. Proper pruning practices do not include shaping of plants such as: boxed, squared, balls, etc. Shrubs will be pruned in such a manner as to maintain natural shape.

**Native Mow**

1. Native area shall be mowed at the durations specified in the attached proposal. The Contractor will determine mowing height. Frequency of mowing may vary due to seasonal weather conditions and growth rate of native.
2. Native clippings will be left in place after mowing and will not be removed.
3. Contractor reserves the right to leave areas un-mowed which he feels would be unsafe to mow due to, but not limited to, the following reasons: Areas in use at the time of mowing by large groups of residents, children, etc, areas excessively wet due to rain or improper drainage not caused by the contractor, or areas under construction or contain excessive debris.
4. The clean-up of debris due to vandalism, dumping, acts of God, etc., will be an extraservice to this contract.

**Native Mow Beauty Bands**

1. Native Areas that abut up to homeowners fence lines or common area sidewalks will have a beauty band mowing performed each month during the landscaping season. This will be performed by one pass on the mowers in these areas.

**Native Weed Application**

1. Weed control in native area will be managed by mowing operations. If Contracting Company desires to have weeds managed with chemical applications the Contractor will supply an estimate for these additional services.

**Post Emergent**

1. Post-emergent herbicides work to control weeds after they have already germinated. They work by traveling down the plant stalk and into the root system to kill the weed.
2. The best time of the year to apply post-emergent herbicides is in early to late spring, when weeds are small but actively growing, as they will more easily absorb weed killer.

**Sod/Seed Repairs - Up to 12,500 SF**

1. Landtech has included in this contract 12,500 square feet of sod/native seed areas repair/replacement. Landtech will determine these areas in conjunction with Blackstone Metro District Board and/or landscape committee members.

**Mulch Replenishment - Up to 100 CY**

1. Landtech has included in this contract 100 CY of mulch refreshing. Landtech will determine these areas in conjunction with Blackstone Metro District Board and/or landscape committee members.

**Breeze/Rock Refresh - Up to 25 Tons**

1. Landtech has included in this contract 25 tons on Breeze/Rock refreshing. Landtech will determine these areas in conjunction with Blackstone Metro District Board and/or landscape committee members.

**Holiday Décor: Set-up, Takedown, & Storage of Holiday Decorations**

1. Holiday Lighting: Lighted garland and wreaths will be installed and maintained from the day before Thanksgiving thru the week of January 24, 2023, on all monuments and up to 12 trees at the main entryway feature off Smokey Hill Road and Country Club Parkway; up to 12 trees at the entry at County Line and Blackstone Parkway; up to 20 trees at each side of the entrance off Powhatan Road and E. Mineral Drive; and up to 6 trees at the entry at County Line Road and S. Waterloo Ct as part of this agreement. Lighted Garland will be installed on all 63 smaller district owned lamp posts in the common areas, as well as the 14 lamp posts at the Hilltop Park. Large ornaments will be installed at each entryway, park, and the Blackstone monument sign, and large ornaments can be added in at each roundabout once an electrical point of connection is installed at these.
2. Holiday decorations/lighting will be taken down between January 24 and January 30, 2023. Contractor is responsible for storing the holiday lighting/garland.

## Spring Flowers

Contractor will plant annual flowers on or reasonably near Mothers Day, which is on May 14th, 2023. The determination of when to plant annual flowers will be dependent on weather. The cost of the flowers is included in the contract price. Locations listed below..

1. 1 area at the Blackstone Monument on the corner of East Smokey Hill Pkwy & South Powhatan Rd.
2. 11 Circular beds (raised and unraised). 2 located at the Smokey Hill entrance, 2 at the Powhatan entrance, 2 at the western County Line Rd entrance, 2 at the eastern County Line Rd entrance by the Hilltop Park, 1 at the Monaghan entrance (the more southern one of the two), 1 on the corner of South Powhatan Rd & County Line Rd, and 1 at County Line Rd & Monaghan Rd.
3. 7 Semi-Circle Beds. 2 located at the Smokey Hill entrance, 2 at the Powhatan entrance, 2 at the County Line Rd entrance, and 1 on the corner of South Powhatan Rd & County Line Rd.
4. 2 end portions of the medians. 1 between the semi-circle beds located at the Powhatan entrance, and 1 between the semi-circle beds located at the County Line road western entrance.
5. 6 rectangular pots located at the Smokey Hill entrance by the guard house.
6. 10 round pots. 4 on the bridge by the Smokey Hill entrance, 2 by the guard house at the Smokey Hill entrance, and 4 on the bridge located to the northeast of the Blackstone Country Club on the bridge.
7. 2 pedestal pots located in the median just north of the guard house at the Smokey Hill entrance.
8. 5 triangular shaped beds. 2 located at the South Country Club Pkwy & South Blackstone Pkwy round-about, 2 located at the East Mineral Drive & South Blackstone Pkwy round-about, and 1 located at East Mineral Drive & South Country Club Pkwy round-about.
9. Miscellaneous spots: Two Semi-Circle Beds located northeast of the Blackstone Country Club on the bridge. This area is located approximately 400 feet north of the intersection of East Long Circle & South Country Club Pkwy.
10. Miscellaneous spots: 2 beds located at the benches at East Clifton Place & East Mineral Drive
11. Miscellaneous spots: 1 landscape bed at the southeast corner of the Country Club Park, and 1 landscape bed on the southwest corner of the Hilltop Park.
12. **DOES NOT INCLUDE: The bed on the northeast corner of the South Country Club Pkwy & South Blackstone Pkwy round-about.**
13. **DOES NOT INCLUDE: The northern of the two monuments at the eastern entrance to the community along Monaghan, or any other areas not mentioned in this contract.**

### **Snow Removal: 1"- 8" Snow Removal. Beyond 8" will be at T & M Rates**

1. Contractor will provide snow removal services from September 1, 2022 through May 31, 2023. This will include all the sidewalks that abut district property, including the sidewalks within the medians (Country Club, Blackstone Parkway, & Mineral) the sidewalks at the parks, and the perimeter sidewalk. Snow removal will be done by the contractor around all district mail kiosks throughout the district as well.
2. Contractor will perform the snow removal at a 1" trigger. This means that upon the snow accumulating on site at 1" Landtech will begin mobilizing its crews and begin removal operations after that.
3. In order to determine if snow removal operations are required, 5 measurement locations have been agreed to and the average of these 5 locations will dictate if snow removal is required if its average depth exceeds 1".



## Terms & Conditions

### General Scope of Work

1. **Scope of Work:** Contractor will furnish all labor, tools, specialized equipment, supervision and transportation required to maintain the landscape in an attractive condition throughout the year for the maintenance period specified in contract.
2. **Definitions:** The term "Contractor" where used in this agreement shall mean Landtech Contractors, Inc. The representative is Larry D. Overlay. The term "Contracting Company" where used in this agreement shall mean Owner or Management Company.
3. **Insurance:** Contractor will carry complete and adequate worker's compensation, automobile, and general liability insurance in the amount of not less than \$1,000,000.00 (One Million Dollars). Contractor shall supply Contracting Company with a certificate of insurance of such coverage prior to commencement date.
4. **Damages:** Contractor will be responsible for any damages to the property caused by this contract. The cost of all repairs will be borne by the Contractor.
5. **Acts of God:** The Contractor assumes no responsibility for and shall not be held liable by the Contracting Company for damages due to conditions beyond the contractor's control. Such conditions include, but are not limited to: harsh weather; abnormally cold winter temperatures; snow damage; ice; melting snow; wind; fire; vandalism; theft; and previous contractor's neglect or improper practices.
6. **Pre-Existing Conditions:** It is acknowledged by the parties that the present condition of the turf grass is Average; the present condition of trees is Average; the present condition of shrubs is Average; the present condition of the sprinkler system is Average; the present condition of walks is Average; the present condition of drives is Average and the present condition of native area is Average. The Contractor is not responsible for any such conditions nor any continual wear and tear, or acts of third parties.
7. **Communication System:** The Contractor is expected to be available via telephone, and respond as necessary to emergencies that may arise. Emergencies are defined as items, which, by their nature, cannot be postponed and may cause damage to health or property. Response to emergencies will be by whatever means is most practical to remedy a particular situation. Contractor is entitled to compensation for such emergencies.
8. **Personnel:** Contractor's employees shall conduct themselves in a workmanlike manner at all times. Contractor is expected to provide adequate supervision at all times.
9. **Licenses and Permits:** Contractor shall be responsible for obtaining and paying for all licenses and permits required by Federal, State, and local laws that are necessary for the legal operation of the Contractor's business. Such licenses and permits shall include, but not be limited to: business, and commercial pesticides applicator. However, special permits (such as special watering permits) will be obtained at the expense of the Contracting Company.
10. **Weather permitting:** All items in this agreement are stated assuming that weather conditions are favorable. Contractor is not to be held responsible, in any way, for delays in the completion of specified tasks due to weather conditions.
11. **Modification:** In all cases, the included "Exhibit D-Description of Services" shall supersede or modify items stipulated in the "Exhibit B-General Scope of Work".

### Terms and Conditions

1. **Location.** This landscape maintenance agreement is for services to be performed at the following location(s): \_\_\_\_\_.
2. **Term.** The term and start date of this agreement shall be agreed upon in exhibit E.
3. **Assignment.** Neither party may assign this contract without the written consent of the other party.
4. **Scheduling.** All work scheduling shall be at the discretion of Contractor as to time, day, month,



- etc. Contracted items will be given priority over time and material or extra work, in order to remain on established schedules.
5. **Delay.** The Contractor shall not be held liable for delays in completion of contracted items, due to, but not limited to: acts of God; acts of Contracting Company; weather conditions; acts of public; or any other unforeseen items beyond the reasonable control of the Contractor.
  6. **Modifications.** The general requirements, technical specifications, statement of charges, and landscape maintenance contract are all considered a part of this agreement and shall constitute the entire agreement between the contracting parties. No variance or modification shall be valid and enforceable, unless mutually agreed upon in writing.
  7. **Pricing and Payment.** The total amount of the base contract and base monthly charges shall be agreed upon in exhibit E. All accounts will be billed on the 1st day of each month, with terms of net 10 days for account to be paid in full. Early termination of the contract will result in an audit of actual services performed and billed accordingly. Extra services, if authorized, and emergency services shall be billed at the rates listed in section III of the "Statement of Charges" in the contract plus materials.
  8. **Termination Without Cause.** Either party may terminate this agreement without cause by sending written notice to the other party at the respective addresses herein stated. Written notice is to be given at least 30 days prior to effective date of termination. Full payment for the actual services performed and materials provided at time of termination becomes due and payable on, or before, date of termination. In the event of pre-payment of services not performed and/or materials not provided, credit refund will be due and payable on, or before, date of termination.
  9. **Termination for Cause.** Either party may terminate this contract for cause, upon sending written notice to the other party. Contractor may terminate this agreement for cause, upon sending written notice to the other party. Contractor may terminate this agreement for cause: (a) upon Contracting Company's failure to make any of the agreed upon payments, as outlined herein; or (b) for the Contracting Company's unreasonable determination of "lack of satisfactory performance or substantial completion of the Contractor's duties as specified herein". Contracting Company may terminate this agreement for cause: (a) for proof of lack of satisfactory performance; or (b) for obvious gross negligence or neglect by the Contractor.
  10. **Early Termination.** If customer terminates 12 month contract before end of 12 month period, payment is due for services rendered.
  11. **Notices.** All notices required hereunder shall be in writing and shall be sent in the United States mail, certified mail, return receipt requested, correctly addressed to contractor: Landtech Contractors, Inc. Maintenance Division, 525 N. Laredo St. Aurora, CO 80011
  12. **Acceptance of Proposal.** The above prices, specifications, and conditions are satisfactory and are hereby accepted. LANDTECH CONTRACTORS, INC. is authorized to do the work as specified. Payment is outlined above in Section IV, paragraph 7. OWNER agrees that accounts 30 days past due will be charged 1.5% per month (18% per year). Should this account be referred to an agency, attorney or court for collection, OWNER agrees to pay reasonable attorney's fees, court costs and any other expenses of collection by LANDTECH CONTRACTORS, INC.
  13. **Attorneys Fees.** In the event either party to this agreement commences an action to enforce the terms of this agreement, then the prevailing party shall be entitled to recover its attorney's fees and costs.



## 2024 Trees - Blackstone Metropolitan District

**Date** 10/30/2023  
**Customer** Jordan Devine | Westwind Management | 27 Inverness Drive East | Englewood, CO 80112  
**Property** Blackstone Metro District | 7777 S. Country Club Pkwy | Aurora, CO 80016  
**Billing Email** curtis.bourgouin@claconnect.com

## Description

Dear Jordan,

Landtech has provided a price for 60 trees to be installed around the Blackstone Metropolitan District in 2024. This number was determined by Bob Howey and I by looking at what trees around the community need to be replaced or are missing in general. We also looked at how many trees on average have been dying each winter for the past few years and added in that number so that we could forecast what 2024 may look like. Actual quantities will be determined early in 2024, therefore this number is being provided for budgetary purposes only. Each tree will be \$1,220 a tree and will come with a 2-year warranty, & tree wrap and winter watering for the first two seasons. The final proposal provided in 2024 will be based on how many trees are determined times the unit price.

Please see the warranty stipulations below.

### STIPULATIONS:

- A two-year plant material warranty is included. Landtech Contractors reserves the right to void all warranties expressed in the specifications due to abuse and/or neglect by the owner including, but not limited: Landtech not having the maintenance contract, improper site use, irrigation system not functioning/ functioning properly, vandalism, if winter watering is not provided by Landtech, acts of God, etc.

### 2024 Tree Installation ~60 Trees

Items	Quantity	Unit	
Tree Installation Deciduous	35.00	Ea	
Tree Installation Evergreen	25.00	Ea	
<b>2024 Tree Installation ~60 Trees:</b>			<b>\$48,600.00</b>

### Demolition, Winter Watering, Tree Wrap, & Warranty

Items	Quantity	Unit	
Demolition, Winter Watering, Tree Wrap, & Warranty	1.00	Flat	
<b>Demolition, Winter Watering, Tree Wrap, &amp; Warranty:</b>			<b>\$26,400.00</b>

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**PROJECT TOTAL: \$75,000.00**

## Terms & Conditions

We appreciate your time in considering Landtech Contractors, LLC. for this project. If you should have any questions or require additional information, please do not hesitate to call. Price will be honored for 30 days from proposal date. Sales tax will be charged on selling price of all materials at local rates unless tax exempt.

By \_\_\_\_\_  
Ben Zand  
Date 10/30/2023  
\_\_\_\_\_  
Landtech Contractors, LLC

By \_\_\_\_\_  
Date \_\_\_\_\_  
\_\_\_\_\_  
Blackstone Metro District



October 10, 2023

Ms. Jordan  
Westwind Management  
27 Inverness Drive East  
Englewood, CO 80112

RE: Blackstone Metropolitan District: 2024 Tree Planting Plan & Implementation: All areas & Filings.

Jordan:

We, Tree Analysis Group, LLC. (TAG), appreciate the opportunity to assist the Blackstone Metrodistrict with organizing, managing, and implementing the 2024 tree planting plan and program for the streetscapes and medians for the District. The 2024 planting is largely for replacement of dead, weak, or missing trees in all Blackstone areas and Filings.

Attached is our proposal for TAG to provide planting plan oversight, assistance, and post planting follow up inspections (three per year) for the newly planted trees.

Please review our proposal and let us know if you or the Board have any questions or need any modifications made. The scope is intentionally limited to what we understand are your needs, but we can easily expand, reduce, or change the scope or services as you would like or need.

Thank you again for your interest in Tree Analysis Group and our services and our tree planting program services for the Blackstone Metrodistrict. We look forward to working with you, the Board or landscape committee, and the team at LandTech to implement the 2024 tree planting program and as well as any other tree, landscape, or irrigation consultation needs in the future.

Sincerely,

Bob Howey  
Principal  
Tree Analysis Group, LLC / Irrigation Analysis  
ISA Certified Arborist / ASCA Consulting Arborist / IA Certified Landscape Irrigation Auditor  
[bob@treeanalysis.com](mailto:bob@treeanalysis.com) / 303-726-1952



**Blackstone Metrodistrict – 2024 Tree Planting Plan & Implementation:  
Selections, Mapping, Planting Coordination and Oversight, and  
Follow Up Inspections  
10/10/23**

Tree Analysis Group will provide the following requested tree consulting work pertaining to the Blackstone tree planting plan implementation:

**Planting Plan/Oversight/Management:**

- > Check site for Warranty Replacements from 2023, create replacement list and locations for Contractor replacement, share 2023 Warranty List for replacement in 2023 with Blackstone.
- > Create new, numbered Blackstone Tree Planting List for 2024: Determine best tree selections for each specific tree location including: tree hardiness, aesthetics, function, scale, design intent, existing adjacent tree species, and species diversity considerations.
- > Review the planned 2024 new trees and warranty trees with the Landscape Committee, and drive through and/or plant list if/as possible. This will mainly be informational, but adjustments to tree selections or planting locations can be made if notified by the Committee on a timely basis.
- > Planting Map: Create a numbered map for the corresponding tree planting locations – our tree mapping will work from LandTechs removal map created from a basic site map for all of Blackstone.
- > Assist with current years tree planting RFP and RFP Review as needed. Provide updated 2024 Tree Planting RFP and Planting Requirements template as needed.
- > Based on scheduling with LandTech (or other contractor), jointly flag and/or mark tree planting locations in advance, prior to planting day(s) with LandTech.
- > Sourcing, one onsite inspection of tagged trees in the selected nursery, if local, or by review of photos if non-local (Contractor is responsible for sourcing and nursery tagging and scheduling or providing the inspection).
- > Meet with LandTech or the selected contractor onsite on scheduled planting date: if possible, inspect trees: verify proper species, size, and general health/condition – if any issues are found, these will be communicated to the contractor and to Blackstone, review planting locations, etc.
- > Spot checks, two (2) onsite, in progress planting inspections, verify that proper planting techniques and requirements are being followed.
- > Inspect completed planting and brief email report to manager on completion and any planting issues or concerns.
- > Be available for and answer any questions from LandTech relating to the tree planting. (Selection of trees at the nursery, inspection and tagging, can be done, but is not currently included.)

**New Planting – 1<sup>st</sup> Year Follow up Inspections:**

- > Following the planting: inspect newly planted trees - 3 visits per season: 2 times during growing season and one time during the dormant, winter season. Evaluate apparent care,



check for tree health, spot check soil moisture levels, conditions, any damage or issues, soil moisture, etc.

> Though the focus is on the newly planted trees, we will also provide a brief check of the previously planted trees and note any needs, issues, or concerns.

> Provide a brief email report to manager or others, on request or as needed, after each inspection including any issues or concerns with the newly or recently planted trees.

*\*This proposal is based on a one time, single planting of the approximately 60 new trees.*

## **Blackstone 2024 Planting Plan Implementation and Assistance with Follow-up Inspections**

**Total \$4,810\* (based on approximately 60\* new & up to 20 warranty trees/planting)**

*\*includes approximately, up to 60 Trees over all Blackstone Landscape Areas.*

*If the actual, final planting quantity is more or less than 10% different, the cost will be adjusted accordingly at the rate of \$40/tree.*

Please note that despite the Boards', our, and the contractors correct and best efforts, some plant loss or attrition and then replanting should be expected; but this also should be all or largely covered under the planting warranty. Tree planting locations, selections, and timing (Planting Year) can be altered or changed if needed, but formal reworking of these may require additional work. Although TAG will be inspecting the trees at planting, if approved; we have not included inspection and tagging in the nursery at this time, this can be added on if desired.

Additional, one time or regular, ongoing, Tree and Landscape Inspections of the entire Metrodistrict, assistance with shrub or other landscape project planning or oversight, irrigation system efficiency inspections, or other related items can be provided for Blackstone if desired too.

We look forward to again assisting to implement and proactively manage your Blackstone Metrodistrict streetscapes and medians tree planting plan/program. Please let us know if you have any questions or if you would like to discuss any changes or adjustments to this proposal.

\*\*\*\*\*



**Approval Page**

**Blackstone Metrodistrict – 2024 Tree Planting Plan Implementation**

**10/10/23**

**Blackstone Metropolitan District**

**Approved by:** \_\_\_\_\_ - \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

*Approved Total for 2024 Tree Planting Management and Follow-up Inspections:  
\$4,810*

**Tree Analysis Group, LLC**

**By:** \_\_\_\_\_ - **Bob Howey**

**Title: ISA Certified Arborist / ASCA Consulting Arborist  
Tree Analysis Group, LLC - Principal/Member**

**Date:** \_\_\_\_\_

# **COMMITTEE REPORTS**





## Purchase and Installation of 3 Dog Waste Stations

**Date** 10/9/2023  
**Customer** Jordan Devine | Westwind Management | 27 Inverness Drive East | Englewood, CO 80112  
**Property** Blackstone Metro District | 7777 S. Country Club Pkwy | Aurora, CO 80016  
**Billing Email** curtis.bourgouin@claconnect.com

## Description

Dear Jordan,

Landtech will purchase and install 3 pet waste stations in locations of your choosing at the Blackstone Metropolitan District. We will in-ground mount them in concrete footers as well. Initial purchase comes with trash can liners as well as dog waste bags. These new stations will be incorporated into our weekly servicing of the dog stations.

### Hardscape Enhancement

Items	Quantity	Unit		
Pet Station Installation - Installation/Labor	1.00	Flat		
Pet Station	3.00	Ea		
			<b>Hardscape Enhancement:</b>	\$3,425.00
			<b>PROJECT TOTAL:</b>	<b>\$3,425.00</b>

## Terms & Conditions

We appreciate your time in considering Landtech Contractors, LLC. for this project. If you should have any questions or require additional information, please do not hesitate to call. Price will be honored for 30 days from proposal date. Sales tax will be charged on selling price of all materials at local rates unless tax exempt.

By \_\_\_\_\_

**Ben Zand**

Date 10/9/2023

Landtech Contractors, LLC

By \_\_\_\_\_

Date \_\_\_\_\_

Blackstone Metro District



Original Advisory Letter Template

[Resident Name and Address]

### ADVISORY LETTER

[Date]

Subject: [Blackstone Metro District] [Compliance Type]  
**Account #**[00000], [Address]

Dear [Resident First Name] [Resident Last Name],

It was recently noted that there is an alleged violation of the [Blackstone Metro District], [Compliance Rule] occurring at the above-mentioned address. The violation consists of the following:

**[Compliance.Violation]**

The [Blackstone Metro District], [Compliance Rule] state: [Compliance Rule Verbiage]

Thank you for your attention to this matter. Failure to correct the violation as noted above, or any subsequent violations of the same rule, may result in fines being assessed to the above account.

**To bring the property into compliance and correct the violation, take the above action(s) as noted.**

Once the violation is corrected, either log into the Owner Portal at <https://portal.westwindmanagement.com> or email [CIS@westwindmanagement.com] to notify the District that the property is now in compliance. *(If emailing, please include your name, the District's name, and the property address.)*

*If you have* questions or concerns regarding the violation or the covenant enforcement policy or process, please email [BlackstoneMetro@westwindmanagement.com].

Sincerely,

[Westwind Management Group, LLC - Inverness]  
 For the [Blackstone Metro District] Board of Directors





Revised Advisory Letter Template
----------------------------------

[Resident Name and Address]

### ADVISORY LETTER

[Date]

Subject: [Blackstone Metro District] [Compliance Type]  
**Account #[00000], [Address]**

Dear [Resident First Name] [Resident Last Name],

During the most recent property inspection, we noticed there is a potential violation of the [Blackstone Metro District], [Compliance Rule] occurring at your property. The potential violation consists of the following:

**[Compliance Violation]**

The [Blackstone Metro District], [Compliance Rule] state: [Compliance Rule Verbiage]

We respectfully ask for your attention to this matter and ask that you either correct the above issue or inform us that this issue has already been corrected.

In order to avoid any additional fines or penalties, we ask that you correct this issue as soon as possible. If you need additional time, please contact Westwind at the below email and/or phone number. If you feel that you have received this notice in error, or that you are not the correct owner, kindly contact Westwind at xxx-xxx-xxxx to avoid any subsequent violations and/or fines to your account.

**Once you have corrected the issue and have brought your property into compliance** please either log into the Owner Portal at <https://portal.westwindmanagement.com> or email [CIS@westwindmanagement.com] to notify the District that this issue has been resolved. *(If emailing, please don't forget to include your name, the District's name, and the property address.)*

*If you have any other questions or concerns regarding this notice, the covenant enforcement policy or process, please email [BlackstoneMetro@westwindmanagement.com].*

Sincerely,

[Westwind Management Group, LLC - Inverness]  
 For the [Blackstone Metro District] Board of Directors



# **LEGAL REPORT**

**BLACKSTONE METROPOLITAN DISTRICT  
ANNUAL ADMINISTRATIVE RESOLUTION  
(2024)**

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WHEREAS, Blackstone Metropolitan District (the “**District**”), was organized as a special district pursuant to an Order and Decree of the District Court in and for the County of Arapahoe, Colorado (the “**County**”), and is located entirely within the City of Aurora, Colorado; and

WHEREAS, the Board of Directors (the “**Board**”) of the District has a duty to perform certain obligations in order to assure the efficient operation of the District and hereby directs its consultants to take the following actions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The Board directs the District’s legal counsel to cause an accurate map of the District’s boundaries to be prepared in accordance with the standards specified by the Division of Local Government (“**Division**”) and to be filed in accordance with § 32-1-306, C.R.S.
2. The Board directs the District’s legal counsel to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of any municipality in which the District is located, and the Division of the name of the chairman of the Board, the contact person, telephone number, and business address of the District, as required by § 32-1-104(2), C.R.S.
3. The Board directs the District’s legal counsel to prepare and file with the Division, within thirty (30) days of a written request from the Division, an informational listing of all contracts in effect with other political subdivisions, in accordance with § 29-1-205, C.R.S.
4. The Board directs the District’s accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by §§ 11-58-101, et seq., C.R.S.
5. The Board directs the District’s accountant to: (a) obtain proposals for auditors to be presented to the Board; (b) cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and (c) cause the audit to be filed with the State Auditor by July 31, or by the filing deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the District’s accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31 in accordance with § 29-1-604, C.R.S.
6. The Board directs the District’s accountant, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, to cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District’s audit report or a copy of its application for exemption from audit in accordance with § 29-1-606(7), C.R.S.

7. The Board directs the District's accountant to submit a proposed budget to the Board by October 15 and prepare the final budget and budget message, including any amendments thereto, if necessary. The Board also directs the District's accountant to perform the property tax limit calculation, if required by §§ 29-1-306, *et seq.*, C.R.S., and to inform the Board of the result of such calculation. The Board directs the District's Manager to schedule a public hearing on the proposed budget or amendments, as applicable, and to post or publish notices thereof. The Board directs legal counsel to prepare all budget resolutions. The Board directs the District's Manager to file the budget, budget resolution, and budget message with the Division on or before January 30th, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

8. The Board directs the District's accountant to monitor all expenditures and, if necessary, to notify the District's legal counsel, the District's Manager, and the Board when expenditures are expected to exceed appropriated amounts. The Board directs the District's Manager to prepare all budget amendment resolutions. The Board directs the District's Manager to schedule a public hearing on a proposed budget amendment and post or publish notices thereof in accordance with § 29-1-106, C.R.S. The Board directs the District's Manager to file the amended budget with the Division on or before the date of making such expenditure or contracting for such expenditure, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

9. The Board directs legal counsel to cause the preparation of the Unclaimed Property Act report and submission of the same to the State Treasurer by November 1st if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with § 38-13-110, C.R.S.

10. The Board directs the District's accountant to prepare the mill levy certification form and directs the District's accountant to file the mill levy certification form with the Board of County Commissioners on or before December 15th, in accordance with § 39-5-128, C.R.S.

11. The Board directs that all legal notices shall be published in accordance with § 32-1-103(15), C.R.S.

12. The Board determines that its directors may receive compensation for their services as directors subject to the limitations set forth in § 32-1-902(3)(a)(I), (II), C.R.S.

13. The District hereby acknowledges, in accordance with § 32-1-902, C.R.S., the following officers for the District:

President/Chairman:	Shawn McGoff
Vice President:	Perry Deeds
Treasurer:	Lee McCall
Secretary:	Lisa Monahan
Director:	Marty Liles
Recording Secretary:	District Manager

14. The Board hereby determines that each member of the Board shall, for any potential or actual conflicts of interest, complete conflicts of interest disclosures and directs legal counsel to file the conflicts of interest disclosures with the Board and with the Colorado Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board, in accordance with § 32-1-902(3)(b) and § 18-8-308, C.R.S. Written disclosures provided by Board members required to be filed with the governing body in accordance with § 18-8-308, C.R.S., shall be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to legal counsel regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections, or deletions to said conflicts of interest disclosures.

15. The Board confirms its obligations under § 24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.

16. The Board hereby appoints legal counsel as the official custodian for the maintenance, care, and keeping of all public records of the District, in accordance with §§ 24-72-202, et seq., C.R.S. The Board hereby directs its legal counsel, accountant, manager, and all other consultants to adhere to the Colorado Special District Records Retention Schedule as adopted by the District.

17. The Board directs the District's Manager to post notice of all regular and special meetings in accordance with § 32-1-903(2) and § 24-6-402(2)(c), C.R.S. The Board hereby designates <https://blackstonemetro.org/> as the District's website for the posting of its regular and special meeting notices. The Board also hereby designates, unless otherwise designated by the Board, the posting box located on the northeast corner of S. Blackstone Pkwy and E. County Line Rd, Aurora, CO as the location the District will post notices of meetings in the event of exigent or emergency circumstances which prevent the District from posting notice of the meeting on the District's website. The Board directs the District's Manager to provide the website address set forth above to the Department of Local Affairs for inclusion in the inventory maintained pursuant to § 24-32-116, C.R.S.

18. The Board determines to hold regular meetings on the Third Tuesday of February through November at 6:00 p.m. at Blackstone Country Club, 7777 S. Country Club Parkway, Aurora, Colorado. All notices of meetings shall designate whether such meeting will be held by electronic means, at a physical location, or both, and shall designate how members of the public may attend such meeting, including the conference number or link by which members of the public can attend the meeting electronically, if applicable.

19. The Board determines to hold an annual meeting, pursuant to § 32-1-903(6), on July 16, 2024 at 5:30 p.m. at Blackstone Country Club, 7777 S. Country Club Parkway, Aurora, Colorado, subject to change by action of the Board. Notice of the annual meeting shall designate whether such meeting will be held by electronic means, at a physical location, or both, and shall designate how members of the public may attend such meeting, including the conference number or link by which members of the public can attend the meeting electronically, if applicable. The



District's Manager shall be responsible for coordinating the required presentations for the annual meeting.

20. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in § 24-6-402(2)(c), C.R.S., provided that any actions taken at such emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.

21. The Board directs the District's Manager to maintain the District's website in compliance with state and federal requirements and to make such documents and information required by § 32-1-104.5, C.R.S. available to the public on the District's website.

22. For the convenience of the electors of the District, and pursuant to its authority set forth in § 1-13.5-1101, C.R.S., the Board hereby deems that all regular and special elections of the District shall be conducted as independent mail ballot elections in accordance with §§ 1-13.5-1101, *et seq.*, C.R.S., unless otherwise deemed necessary and expressed in a separate election resolution adopted by the Board.

23. Pursuant to the authority set forth in § 1-1-111, C.R.S., the Board hereby appoints Ashley B. Frisbie, as the Designated Election Official (the "DEO") of the District for any elections called by the Board, or called on behalf of the Board by the DEO, and hereby authorizes and directs the DEO to take all actions necessary for the proper conduct of the election, including, if applicable, cancellation of the election in accordance with § 1-13.5-513, C.R.S.

24. In accordance with § 1-11-103(3), C.R.S., the Board hereby directs the DEO to certify to the Division the results of any elections held by the District and, pursuant to § 32-1-1101.5(1), C.R.S., to certify results of any ballot issue election to incur general obligation indebtedness to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District and file a copy of such certification with the Division of Securities.

25. The Board directs legal counsel to cause a notice of authorization of or notice to incur general obligation debt to be recorded with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness, in accordance with § 32-1-1604, C.R.S.

26. Pursuant to the authority set forth in § 24-12-103, C.R.S., the Board hereby designates, in addition to any officer of the District, Alyssa K. Rios of the law firm of White Bear Ankele Tanaka & Waldron, Attorneys at Law, as a person with the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion.

27. The Board directs legal counsel to cause the preparation of and filing with the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, if requested, the application for quinquennial finding of reasonable diligence in accordance with § 32-1-1101.5(1.5), (2), C.R.S.

28. The Board directs legal counsel to cause the preparation of and the filing with the Board of County Commissioners or the governing body of any municipality in which the District



is located, the Division, the State Auditor, the County Clerk and Recorder, and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S., an annual report in accordance with § 32-1-207(3)(c), C.R.S.

29. The Board directs the District's Manager to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District's liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the District's Manager to review and update the District's property schedule as needed, and no less than annually. The Board directs the District's accountant to pay the annual SDA membership dues, agency fees, and insurance premiums, as applicable, in a timely manner. The Board appoints legal counsel to designate the proxy for the SDA Annual meeting for voting and quorum purposes.

30. The Board hereby opts to include elected or appointed officials as employees within the meaning of § 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs legal counsel to obtain workers' compensation coverage for the District.

31. The Board hereby directs legal counsel to prepare the disclosure notice required by § 32-1-809, C.R.S., and to disseminate the information to the electors of the District accordingly. Further, the Board hereby designates the following website as the District's official website for the purposes thereof: <https://blackstonemetro.org/>.

32. The Board hereby directs legal counsel to prepare and record with the County Clerk and Recorder updates to the disclosure statement notice and map required by § 32-1-104.8, C.R.S., if additional property is included within the District's boundaries.

33. In accordance with § 38-35-109.5(2), C.R.S., the District hereby designates the President of the Board as the official who shall record any instrument conveying title of real property to the District within thirty (30) days of any such conveyance.

34. The Board hereby affirms the adoption of the corporate seal in substantially the form appearing on the signature page of this resolution in accordance with § 32-1-902, C.R.S., regardless of whether initially produced electronically or manually. The requirement of any District resolution, proceeding or other document to "affix" the District seal thereto, including for the purpose of satisfying any applicable State law, shall be satisfied by manual impression or print, facsimile reproduction or electronic reproduction, or inclusion of the image of such seal. Without limiting the foregoing, any electronic production or reproduction of the image of the seal shall constitute an electronic record of information, as defined in the Uniform Electronic Transactions Act, and the Board hereby authorizes its use in accordance with the authority provided by § 24-71.3-118, C.R.S.

35. The Board directs the District's accountant to prepare and submit the documentation required by any continuing disclosure obligation signed in conjunction with the issuance of debt by the District.

36. The Board directs legal counsel to monitor, and inform the Board of, any legislative changes that may occur throughout the year.

*[Remainder of Page Intentionally Left Blank, Signature Page Follows]*

ADOPTED NOVEMBER 7, 2023.

(SEAL)

**DISTRICT:**

**BLACKSTONE METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado

By: \_\_\_\_\_  
Officer of the District

Attest:

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

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

# **MANAGEMENT REPORT**

# Blackstone Metro District

## Management Report – September/October 2023

### Accounting

- Continuous review and upload of invoices to Bill.com.
- Follow up on payment inquiries from vendors and/or residents.
- Send fee waiver requests to the Board of Directors for consideration under separate cover.
- Distribute Delinquency Report to the Board of Directors under separate cover.
- Distribute Status Report from Altitude Law to the Board of Directors under separate cover.
  - *The purpose of the status report is to keep the Board informed as to the current state of each delinquent matter, the significant actions that occur on each matter and what the next planned steps are.*

### Administrative

- Manage posting to the District website of the following documents:
  - August 2023 regular meeting minutes
- Reschedule the November Board of Directors meeting to Tuesday, November 7th, 2023.
- Prepare November 7, 2023, special meeting agenda and board packet for review by the Board of Directors and manage posting to the District website.
- Send community email blasts as updates are made available.

### Architectural/Compliance

- Send ARC variance requests to the Architectural Review Committee for consideration.
- Send Compliance Report to the Board of Directors under separate cover.
- Review covenant enforcement process with Westwind Community Inspection Team, Director Monahan, and Director Liles.
  - Director Monahan and Director Liles edited the Advisory Notice template for covenant enforcement to a more friendly tone to be reviewed by the remaining Board members.
  - ***Review and distribute remaining compliance letter templates revised by Director Monahan and Director Liles.***

### Bids/Contracts

- GFL/Republic Trash Contract
  - Continue to work with GFL/Republic on customer service issues.
- Ripped Sail Shade at Country Club Park
  - Warranted fabric received and placed in storage locker.
- Landscape Contract
  - Sent the current 2023-2024 contract with LandTech for the Board of Directors' review and consideration of areas that may warrant change/additional specificity.

- District Website
  - Research other options for web management and obtain proposal/s for the Board of Directors' consideration.
- **Research mailbox light options (request from Director Deeds 10/26/23)**
- **Obtain proposal/s for playground inspections (Rocky Mountain Playground Services)**

## Committees

- Dog Waste Stations
  - Obtained proposal for installation of 3 new dog waste stations as requested by the Landscape Committee.

To whom it may concern,

Thank you very much for this opportunity to help with the community's website needs. Here is my proposal for annual website administration.

- **Proposal Outline:** Manage and maintain community website on the current Content Management System (Wordpress, Wix, etc.) platform or other existing format.
- **Services to be performed as needed:**
  - Update website content, graphics, and documents, including but not limited to, community newsletters/information, event calendars, contact information, blogs, and district documents.
  - Collaborate with the Board, committee members and manager to ensure information posted on the districts' website conforms to editorial standards and guidelines.
  - Collaborate with the Board, committee members and manager to revise existing pages and create new web content at the direction of the Board.
  - Assess the accessibility and usability of pages, making recommendations for changes as appropriate.
  - Track and report site metrics when requested.
  - Set up and administer email accounts associated with the domain.
  - Maintain the security and usability of the website by implementing CMS core, plugin, and theme updates.
  - Other duties as assigned and directed by the Board, shareholders, or manager.
- **Rate:** \$600 per year.
  - *Commencement of Billing:* If this agreement is in conjunction with the creation of a new website, the billing for web administration services shall commence upon the completion of the website creation and its successful deployment to the live environment. In the event the website completion and deployment occur after the start of the calendar year, the administration fees shall be prorated based on the remaining months of the year.
- **Portfolio:** A sampling of websites I manage are Blackstone Metropolitan District (<https://blackstonemetro.org>), Brighton Crossings ([www.brightoncrossings-connect.com](http://www.brightoncrossings-connect.com)), Lewis Pointe Metro District (<http://lewispointemd.com>), Buckley Yard Metro District No. 2 (<https://buckleyyardmd.org>), and The Conservatory HOA ([www.conservatoryhoa.com](http://www.conservatoryhoa.com)).

I look forward to working with the district and supporting the community's website. My primary business focus is to serve the online needs of metropolitan districts and homeowners associations. Thank you for your consideration.

Most Sincerely,  
Heather Sosa, *Heatherly Creative, LLC*  
C: 720-635-6286 E: [heatherlsosa@gmail.com](mailto:heatherlsosa@gmail.com)

**Jordan Devine**

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**From:** Hannah Holmes  
**Sent:** Wednesday, October 11, 2023 1:00 PM  
**To:** Jordan Devine  
**Cc:** Michael Rivera  
**Subject:** RE: Board Packet


Hi Jordan,

I was able to talk to my manager, and we can lower the price down for you to 1,500 for the annual cost. The only thing we cannot change is the \$500 migration. What we can do is start working on the site now, pay the \$500 this year, and start your billing on Jan 1st if that works for you guys?

Let me know what you think, and I am happy to help in any way I can.




**Hannah Holmes**  
Special District Manager, Streamline

 (916) 333-0620

 [www.getstreamline.com](http://www.getstreamline.com)

 [Hannah@getstreamline.com](mailto:Hannah@getstreamline.com)

 3301 C Street Suite 1000 Sacramento, CA 95816

**Book a Meeting >**

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Prefer fewer emails from me? Click [here](#)



# Blackstone Metropolitan District

Quote created: August 31, 2023 Reference: 20230831-102535864

**Blackstone Metropolitan District**

**Jordan Devine**

jdevine@westwindmanagement.com

303-369-1800 ext. 136

## Comments

Migration-\$500

Hannah Holmes - Streamline



## Products & Services

**Streamline Web Member**

1 x \$2,988.00 / year

Annual subtotal ..... \$2,988.00

**Total ..... \$2,988.00**

**This quote expires on December 1, 2023**

**Purchase terms**



## STREAMLINE

The Special District Website Engine

### Response to Proposed Website

#### Streamline introduction

Streamline is a website development system built specifically for special districts and local agencies. Our intention is to provide a product that lets district staff focus on what they do best: deliver services to their customers. We know many special districts don't have IT staff, and our vision is to empower them with web technology that makes their lives easier, not harder.

#### Platform overview: key features

- **Meeting dashboard.** The meeting dashboard is designed to help special districts keep up to date with posting requirements, including the recent requirement for virtual meeting access.
- **Agenda reminders.** Use the agenda reminder functionality to send an email to your Board Secretary before the 24 posting deadline, so you never forget to post your agenda online.
- **Transparency dashboard** helps track for transparency best practices, such as budgets, audits, and public records requests. See what content is suggested to be considered a transparent organization, or filter to see only your state requirements.
- **Clear indication of State compliance.** The transparency dashboard clearly indicates the website content required and allows you to create and publish this content with ease. **Compliance with all current and upcoming government requirements** (for example, the recently-passed law in CA requiring posting of most recent agenda to the home page).
- **Full ADA / Section 508 compliance** for visitors with disabilities, as required by the federal government.
- **Responsive and mobile friendly**
- **Easily embed anything:** MailChimp, Constant Contact, Survey Monkey, Google Maps, PayPal, social media feeds , and even calendars into any page in seconds.

#### The Process

1. **Site set-up:** Streamline builds your new website (*~15 minutes*)
2. **Content migration (if applicable):** District staff or Streamline transfers content from the old website to the new, Streamline website.
3. **Training:** District staff members complete an online training session with our Customer Success Manager (*1 hour*)
4. **Go-Live:** Take your new website live to the world using our free, or your custom, domain

## What your Streamline subscription includes

Technology	Setup and training	Ongoing support
Easy-to-use website tool allows you to control your content - no more waiting on a vendor or IT.	Initial website setup is free, and done before we meet - including information architecture (menu) best practices.	Unlimited support is included for anyone on your staff responsible for updating the website.
Built-in ADA compliance (the platform is fully accessible out of the “box”).	Introduction to your state requirements so you know what needs to be posted.	Support system is built into your website - get help with the click of a button.
State-specific transparency dashboard with checkpoints for all posting requirements.	Training for your anyone on your staff via remote meeting to help you learn the system.	Unlimited hosting of content and files so you never have to “upgrade” your account.
Meeting dashboard with agenda reminders, one-click agenda and minute upload that takes seconds.	Free domain included (acmemud.specialdistrict.org) or connect your own custom domain / web address.	Extensive knowledge base of how-to articles and getting started guides are available 24/7.
Ongoing improvements to existing features included at no cost - your software will never be out of date.	Free SSL security certificate so that your site is served over https and visitors are protected.	Can't figure out how to send your question? That's ok, you'll have our technical support number, too.
<p><i>And if (when) your state passes additional website mandates, Streamline Web will be updated to help you comply as effortlessly as possible.</i></p>		



## STREAMLINE

# How special districts stay safe from ADA website risks

*It's the law, and it's the right thing to do. We're committed to the best user experience for users with disabilities.*

Just as buildings must have wheelchair ramps, public websites must have special provisions for users with disabilities. The number of lawsuits rose 56% in 2021<sup>1</sup>, and the penalties for noncompliance are rising fast—averaging \$4,000 for an ADA claim in 2019<sup>2</sup> to \$39,000 in 2022. It's a situation that *The Wall Street Journal* calls “very perilous” in a [recent article](#).

The most appalling development is that the majority of new actions are targeting organizations smaller than 30 million in revenue, as they are often not aware of or prepared to meet web accessibility standards.

### Quantifying the risk

Districts often ask themselves, “What is the actual risk that an ADA claim will affect us?” The results are both surprising and unpredictable.

The overwhelming majority of ADA-related claims never make it to court. They are quietly settled, usually forced by insurance pools who want to manage risk without admitting to any wrongdoing or panicked districts who realize their EPLI insurance doesn't cover *website*-related ADA issues (the majority do not).

## More than 2,403

### districts affected

(about 6% of all districts in the US, including county-dependent districts) have been fined, received demand letters, or gotten Department of Justice Office of Civil Rights (OCR) letters for website ADA violations in the US.

That number is expected to **exceed 4,000** (10%) by the end of 2024.

## Very few

### if any, special district insurance policies even partially cover the costs of web accessibility issues

Most insurance carriers, including district statewide insurance pools, do not cover website-specific ADA claims in their EPLI policies. ADA is *not* covered by cyber, either.

Median deductible: **\$5,200**

Median settlement: **\$25,000**<sup>3</sup>

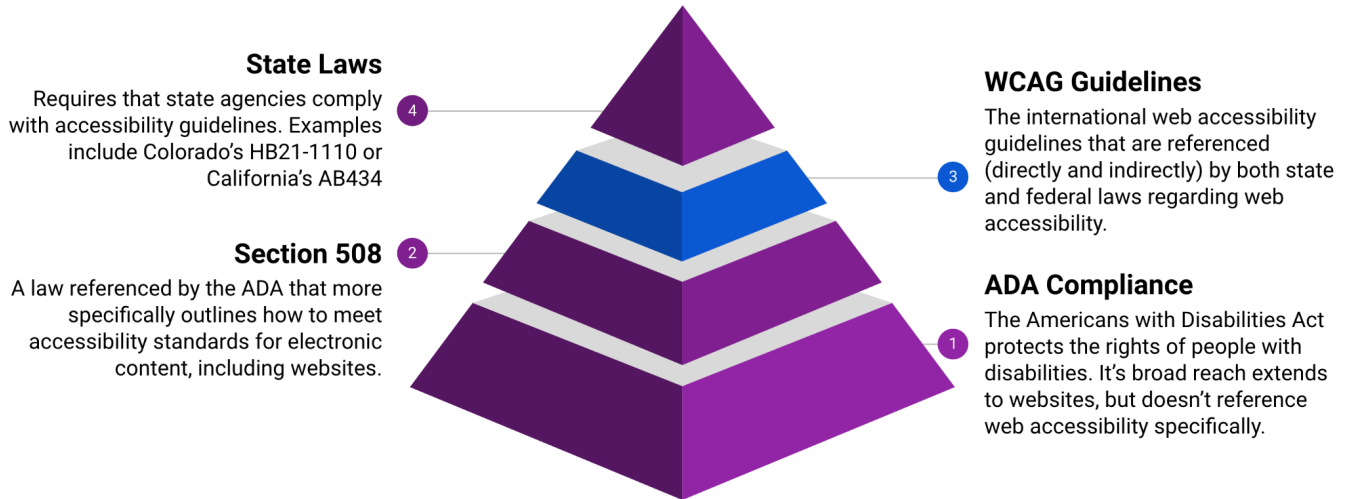
<sup>1</sup> <https://www.wsj.com/articles/lawsuits-over-digital-accessibility-for-people-with-disabilities-are-rising-11626369056>

<sup>2</sup> <https://ada.jmbm.com/ada-website-accessibility-lawsuits-wont-go-away-in-2020-part-1-how-we-got-here/>

<sup>3</sup> <https://www.boia.org/blog/did-u-s-businesses-spend-billions-on-legal-fees-for-inaccessible-websites-in-2020>

## Accessibility Laws

The laws surrounding accessibility are both disjointed and nuanced. There are a few layers of federal regulations further augmented by state regulations. *While more and more state laws are emerging with their own timelines and penalties, most districts do not realize that they are already liable for violations of federal laws, which comprise the majority of current actions.*



## Understanding website accessibility

Districts are required to have not only a website that is technically accessible but policies and procedures for reporting and remediation.

### What is my district's risk now?

One way to assess risk is to scan your homepage. Learn how to use Lighthouse or run a free scan at [getstreamline.com/accessibility-scanner](https://getstreamline.com/accessibility-scanner)



### What is Google Lighthouse?

A free tool that anyone can use to scan your webpage to check for accessibility. It is available in the Chrome browser by hitting F12.



### Accessibility

Lighthouse tests basic webpage conformance to standards such as WCAG, which is one of many requirements for web accessibility. Districts must also scan all pages, PDF documents, maintain an accessibility policy, check for closed captioning on videos, and more to meet federal standards.

## Streamline will protect you

### Streamline cares about accessibility

The Streamline team has a long history of working on accessible websites. At the California Capital, Streamline’s CEO was presented with the “Vision Award” from Disability Rights California, the nation’s largest disability rights advocacy group, for their work on making websites more accessible to the public.

The award was presented by Jeffrey Thom, a board member, Stanford-trained attorney, and long-time champion of disability rights. In presenting the award, Jeffrey, who is blind, challenged the audience.

“Consider how frustrated you would be if you went to your favorite website and you got just a blue screen with nothing on it,” he said. “This is the reality for many users with disabilities.”



### Meet our legal team

Streamline has partnered with two of the most recognized ADA defense attorneys in the United States—Martin Orlick and Stuart Tubis of Jeffer Mangels Butler & Mitchell LLP. They are intimately familiar with your website, the Streamline platform, and understand the unique nature of public sector Title II ADA complaints.



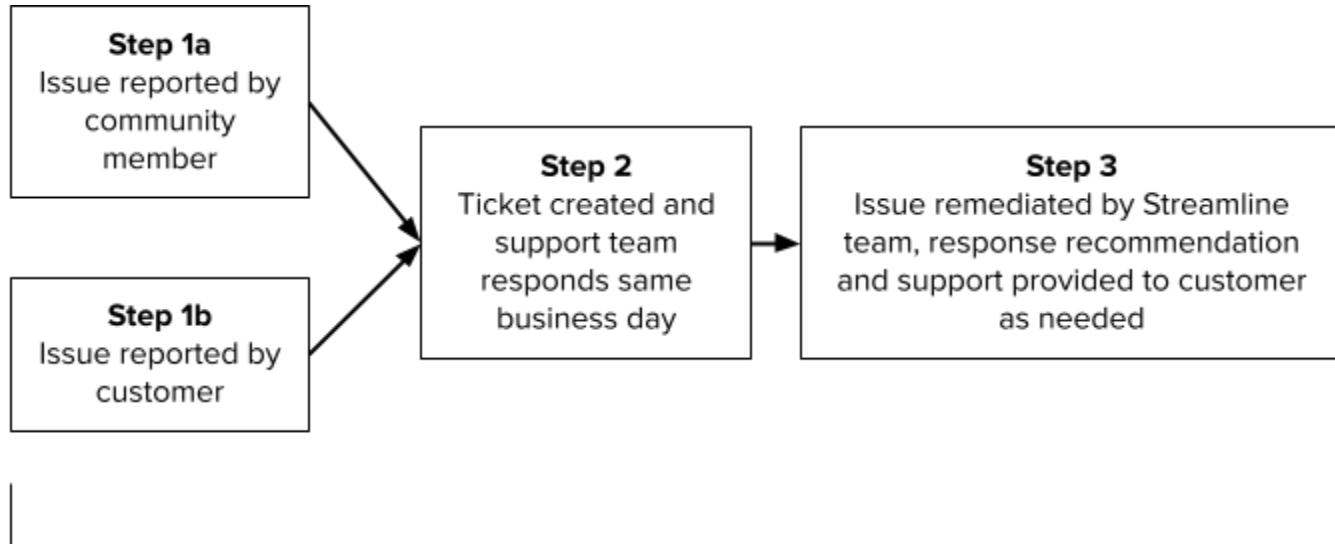
### Our accessibility review process

Streamline conducts rigorous audits of its own platform in partnership with LevelAccess, one of the leading providers of web accessibility testing. This includes numerous real users with real disabilities on various accessible technologies (ATs) testing the site for issues.

Any identified issues are immediately addressed by our engineering team. Since accessibility best practices are constantly evolving, our work is never complete. If we find a widespread issue affecting multiple sites, we will work with those customers directly to resolve the issue in a timely manner.

## Our rapid response process

Streamline is committed to a speed response when either you or a member of your community finds an issue. Also, all communication is carefully documented in case the request for accommodation leads to a legal action or demand letter.



within one business day

## Ongoing training

Streamline offers CE-credit eligible ongoing accessibility training for special districts. Learn more or sign up for a class at [getstreamline.com/accessibility](https://getstreamline.com/accessibility).

## How Streamline can help you

### Streamline Accessibility Shield™

Streamline is the first and only company to offer ADA scanning built into its product for special districts.

The screenshot displays the Streamline Accessibility Shield dashboard. At the top, there's a 'Compliance' section with tabs for 'Transparency' and 'Accessibility'. Below this is the 'Your Accessibility Snapshot' for a site scanned on 1/28/22. It features four key metrics: Homepage Score (100/100), Pages (Need Attention) (18), Files (Need Attention) (0), and Images (Need Attention) (5). A 'Site Snapshot' donut chart shows that 80% of website pages are accessible. A '6 Month Site Scan Snapshot' bar chart shows accessibility scores for Aug, Sep, Oct, Nov, Dec, and Jan. The 'Your Accessibility To-Do List' section highlights missing alt tags for five images, including a firefighter, a woman at a whiteboard, and several book covers.

What AccessibilityShield can do for your board members and management:

- Monthly comprehensive site scans
- Public accessibility policy landing page with up-to-date best practices for your state
- Website issue reporting form
- Scan results and remediation action reports
- Monthly board-ready compliance reports<sup>4</sup>

Why the person editing your website (e.g. a board secretary or communications director) will love it:

- AI-driven alt-text will automatically tag your images
- Color contrast boundaries, correctly-formatted headers, specific ADA-friendly fonts selected
- Mobile responsive designs that maintain ADA compliance for the 40% of people not on a desktop

What AccessibilityShield doesn't do (yet) that you will need to check manually:

- Check your PDFs for potential accessibility issues (coming soon)
- Check your images to make sure they don't have text in them that you should also have on your page, such as a flyer (coming soon)
- Check your videos for closed captioning (this is something you will want to have in place)
- Check third-party content or linked content, such as an embedded map or widget, so please place custom HTML with care, or just ask us for help!

<sup>4</sup> Coming in 2023



**Acme Municipal Utility District**

Home Meetings About Us Services Updates Contact Us Donate Today

**Accessibility Assistant**

**Your Page Score** 99

Last Scanned: 1/28/22

[Fix & Auto Re-scan](#)

**Accessibility issues:**

Click on each issue to learn how to resolve

- Heading order (1)
- All text missing (1)

**Usability issues:**

- Broken link (1)

**All text missing**

All images must have alt text that explains the image that is being displayed on the page. To add your alt text, simply click on image in your page editor and you're all set.

Alt-text Tree in a ce...

[Got it! Take me to my images "to-do list"](#)

ACME Cemetery District

222 ACME PARKWAY, ACMEVILLE, ACMEVILLE CA 95000

**\$50**

[Pay Now](#)

COPYRIGHT © 2022 ACME MUNICIPAL UTILITY DISTRICT  
222 ACME PARKWAY, ACMEVILLE, ACMEVILLE CA 95000  
TELEPHONE (916) 900-6619 - FAX (916) 222-0000

CONTACT OUR INFECTIOUS DISEASE OFFICER  
PRIVACY POLICY  
WEBSITE ACCESSIBILITY POLICY  
POWERED BY STREAMLINE | SIGN IN

Streamline's accessibility assistant will guide you through specific fixes right on the page, without having to go to another system. With other systems, it can take a few hours to go through all the identified items and fix them on your site. With Streamline, remediation is right at your fingertips, with most identified problems being automatically resolved by the tool. Because Streamline is so easy to use, you can do the fixes yourself, or with help from our responsive team.

**Acme Municipal Utility District**

**Website Accessibility Compliance Report**

Reporting Period: April 2022

[Download or Share](#)

**Compliance Snapshot:**

**Overall Website Score: 80**

At the time of this report, 80% of the pages on your website meet accessibility requirements

**Number of pages scanned: 56**

Your website currently has 56 pages that are accessible to the public. All of these pages were scanned and evaluated in preparation of this report.

**Pages in the process of remediation: 11**

Your website currently has 11 pages that require remediation to meet full compliance.

[View your list of pages that require remediation](#)

Page	Score
<a href="#">About Us</a>	98
<a href="#">Something Else</a>	99
<a href="#">Another Page</a>	99

Comprehensive reports, policies, and workflows will be developed for your organization, bringing you into full compliance.

**ADA Legal Shield™ Coming Soon**

***We won't just stand by our product, we'll stand by you in court.***

Streamline is the first and only company to offer a robust legal defense as part of its offering.

We will indemnify your district against website ADA claims. Our Harvard and MIT-trained attorneys will defend your district against website accessibility claims and demand letters at no cost to you. We'll strike fear into the hearts of trial attorneys looking to make a quick buck off your district, and more importantly, we will make users with genuine disability-related issues get the respect and support they deserve.

Note that ADA Legal Shield™ requires having the accessibility shield criteria met, as well as the district agreeing to reasonable provisions, such as giving Streamline and its legal team strategic control of litigation and waivers/exclusion of claims against physical property matters (such as wheelchair ramps), class action lawsuits, and third-party content. We'll explain all of this in detail if you're interested in learning more.

*All offerings are subject to the terms and conditions of the contract. The Streamline Accessibility Shield is in Beta and developed in active collaboration with districts, attorneys, district associations, and state and local government officials. Pricing and features are subject to change over time.*





## STREAMLINE

# Streamline's Unlimited Training and Support

*Small things, big things, and anywhere in between. Our support team is always here to jump on a call, address your support ticket, or train that new staff member. We've got your back!*

Free training and support from a real human whenever you need it

### **Training**

*We'll teach you how to use your website*

- 1 - hour start-up training for all users
- New staff member training as needed
- Hundreds of on-demand tutorials
- Monthly Masterclass webinars

### **Support**

*We'll jump in if you need help getting it done*

- Email support
- Dedicated phone support hotline
- Request help through your website
- One-on-one Zoom session

*When you reach out, we guarantee a response from a real-human in **less than an hour***

---

Honestly, support might be the thing our customers love most about us

***Our customers give us a 94%, all-time, positive support rating***



“Streamline has made my life so much easier! I don't procrastinate because I'm intimidated and I know that if I need help I can ask. Thank you for taking a daunting task and making it easy, even fun, so that our patrons can find the information they need when they need it.”

*- Su Liudahl, Creswell Library District*



“When I needed help getting more detailed work done on the website, I was able to schedule a one-on-one with Chris in no time. During our meeting, he showed me some cool tricks and got our website looking outstanding! Plus he's just friendly and great to work with. Definitely recommend Streamline to everyone who needs it.”

*- Taylor Gullikson, Los Olivos Community Services District*

**INDEPENDENT CONTRACTOR AGREEMENT  
(MANAGEMENT SERVICES)**

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This INDEPENDENT CONTRACTOR AGREEMENT, including any and all exhibits attached hereto (the “**Agreement**”), is entered into as of the 7th day of November 2023, by and between BLACKSTONE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and WESTWIND MANAGEMENT GROUP, LLC, a Colorado limited liability company (the “**Contractor**”). The District and the Contractor are referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

**RECITALS**

WHEREAS, the District was 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 facilities and improvements for itself, its taxpayers, residents, and users; and

WHEREAS, pursuant to § 32-1-1001(1)(d)(I), C.R.S., the District is empowered to enter into contracts and agreements affecting the affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(i), C.R.S., the District is empowered to appoint, hire, and retain agents, employees, engineers, and attorneys; and

WHEREAS, the District desires to engage the Contractor to perform certain services as are needed by the District to serve the property within and without its boundaries; and

WHEREAS, the Contractor has represented that it has the professional experience, skill, and resources to perform the services, as set forth herein.

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

**TERMS AND CONDITIONS**

1. SCOPE OF SERVICES; PERFORMANCE STANDARDS. The Contractor shall perform the services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Services**”): (a) in a professional manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period and pursuant to the Scope of Services specified in said **Exhibit A**; and (c) using reasonable commercial efforts to minimize any annoyance, interference, or disruption to the residents, tenants, occupants, and invitees within the District. **Exhibit A** may take any form, including forms which may include price and payment terms. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in **Exhibit A**, the terms in the body of this Agreement shall govern. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement

(including **Exhibit A**) or through other authorization expressly delegated to or authorized by the District through its Board of Directors.

2. TERM/RENEWAL. This Agreement shall be effective as of January 1, 2024 and shall terminate on the earlier to occur of: (i) termination pursuant to Section 18 hereof; or (ii) midnight on December 31, 2024. Notwithstanding the foregoing, unless terminated pursuant to subsection (i) above, or unless the District determines not to appropriate funds for this Agreement for the next succeeding year, this Agreement shall automatically renew on January 1 of each succeeding year for an additional one (1) year term.

3. ADDITIONAL SERVICES. The District may, in writing, request the Contractor provide additional services not set forth in **Exhibit A**. The terms and conditions of the provision of such services shall be subject to the mutual agreement of the Contractor and the District pursuant to a written service/work order executed by an authorized representative of the District and the Contractor or an addendum to this Agreement. Authorization to proceed with additional services shall not be given unless the District has appropriated funds sufficient to cover the additional compensable amount. To the extent additional services are provided pursuant to this Section 3, the terms and conditions of this Agreement relating to Services shall also apply to any additional services rendered.

4. REPAIRS/CLAIMS. The Contractor shall notify the District immediately of any and all damage caused by the Contractor to District property and that of third parties. The Contractor will promptly repair or, at the District's option, reimburse the District for the repair of any damage to property caused by the Contractor or its employees, agents, or equipment. In addition, the Contractor shall promptly notify the District of all potential claims of which it becomes aware. The Contractor further agrees to take all reasonable steps to preserve all physical evidence and information, which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the District the opportunity to review and inspect such evidence, including the scene of any damage or accidents. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Services and shall provide all reasonable protection to prevent damage or injury to persons and property, including any material and equipment related to the Services, whether in storage on or off site, under the care, custody, or control of the Contractor or any of its subcontractors.

5. GENERAL PERFORMANCE STANDARDS.

a. The Contractor has by careful examination ascertained: (i) the nature and location of the Services; (ii) the configuration of the ground on which the Services are to be performed; (iii) the character, quality, and quantity of the labor, materials, equipment, and facilities necessary to complete the Services; (iv) the general and local conditions pertaining to the Services; and (v) all other matters which in any way may affect the performance of the Services by the Contractor. Contractor enters into this Agreement solely because of the results of such examination and not because of any representations pertaining to the Services or the provision thereof made to it by the District or any agent of the District and not contained in this Agreement. The Contractor represents that it has or shall acquire the capacity and the professional experience and skill to perform the Services and that the Services shall be performed in accordance with the

standards of care, skill, and diligence provided by competent professionals who perform services of a similar nature to those specified in this Agreement. If competent professionals find that the Contractor's performance of the Services does not meet this standard, the Contractor shall, at the District's request, re-perform the Services not meeting this standard without additional compensation.

b. The Contractor shall use reasonable commercial efforts to perform and complete the Services in a timely manner. If performance of the Services by the Contractor is delayed due to factors beyond the Contractor's reasonable control, or if conditions of the scope or type of services are expected to change, Contractor shall give prompt notice to the District of such a delay or change and receive an equitable adjustment of time and/or compensation, as negotiated between the Parties.

c. The Services provided under this Agreement shall be adequate and sufficient for the intended purposes and shall be completed in a good and workmanlike manner.

d. The Contractor agrees that it has complied and will continue to comply with all Laws while providing Services under this Agreement. "**Laws**" means: (i) federal, state, county, and local or municipal body or agency laws, statutes, ordinances, and regulations; (ii) any licensing, bonding, and permit requirements; (iii) any laws relating to storage, use, or disposal of hazardous wastes, substances, or materials; (iv) rules, regulations, ordinances, and/or similar directives regarding business permits, certificates, and licenses; (v) regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970; (vi) Wage and Hour laws, Worker Compensation laws, and immigration laws; and (vii) rules and regulations of the Colorado Department of Public Health and Environment..

e. The responsibilities and obligations of the Contractor under this Agreement shall not be relieved or affected in any respect by the presence of any agent, consultant, sub-consultant, or employee of the District. Review, acceptance, or approval by the District of the Services performed or any documents prepared by the Contractor shall not relieve the Contractor of any responsibility for deficiencies, omissions, or errors in said Services or documents, nor shall it be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

6. MONTHLY STATUS REPORT. The Contractor shall provide to the District, at the District's request, on or before the 25th of each month, a narrative progress and status report describing work in progress and results achieved during the reporting period, including a description of the Services performed during the invoice period and the Services anticipated to be performed during the ensuing invoice period ("**Monthly Report**").

#### 7. COMPENSATION AND INVOICES.

a. Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit B**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in **Exhibit B** of this Agreement, unless said reimbursement or compensation is approved in writing by the

District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor's actual cost, provided that the Contractor shall make a reasonable attempt to notify the District of the estimated amount of such reimbursable costs (or any material adjustments thereto subsequently identified) prior to commencing the requested services. Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) ("**W-9**"). No payments will be made to the Contractor until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as **Exhibit B**.

- b. Invoices. Invoices for the Services shall be submitted monthly, by the 10<sup>th</sup> of each month, during the term of this Agreement and shall contain the following information:
- i. An itemized statement of the Services performed.
  - ii. Any other reasonable information required by the District to process payment of the invoice, including project and/or cost codes as provided in any applicable written service/work order.

The District shall be charged only for the actual time and direct costs incurred for the performance of the Services. Invoices received by the District after the 10<sup>th</sup> of each month may be processed the following month.

8. TIME FOR PAYMENT. Payment for the Services shall be made by the District within thirty (30) days of receipt of: (i) a timely, satisfactory, and detailed invoice in the form required by Section 7; and (ii) if applicable, a reasonably satisfactory and detailed Monthly Report, for that portion of the Services performed and not previously billed. The District may determine to waive or extend the deadline for filing the Monthly Report, or may make payment for Services to the Contractor notwithstanding a delay in filing the Monthly Report, upon reasonable request of the Contractor, if it is in the interest of the District to do so. In the event a Board meeting is not scheduled in time to review payment of an invoice, the Board hereby authorizes payment for Services, subject to the appropriation and budget requirements under Section 27 hereof, without the need for additional Board approval, so long as any payment required to be made does not exceed the amounts appropriated for such Services as set forth in the District's approved budget. Such payment shall require review and approval of each Monthly Report and invoice by two officers of the District.

9. INDEPENDENT CONTRACTOR. The Contractor is an independent contractor and nothing in this Agreement shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor 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 from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained. The District shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to: local, state or federal income, or other tax contributions, insurance contributions (e.g. FICA taxes),



workers' compensation, disability, injury, health or life insurance, professional liability insurance, errors and omissions insurance, vacation or sick-time benefits, retirement account contributions, or any other form of taxes, benefits, or insurance. The Contractor shall be responsible for its safety, and the safety of its employees, sub-contractors, agents, and representatives. All personnel furnished by the Contractor will be deemed employees or sub-contractors of the Contractor and will not for any purpose be considered employees or agents of the District. **The Contractor is not entitled to worker's compensation benefits or unemployment insurance benefits, unless unemployment compensation coverage is provided by the Contractor or some other entity other than the District, and the Contractor is obligated to pay federal and state income taxes on moneys by it earned pursuant to this Agreement.**

10. **EQUAL OPPORTUNITY.** This Agreement is subject to all applicable laws and executive orders relating to equal opportunity and non-discrimination in employment and the Contractor represents and warrants that it will not discriminate in its employment practices in violation of any such applicable law or executive order.

11. **CONTRACTOR'S INSURANCE.**

a. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of this Agreement, insurance coverage in the minimum amounts set forth in **Exhibit C**, attached hereto and incorporated herein by this reference. A waiver of subrogation and rights of recovery against the District, its directors, officers, employees, and agents is required for Commercial General Liability and workers' compensation coverage. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The District shall have the right to verify or confirm, at any time, all coverage, information, or representations contained in this Agreement.

b. Prior to commencing any work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement, as well as the amounts of coverage for the respective types of coverage, which certificate(s) shall be attached hereto as **Exhibit C-1**. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates evidencing statutory workers' compensation insurance, comprehensive general liability insurance, and automobile liability insurance in amounts satisfactory to the District and the Contractor; provided, however, that sub-contractors of the Contractor shall not be required by the District to provide coverage in excess of that which is required hereunder of the Contractor. If the coverage required expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

c. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations contained in this Agreement, nor shall the purchase of the required insurance serve to limit the Contractor's liability under any provision in this Agreement. The Contractor shall be responsible for the payment of any deductibles on issued policies.



12. CONFIDENTIALITY AND CONFLICTS.

a. Confidentiality. Any information deemed confidential by the District and given to the Contractor by the District, or developed by the Contractor as a result of the performance of a particular task, shall remain confidential. In addition, the Contractor shall hold in strict confidence, and shall not use in competition, any information which the Contractor becomes aware of under or by virtue of this Agreement which the District deems confidential, or which the District has agreed to hold confidential, or which, if revealed to a third party, would reasonably be construed to be contrary to the interests of the District. Confidential information shall not include, however, any information which is: (i) generally known to the public at the time provided to the Contractor; (ii) provided to the Contractor by a person or entity not bound by confidentiality to the District; or (iii) independently developed by the Contractor without use of the District's confidential information. During the performance of this Agreement, if the Contractor is notified that certain information is to be considered confidential, the Contractor agrees to enter into a confidentiality agreement in a form reasonably acceptable to the District and the Contractor. The Contractor agrees that any of its employees, agents, or subcontractors with access to any information designated thereunder as confidential information of the District shall agree to be bound by the terms of such confidentiality agreement.

b. Personal Identifying Information. During the performance of this Agreement, the District may disclose Personal Identifying Information to the Contractor. **"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., the Contractor agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to the Contractor; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

c. Conflicts. Prior to the execution of, and during the performance of this Agreement and prior to the execution of future agreements with the District, the Contractor agrees to notify the District of conflicts known to the Contractor that impact the Contractor's provision of Services to the District.

13. OWNERSHIP OF DOCUMENTS. All documents produced by or on behalf of the Contractor pursuant to this Agreement, including, but not limited to, all maps, plans, drawings, specifications, reports, electronic files, and other documents, in whatever form, shall remain the property of the District under all circumstances, upon payment to the Contractor of the invoices representing the work by which such materials were produced. At the District's request the Contractor will provide the District with all documents produced by or on behalf of the Contractor pursuant to this Agreement. The Contractor shall maintain electronic and reproducible copies on file of any such instruments of service involved in the Services for a period of two (2) years after termination of this Agreement, shall make them available for the District's use and shall provide such copies to the District upon request at no cost.

14. LIENS AND ENCUMBRANCES. The Contractor shall not have any right or interest in any District assets, or any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated in this Agreement. The Contractor, for itself, hereby waives and releases any and all statutory or common law mechanic's, materialmen's, or other such lien claims, or rights to place a lien upon the District's property or any improvements thereon in connection with any Services performed under or in connection with this Agreement, and the Contractor shall cause all permitted subcontractors, suppliers, materialmen, and others claiming by, through, or under the Contractor to execute similar waivers prior to commencing any work or providing any materials in connection with the Services. The Contractor further agrees to execute a sworn affidavit respecting the payment and lien releases of all subcontractors, suppliers, and materialmen, and release of lien respecting the Services at such time or times and in such form as may be reasonably requested by the District. The Contractor will provide indemnification against all such liens for labor performed and/or materials supplied or used by the Contractor and/or any other person in connection with the Services undertaken by the Contractor, in accordance with Section 15, below.

15. INDEMNIFICATION.

a. The Contractor shall defend, indemnify, and hold harmless the District and each of its directors, officers, contractors, employees, agents, and consultants (collectively, the "**District Indemnitees**"), from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses (the "**Claims**"), including reasonable legal expenses and attorneys' fees actually incurred, by the District Indemnitees arising directly or indirectly, in whole or in part, out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents, or employees, in connection with this Agreement and/or the Contractor's performance of the Services or work pursuant to this Agreement. Notwithstanding anything else in this Agreement or otherwise to the contrary, the Contractor is not obligated to indemnify the District Indemnitees for the negligence of the District or the negligence of any other District Indemnitee, except the Contractor. Except as otherwise provided by applicable law, this indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation, or benefits payable by or for the Contractor under workers' compensation acts, disability acts, or other employee benefit acts, provided that in no event shall the Contractor be liable for special/consequential or punitive damages.

b. In the event the Contractor fails to assume the defense of any Claims under this Section 15 within fifteen (15) days after notice from the District of the existence of such Claim, the District may assume the defense of the Claim with counsel of its own selection, and the Contractor will pay all reasonable expenses of such counsel. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation.

c. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary with respect to its obligations under this Agreement, including the indemnity obligations set forth

in Section 15. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

16. ASSIGNMENT. The Contractor shall not assign this Agreement or parts thereof, or its respective duties, without the express written consent of the District. Any attempted assignment of this Agreement in whole or in part with respect to which the District has not consented, in writing, shall be null and void and of no effect whatsoever.

17. SUB-CONTRACTORS. The Contractor is solely and fully responsible to the District for the performance of all Services in accordance with the terms set forth in this Agreement, whether performed by the Contractor or a subcontractor engaged by the Contractor, and neither the District's approval of any subcontractor, suppliers, or materialman, nor the failure of performance thereof by such persons or entities, will relieve, release, or affect in any manner the Contractor's duties, liabilities, or obligations under this Agreement. The Contractor shall not subcontract any Services without prior written approval by the District. The Contractor agrees that each and every agreement of the Contractor with any subcontractor to perform Services under this Agreement shall contain an indemnification provision identical to the one contained in this Agreement holding the District harmless for the acts of the subcontractor. Prior to commencing any Services, a subcontractor shall provide evidence of insurance coverage to the District in accordance with the requirements of this Agreement. The Contractor further agrees that all such subcontracts shall provide that they may be terminated immediately without cost or penalty upon termination of this Agreement, other than payment for services rendered prior to the date of any such termination.

18. TERMINATION. In addition to the termination provisions contained in Section 2, above, this Agreement may be terminated for convenience by the Contractor upon delivery of thirty (30) days' prior written notice to the District and by the District by giving the Contractor thirty (30) days' prior written notice. Each Party may terminate this Agreement for cause at any time upon written notice to the other Party setting forth the cause for termination and the notified Party's failure to cure the cause to the reasonable satisfaction of the Party given such notice within the cure period set forth in Section 19. If this Agreement is terminated, the Contractor shall be paid for all the Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business. Should either Party to this Agreement be declared bankrupt, make a general assignment for the benefit of creditors, or commit a substantial and material breach of this Agreement in the view of the other Party, said other Party shall be excused from rendering or accepting any further performance under this Agreement. In the event of termination of this Agreement, the Contractor shall cooperate with the District to ensure a timely and efficient transition of all work and work product to the District or its designees. All time, fees, and costs associated with such transition shall not be billed by the Contractor to the District.

19. DEFAULT. If either Party fails to perform in accordance with the terms, covenants, and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the address specified in Section 20 below, and the defaulting party will have ten (10) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such ten (10)-day period and the defaulting party gives written notice to the

non-defaulting party within such ten (10)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the ten (10)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

20. NOTICES. 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 in this Section 20 of this Agreement, 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:

District:	Blackstone Metropolitan District WHITE BEAR ANKELE TANAKA & WALDRON 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122 Attention: Clint C. Waldron, Esq. Phone: (303) 858-1800 E-mail: cwaldron@wbapc.com
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Contractor:	Westwind Management Group, LLC 27 Inverness Drive East Englewood, CO 80112 Attention: Brian TerHark, CEO Email: notices@westwindmanagement.com
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21. AUDITS. The District shall have the right to audit, with reasonable notice, any of the Contractor's books and records solely as are necessary to substantiate any invoices and payments under this Agreement (including, but not limited to, receipts, time sheets, payroll, and personnel records) and the Contractor agrees to maintain adequate books and records for such purposes during the term of this Agreement and for a period of two (2) years after termination of this Agreement and to make the same available to the District at all reasonable times and for so

long thereafter as there may remain any unresolved question or dispute regarding any item pertaining thereto.

22. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties hereto relating to the Services, and sets forth the rights, duties, and obligations of each to the other as of this date, and hereby supersedes any and all prior negotiations, representations, agreements, or arrangements of any kind with respect to the Services, whether written or oral. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Contractor and the District.

23. BINDING AGREEMENT. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and assigns of the Parties hereto.

24. NO WAIVER. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in this Agreement, nor shall the waiver of any default be deemed a waiver of any subsequent default.

25. GOVERNING LAW.

a. Venue. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-conveniens* or otherwise. At the District's request, the Contractor shall carry on its duties and obligations under this Agreement during any legal proceedings and the District shall continue to pay for the Services performed under this Agreement until and unless this Agreement is otherwise terminated.

b. Choice of Law. Colorado law shall apply to any dispute, 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.

c. Litigation. At the District's request, the Contractor will consent to being joined in litigation between the District and third parties, but such consent shall not be construed as an admission of fault or liability. The Contractor shall not be responsible for delays in the performance of the Services caused by factors beyond its reasonable control including delays caused by Act of God, accidents, failure of any governmental or other regulatory authority to act in a timely manner, or failure of the District to furnish timely information or to approve or disapprove of Contractor's Services in a timely manner.

26. GOOD FAITH OF PARTIES. In the performance of this Agreement, or in considering any requested approval, acceptance, consent, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, consent, or extension of time required or requested pursuant to this Agreement.

27. SUBJECT TO 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. The Contractor expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board 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 Agreement 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 Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The District's obligations under this Agreement exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this Agreement.

28. 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 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.

29. NEGOTIATED PROVISIONS. This Agreement shall not be construed more strictly against one Party than against the other 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 to the preparation of this Agreement.

30. SEVERABILITY. If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, void, or unenforceable, such decision shall not affect the validity of any other portion of this Agreement which shall remain in full force and effect, the intention being that such portions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

31. NO THIRD-PARTY BENEFICIARIES. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

32. OPEN RECORDS. The Parties understand that all material provided or produced under this Agreement may be subject to the Colorado Open Records Act, §§ 24-72-202, *et seq.*, C.R.S.

33. WARRANTY. The Contractor shall and does by this Agreement guarantee and warrant that all workmanship, materials, and equipment furnished, installed, or performed for the



accomplishment of the Services (collectively, the “**Work**”) will be of good quality and new, unless otherwise required or permitted by this Agreement. The Contractor further warrants that the Work will conform to all requirements of this Agreement and all other applicable laws, ordinances, codes, rules, and regulations of any governmental authorities having jurisdiction over the Work. All Services are subject to the satisfaction and acceptance of the District, but payments for the completed Work will not constitute final acceptance nor discharge the obligation of the Contractor to correct defects at a later date. Such warranties set forth in this Agreement are in addition to, and not in lieu of, any other warranties prescribed by Colorado law.

34. TAX EXEMPT STATUS. The District is exempt from Colorado state sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District. The District 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 materials tax free. The Contractor and subcontractors shall be liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate.

35. COUNTERPART EXECUTION. 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.

*[Signature pages follow].*

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICT:**  
BLACKSTONE METROPOLITAN  
DISTRICT, a quasi-municipal corporation and  
political subdivision of the State of Colorado

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Officer of the District

ATTEST:

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APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

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General Counsel for the District

*District's Signature Page to Independent Contractor Agreement for Management Services  
with Westwind Management Group, LLC, dated November 7, 2023*





## EXHIBIT A

### SCOPE OF SERVICES

#### ARTICLE 1. Definitions

##### 1.1 As used in this Scope of Services:

1.1.1 The term “Approved Budget” shall mean the annual budget for District operations revenue and expenses, which has been adopted by the Board.

1.1.2 The term “Assessments” shall mean those assessments, dues, charges or fees established and approved by the Board, which the Owners are bound to pay to the District.

1.1.3 The term “District” shall mean the Blackstone Metropolitan District, formerly known as High Plains Metropolitan District, which was organized under Title 32 of Colorado law.

1.1.4 The term “District Property” shall mean all of the real property that is in the name of or otherwise to be maintained by the District.

1.1.5 The term “Board of Directors”, or “Board” shall mean those individuals who are duly appointed or elected as a director of the District pursuant to applicable state law.

1.1.6 The term “Committee” shall mean those individuals who are duly appointed to a committee for a specific purpose as determined by the Board.

1.1.7 The term “Designated Manager” shall mean the individual authorized to act on behalf of the Managing Agent with respect to the District.

1.1.8 The term “Governing Documents” shall mean the Service Plan; Declaration; Covenants, Conditions and Restrictions (CC&R’s); or any documents adopted by the District as may be applicable, which govern and control the administration, management and operation of the District, and specifically including the “Protective Covenants for Blackstone and Mandatory Resident Social Memberships”, recorded at Reception No. B5158103, Arapahoe County, Colorado, on October 20, 2005, and amended by that First Amendment, recorded at Reception No. B6170752, Arapahoe County, Colorado, on December 5, 2006 and that Second Amendment, recorded at Reception No. B7135187, Arapahoe County, Colorado, on October 19, 2007, as may be further amended from time to time, and as assigned to the District in that certain Assignment of Rights Under Protective Covenants for Blackstone and Mandatory Resident Social Membership, recorded at Reception No. D0086092, Arapahoe County, Colorado on September 1, 2010, Design and Architectural Guidelines, and Rules and Regulations. The District shall provide all Governing Documents to the Contractor.

1.1.9 The term “Managing Agent” shall mean Westwind Management Group, LLC, to include its employees, owners, officers and successors.

1.1.10 The term “Owners” shall mean the person or entities which own units or lots within the boundaries of the District and the term “Owner” shall refer to a particular person or entity owning a unit or lot within the boundaries of the District.

1.1.11 The term “Resident” shall mean a person who resides within the boundaries of the District, including tenants.

1.1.12 The term “Routine Financial Reports” shall include as a minimum a balance sheet and operating statement for both the operating and replacement reserve funds, plus supporting reports and schedules for accounts receivable and accounts payable, and such other routine and non-customized reports as may be offered by the Managing Agent, reported on a cash or modified cash basis.

1.1.13 “Third Party Service Provider” will include any third-party organization, entity, or individual providing service to the District including any Vendors, insurers, professionals (e.g. attorneys or certified public accountants).

1.1.14 The term “Unit” or “Lot” shall mean the elements of an individual and exclusive residence ownership in the District which are not owned in common with other owners in the District.

1.1.15 The term “Vendor” shall mean all third-party service providers, vendors, contractors, or subcontractors retained by the District, either directly or, in the case of an emergency as more fully provided for herein, through Managing Agent.

## **ARTICLE 2. Appointment**

2.1 The District hereby appoints the Managing Agent as the exclusive managing agent of the District for the term of this Agreement.

2.2 The District may appoint, in its sole discretion, a Board Member or Board Members to each Committee to furnish information and instructions to the Contractor for the performance of duties outside of Board meetings in relation to such Committee. The Managing Agent shall be entitled to rely on the verbal or written instructions of such representative(s) as final authority regarding instructions from the Board. In the event a Committee representative is not specifically named, the representative shall be the President of the District.

## **ARTICLE 3. Limitation of Authority**

3.1 The authority and duties conferred upon the Managing Agent are limited as provided herein and applicable state law. The Board does not intend to, and the Managing Agent shall not accept, transfer of any degree of control or authority over the Board to the Managing Agent. The Managing Agent shall be responsible for implementing those Board policy decisions specifically delegated to, and accepted by, the Managing Agent and shall be subject to the lawful decisions of the Board, but shall be entitled to exercise its discretion as to the means and methods of implementation of such policies within the scope and intent of this Agreement.

#### **ARTICLE 4. Responsibilities of the District**

4.1 The District shall retain responsibility for enforcement of the provisions of the Governing Documents and the District's contractual agreements and assumes liability for any and all acts and occurrences that relate to the District and the District Property covered by this Agreement.

4.2 Documentation required by the Managing Agent for administration of its responsibilities under this Agreement will be provided by the District within a reasonable time period after written request for such information via letter, email, or facsimile. Generally, a reasonable time will be considered two (2) business days after the request.

#### **ARTICLE 5. Managing Agent's Duties and Responsibilities**

5.1 NOTICE – THE MANAGING AGENT, THE DESIGNATED MANAGER AND ALL EMPLOYEES OF THE MANAGING AGENT ARE NOT ATTORNEYS AND DO NOT PRACTICE LAW. ANY AND ALL SERVICES PROVIDED BY THE MANAGING AGENT, THE DESIGNATED MANAGER AND ALL EMPLOYEES ARE CUSTOMARY MANAGEMENT COMPANY SERVICES. ANY ISSUE OR QUESTION THAT THE BOARD OR MANAGING AGENT BELIEVES REQUIRES A LEGAL OPINION OR LEGAL ASSISTANCE SHALL BE DIRECTED TO THE DISTRICT'S LEGAL REPRESENTATIVE.

5.2 The Managing Agent shall provide the professional services as set forth in this Agreement at the direction of the Board.

5.3 The Managing Agent shall perform its services consistent with the professional skill and care ordinarily provided by management companies operating in the same or similar locality under the same or similar circumstances. The Managing Agent shall perform its services as expeditiously as is consistent with such professional skill and care.

#### **ARTICLE 6. General Operations**

Managing Agent is responsible for the following:

6.1 Recruit, hire, train, supervise and discharge all Managing Agent personnel required to manage and operate the District as appropriate to fulfill Managing Agent's roles and responsibilities under this Agreement.

6.2 At the direction of the Board, coordinate with Board-approved contractors or other professionals to make routine repairs and complete maintenance work within the District as the Approved Budget allows or circumstances require.

6.3 Maintain businesslike relations with Owners and Residents, whose service requests shall be received, considered and recorded in a systematic fashion. Service requests of a non-emergency nature will be referred to the Board-approved contractors or professionals in a timely manner in accordance with budgeted and available funds. Service requests of an emergency nature (involving potentially imminent loss or damage to property or personal injury, in the sole

discretion of the Managing Agent) will be referred to the appropriate contractor or professional as soon as reasonably possible. District agrees that in the case of such an emergency, the contractor or professional to whom the service request is made may or may not be Board-approved prior to the referral. Owner or Resident requests or complaints deemed extraordinary by Managing Agent shall, after thorough investigation, be reported to the Board with appropriate recommendations.

6.4 Acknowledges and agrees to follow the High Plains Metropolitan District Procurement Policy, adopted on March 18, 2021, as may be amended from time to time (the "Procurement Policy").

6.5 Make physical visits to the District (or portions of the District) not less than once each week. Managing Agent shall only be required to view the District (or portions of the District) from ground level and during Normal Office Hours as set forth in this Exhibit A. Visits will be performed from safe vantage points such as sidewalks, streets or District-owned landscaping locations to reduce the possibility of accidents or animal (including wildlife or pets) encounters by Managing Agent personnel. Managing Agent will use reasonable efforts during its periodic visits to the District to note specific conditions or violations of the Governing Documents as directed by the Board; provided, however, Managing Agent will be not be responsible for the discovery of conditions, situations or problems beyond Managing Agent's reasonable knowledge or expertise. Managing Agent's visits are performed for the limited purpose of checking for overall and general well-being of the District. The Managing Agent shall make reasonable efforts to observe or note items or components that may require attention or repair, or failures, issues of non-compliance, safety violations, or other issues by any contractor, Owner, Resident, or other individual or entity. Notwithstanding the foregoing, any failure to observe or note shall not constitute approval on the part of Managing Agent. It is agreed that Managing Agent will not be expected to note every item during its visits as it generally visits only a portion of the community once a week and as otherwise stated in this agreement. The Managing Agent's approval of construction or other work does not indicate approval of any means, methods, techniques, sequences, or procedures, as Managing Agent is not qualified to make such a determination.

6.6 All reported covenant violations will be enforced in accordance with the District's rules, regulations, policies and other Governing Documents. Managing Agent will inspect all homes within the community twice a month during April through September and once a month October through March.

6.7 Provide 24 hour per day, 7 day per week, emergency response service to assist with, or refer to the appropriate Vendor, reported emergencies in the District. Serious incidents will be reported promptly to the District's representative with appropriate recommendations or requests for further instructions from the Board. Emergency incidents that in the Managing Agent's sole discretion threaten life or property will be attended to with immediacy, if possible, followed by a report to the Board when time permits. It should be noted that any visits to the District after business hours in response to an emergency will be billed at the hourly rates as stated in Exhibit B.

6.8 Cause the District Property to be maintained in accordance with the standards specified by the Board. If no standards are specified, the assumed standard will be that of like communities in the immediate vicinity.

6.9 Negotiate with Vendors for services and contracts as directed and approved by the Board in accordance with the Approved Budget. The Managing Agent will request written proof from Vendors of insurance limits and coverage. It is understood and agreed that if the District chooses to accept or utilize a vendor which does not meet insurance coverage or claim limit levels recommended by its insurance professional or industry best practices, including coverage for general or professional liability or worker's compensation, as applicable, Managing Agent will not be held responsible for any outcome or claims made as a result.

6.9.1.1 Independent Contractor Requirements: Independent contractors will be requested to meet the application requirements of the State of Colorado for exemption from workers' compensation or provide proof of worker's compensation coverage in accordance with established District minimum limits or law.

6.9.1.2 The Managing Agent will also establish and maintain insurance policy renewal reminders for insurance policies related to the Vendors and service providers and request of the insurance provider that the Managing Agent receives written notification regarding any cancellation of the insurance policy. The Managing Agent will provide Vendor insurance renewal dates in its monthly management report. District agrees that Managing Agent is not responsible for any damages, costs, fees, or other charges of any kind resulting from missing or inadequate insurance coverage of a Vendor or Third Party Service Provider. Additionally, District agrees that Managing Agent is not responsible for any damages, costs, fees, or other charges of any kind resulting from or arising out of any services provided by Vendors or Third Party Service Providers hired by the District.

6.9.1.3 Managing Agent will schedule and monitor all Vendor services and work to ensure the services and work is performed in accordance with all contract terms and specifications. It is understood monitor does not mean direct oversight of work completed while it is being completed and follow up on work performed occurs in accordance with Managing Agents visits to the property.

6.10 Process and review requests for architectural review in accordance with the District's adopted policies and procedures and Governing Documents, and shall report to and advise the Board on all architectural review matters.

6.10.1 Managing Agent will maintain logs showing receipt and progress leading to approval or denial of requests, notify owners of actions taken by the Managing Agent, Committee or Board (as applicable), and answer questions regarding architectural issues.

6.10.2 Managing Agent will also, specifically:

- (1) Receive applications;
- (2) Comprehensively review applications submitted for completeness of material and information required;
- (3) Log applications for review and monitor progress in relation to the response deadline set forth in the Governing Documents;

(4) Coordinate communication with applicants upon a decision being made;

(5) Return non-complying submissions to applicant for revision, and inform Owners of approvals in writing with any required qualifications.

6.10.3 Unless otherwise provided in the Approved Budget, the Governing Documents, policy of the Board, Procurement Policy, or applicable state law, the expenses incurred for any one item of repair or replacement shall not exceed the sum of \$1,000.00. However, emergency repairs the Managing Agent reasonably believes, in its sole discretion, are necessary to mitigate danger to life and property, or are reasonably believed by the Managing Agent to be immediately necessary for the preservation and safety of the District or for the safety of the occupants or those expenditures which may be required to avoid the suspension of any necessary service to the District, may be made solely by Managing Agent irrespective of the cost limitation imposed by this paragraph.

6.10.4 For services, repair or maintenance included in the Approved Budget, Managing Agent will request from Vendors of Managing Agent's selection or District's suggestion, not more than three (3) bids for types of third party goods or services that Managing Agent believes, in its sole discretion, are likely to cost \$5,000.00 or more, unless a more restrictive amount is required in the Procurement Policy or Governing Documents or specifically requested in writing by the District. The Board will have sole discretion for choosing the winning bid. For all non-emergency contracts and expenditures, Managing Agent will utilize its discretion in the selection of contractors which are, in the Managing Agent's sole discretion, likely to cost less than \$5,000.00, unless a more restrictive amount is required in the Procurement Policy, Governing Documents or specifically requested by the District.

6.10.5 Managing Agent and Board agree that District Vendors are independent entities and as such, Managing Agent is not responsible for and does not guarantee Vendor's performance. Managing Agent will monitor and verify a Vendor's performance within its ability to do so and when otherwise visiting the property in accordance with this agreement, and recommend to the Board terminating the service of any Vendor it determines is not performing to the specifications or criteria established. It is understood certain Vendor services Managing Agent will not be able to verify including but not limited to snow clearing, irrigation or sub surface work. Upon direction from the Board, the Managing Agent will discharge Vendors the Board has determined are not performing to the specifications or criteria established.

6.10.6 Any contract for third party services will be a direct contract between the District and the Vendor. Managing Agent will act solely as agent of the District in negotiating and monitoring the contract work and completion, and not as the contracting party. The Managing Agent will coordinate with designated Board representative to verify correctness of scope of work before finalizing any agreements. All legal opinions will be generated by the District's legal representative.



6.10.7 For any extensive remodeling, renovation, or capital additions with a cost of \$10,000.00 or more, exclusive of budgeted operating expenses, Managing Agent may, if it agrees in writing, assist the District in obtaining necessary goods and services by developing bid specifications, recommending qualifications of Vendors, and make recommendations to the Board.. Managing Agent may charge a fee for such services at the hourly rate(s) set forth in Exhibit A, if such charge is previously approved by the Board.

6.10.8 Managing Agent shall review all Vendor invoices to ensure accuracy of the information and verify the work and services described in the invoice have been satisfactorily completed. The Managing Agent will provide its approval or disapproval of any invoiced amounts, along with its reason(s) for any disapproval, to the District's accountant within a reasonable amount of time from receipt of an invoice. Generally, Managing Agent anticipates review and processing of vendor invoices twice a month and follow up on services during its regularly scheduled visits to the District Property.

#### **ARTICLE 7. Fiscal and Accounting Services**

Contractor is responsible for the following:

7.1 Receive the current operating records and documents from the District, or its prior manager or management company, in accordance with its normal and routine transition process. Within sixty (60) days from receipt of the completed records, Managing Agent will prepare its initial supplemental Routine Financial Reports. If, in Managing Agent's reasonable opinion, the records are inadequate to prepare such, Managing Agent will submit a written recommendation to the Board. Such recommendation may suggest a review or audit by a third party or additional investigation and receipt of information by Managing Agent. Managing Agent will submit for consideration by the Board, an estimate of the Managing Agent's cost for such additional service at the hourly rate(s) set forth in Exhibit A.

7.2 Supplemental Routine Financial Reports are reasonably used as a tool for the District to apply common accounting knowledge and to view a snapshot of the financial condition of the District in relation to those items Managing Agent is providing financial services for. Managing Agent is not responsible for setting or applying mill levies nor is the Managing Agent responsible for collecting property taxes or making payments towards any bonds. Managing Agent will produce and provide delinquency reports and reconciled bank statements for quarterly assessments, fine assessments and other agreed upon bookkeeping services as agreed upon by both parties.

7.3 Prepare and furnish the supplemental Routine Financial Reports to the Board, no later than the end of the following month, unless delayed as a result of District's actions or inactions. Meetings that occur prior to the 20<sup>th</sup> of the month may receive a preliminary Routine Financial Reports for the meeting and the final reconciled monthly Routine Financial Report will either be included in the following month's board package or provided separately to the Board when the Routine Financial Report is completed.



7.3.1 It is understood that the monthly supplemental Routine Financial Reports will be delayed for the month immediately following the year-end supplemental Routine Financial Reports. Approximately 30 days after the Board accepts or approves the year-end supplemental Routine Financial Reports, the next month's supplemental Routine Financial Reports will be provided.

7.3.2 In the event that statements from financial institutions are delivered late in the month, supplemental Routine Financial Reports may be delayed until those statements have been received. All special financial reporting and special analysis requests other than supplemental Routine Financial Reports will incur an additional fee to be mutually agreed upon by the Board and Contractor based upon the hourly rate schedule stated in Exhibit B of this Agreement. All costs of reproduction or delivery will be at the expense of the District at the rate(s) set forth in Exhibit B of this Agreement.

7.4 Prepare and submit a draft annual District budget for those line items requested by the District's CPA. The CPA will provide an overall draft budget for the District. Any draft budget prepared by the Managing Agent shall be subject to review and approval by the Board, and the Board retains full responsibility for the appropriateness of data contained within the budget. Any decision to adopt Managing Agent's draft budget or to amend it for adoption must be approved by the Board.

7.5 Provide information and consultation to assist in performance of audits in consonance with independent auditors engaged by the Board. Managing Agent is not responsible for the timeliness of the work product from selected auditors, including the auditor's timely filing of annual tax returns or extensions. Managing Agent will, upon direction from the Board, and at the expense of the District, distribute copies of the annual audit, annual financial reports, budgets, collection policies and other available reports to any or all Owners. Managing Agent reserves the right to charge in accordance with the hourly rates in Exhibit A, and, after notification and approval by the District, for time when complying with any requests from the District's independent auditor that are not standard or normal.

7.6 Bill, request, demand, and receive all Assessments and other District receipts that may at any time become due to the District. Generally, all funds will be deposited in a timely manner upon receipt. Insurance claim proceeds or other funds may not be deposited until requested in writing by the Board or its duly authorized representative. The Board may adopt a written policy that identifies other District funds deposit timelines, including but not limited to; petty cash, amenity rental fees/deposits, social program(s) revenue, etc.

7.6.1 Owner payments that state "payment in full" but for which the payment is not payment in full, will be returned to the Owner. When necessary, and in accordance with the District's approved collection policy, Managing Agent is authorized to refer the delinquent account to the District's collections attorney for the collection of delinquent amounts. The District recognizes and agrees that all efforts to facilitate the collection of delinquent Assessments and other charges are time consuming and an additional expense to the Managing Agent. Accordingly, the Managing Agent will charge the delinquent Owner administrative fees for its efforts involved in the extra work required for collection of delinquent amounts at the rate(s) set forth in the District's adopted collection policy, and such fees shall be charged in accordance

with the adopted collection policy of the District. Additional administrative items, such as lien filings, assignments, releases, payment plans, and foreclosure assistance will be billed at the rates as stated in Exhibit B. The adopted collection policy of the District is considered an addendum to this Agreement.

7.7 Establish and maintain a separate account for all Assessments of the District in a federally insured institution approved by the Board, indicating the agency or custodial nature thereof. If Managing Agent is required to make receive payments and otherwise deposit District funds into a bank account, the District agrees that the checking account will be at a financial institution as determined by the Managing Agent, and approved by the District to ensure compliance with PDPA requirements, in accordance with the terms and conditions of this provision.

7.8 It is agreed and understood the District's replacement reserve funds and funds to pay bonds, will be administered by the District's CPA and associated accounting firm.

7.9 Managing Agent spends significant amounts of time and money to hire, train and educate its employees for the operation and support services for the District. The District acknowledges that it derives benefits from the Managing Agent's experience in the hiring, training and educating of its employees. The District therefore agrees not to solicit or engage the services of any past or present employee, partner, officer or owner of Managing Agent in any capacity whatsoever during the term of this Agreement and for a period of one (1) year following the termination of this Agreement or any extension thereof, without the express written consent of Managing Agent. Any solicitation or engagement of any of the above listed individuals during this timeframe will constitute an instance of breach; any additional solicitation or engagement of the same or different individuals covered above will constitute an additional instance of breach. The District agrees to pay Managing Agent the greater of \$10,000.00 or an amount equal to the last six (6) months' management fee, in damages for every instance of breach of this provision of the Agreement. The District agrees that determining the damages for breach of this provision is difficult and that this amount is not a penalty but represents a reasonable estimate of the damages to Managing Agent for breach of this provision. Both the District and the Managing Agent agree that this is a reasonable sum due to the Managing Agent for the extensive training programs, as well as its expectation of continued income and allotment of resources.

## **ARTICLE 8. Risk Management and Claims Management Services**

Managing Agent is responsible for the following:

8.1 Periodically coordinate with the District's insurance professional, who is responsible to maintain in force and affect such insurance coverage as the District documents and as the Board shall direct. Managing Agent shall assist the Board in soliciting insurance review and coverage proposals. The District acknowledges that Managing Agent is not licensed to sell insurance and has no affiliation with any insurance agency or company. The determination of insurance placement, valuations to determine acceptable limits on the property replacement coverage, other levels of coverage, endorsements and exclusions are the sole responsibility of the Board and the District's insurance professional. Assist in processing insurance claims for all

property losses on District-owned property, regardless of the cause. The District understands and acknowledges that claims management services provided by the Managing Agent require significant resources of Managing Agent and are beyond the scope of services and fees contemplated in this Agreement, including filing insurance claims, coordinating with adjusters, assisting with the completion and filing of necessary proof of losses, coordinating with Owners and Residents, and organizing the restoration or repair efforts. For such extra work, and if the claim is considered extensive in the sole discretion of the Managing Agent, Managing Agent will be entitled to additional compensation at the hourly rate(s) set forth in Exhibit B to this Agreement, subject to prior approval by the Board to perform such extra work. Such fee shall be included in each claim and submitted to the insurance company for reimbursement to the District; however, such additional compensation shall be payable to Managing Agent by the District whether or not it is reimbursed by insurance company to the District. Should the District prefer, Managing Agent will provide contact information for claims management firms with whom the District may contract.

### **ARTICLE 9. Administrative Services**

Contractor is responsible for the following:

9.1 Communicate with Owners, Residents, Board Members, Vendors, and Attorney via telephone, letters, email or other means of communication, as Managing Agent deems reasonably necessary, in order to assist the Board with its responsibilities. Owner and Resident communication to Managing Agent will be responded to in a prompt and professional manner. Response time by Managing Agent will be reasonable, taking into account the urgency of the matter, other operational priorities and the ability of the respondent to research and provide an adequate resolution. Managing Agent agrees to acknowledge receipt of all communications from Owners, Residents, Board Members, Vendors, and the Attorney within two business days of receipt.

9.2 Prepare, copy and provide notices of meetings, and agendas, in accordance with the provisions of state statute, the Governing Documents and established Board policy. All costs of reproduction and distribution shall be at the expense of the District.

9.3 Maintain home office hours as follows: from 8:30 AM to 5:00 PM, Monday through Friday, excluding holidays or closure for emergencies (“Normal Office Hours”). Managing Agent may, at its sole discretion, alter its Normal Office Hours on a temporary basis. Any adjustments to business hours that are temporary but more than one day circumstances, will be communicated to the Board. Any permanent change of Normal Office Hours will be submitted in writing to the District for notification purposes. It is the Managing Agent’s intent to notify the Board of any extended paid time off by the manager for the Association.

9.4 Arrange for and schedule places, dates and times for conducting meetings called by the Board.

9.5 Attend all Board meetings of the District at a frequency determined by the Board, but in any case, not to exceed monthly. After 90 days of the effective date of this

Agreement, at any meeting of the Board, Managing Agent will charge an additional fee at the Lengthy Meeting hourly rate(s) set forth in Exhibit B to this Agreement for meeting time in excess of two (2) hours. In addition, Managing Agent shall attend any additional or special meetings called by the Board; however, attendance at such additional or special meetings will be charged at the hourly rate(s) set forth in Exhibit B to this Agreement.

9.6 Prepare meeting minutes for the Board and District. Managing Agent will submit minutes to the Board within a reasonable time following the meeting, not to exceed 10 business days following the Board meeting. Unless prohibited by the Governing Documents or applicable state law, minutes will be provided in substantive summary format only, unless otherwise agreed to by the Managing Agent and the District.

9.7 Record changes of unit or lot ownership upon receipt of advice of Owners and confirmed with the County as well as notification from title companies, with supporting documentation. Resale certificates, title statements, lending institution questionnaires, assessment payment information, and other items documenting transfer of ownership shall be processed by Managing Agent at the rate(s) set forth under Transactional Services & Fees in Exhibit B. Such fee is payable by the parties involved, as may be agreed between the parties, and is not the responsibility of the District.

9.8 Starting from the effective date of this Agreement, maintain files for all correspondence, letters, and memoranda relating to the District based upon the records retention policies approved by the Board and in the Managing Agent's possession. All current correspondence, records, letters and memorandums relating to the operation of the District under this agreement will remain the property of the District and shall be kept at the Managing Agent's principal office or storage facility. All expenses involved in the storage of physical or digital documents, to include historical and current records, shall be the responsibility of the District at the rate(s) set forth in Exhibit B, including any additional fees for storing historical documents that pre-date the effective date of this Agreement.

9.8.1 Regarding any personal identifying information, as defined in § 6-1-713(2) C.R.S. (2019 or any subsequent amendment thereto), Managing Agent will be considered a "third-party service provider" for the District. Managing Agent will implement and maintain reasonable security procedures and practices that are:

- (1) Appropriate to the nature of the personal identifying information disclosed to the Managing Agent; and
- (2) Reasonably designed to help protect the personal identifying information from unauthorized access, use, modification, disclosure, or destruction.

9.9 Follow a District adopted records retention policy, which needs to be in place and is compliant with state regulatory requirements. Subject to Board approval, historical administration of a records retention policy will be charged at the hourly rates as stated in Exhibit B.

9.10 Provide word processing, reproduction and distribution services for newsletters (at a limit of four per year), plus flyers, announcements or other notices covering

specific topics of interest to Owners and Residents in the District at the direction of the Board or as required by the Governing Documents. All reproduction and distribution will be at the expense of the District at the rate(s) set forth in Exhibit B or outsourced as may be directed by the Board. Primary text for newsletters may be supplied or provided by the Board and its Committees, if applicable. Newsletter publications requiring the Managing Agent to draft the entire newsletter or those newsletters exceeding the quarterly frequency will be processed by Managing Agent at the rate(s) set forth in Exhibit B. Managing Agent will administer any newsletter advertisement policy adopted by the Board of Directors. The Board of Directors agrees it is responsible for ensuring advertisement funds have been received for ads placed in the newsletter. Managing Agent is not liable for any advertisement funds not received for newsletters. Upon written request, Managing Agent will provide an accounting of funds received for newsletter advertisements.

9.11 Prepare and distribute to the Board monthly operational reports of a routine nature, including such information as may be requested by the Board. Special reports, not included in the supplemental Routine Financial Reports, will be an additional fee to be mutually agreed upon by the Board and Managing Agent at the hourly rate(s) set forth in Exhibit B.

9.12 Post Board-reviewed and accepted agendas, budgets, audits, approved Minutes and other documents and disclosures as may be requested by the Board from time-to-time or required by state law on the District's website

9.13 Prepare and maintain various documents for posting to the District's website for public review as well as maintaining and updating the website documentation as necessary to help comply with any state law disclosure requirements.

9.14 Within 90 days after Managing Agent is initially hired by the District, prepare and record, within the appropriate county having jurisdiction in which the District is located, an Addendum to the Declaration of Covenants, Conditions and Restrictions which would serve as the District's notice providing public record of the current management firm, firm's address, contact information to all interested parties. This is to help alleviate omitted party actions in the event of foreclosure and perfection of the District's priority super lien should one be filed.

#### **ARTICLE 10. Managing Agent Is Not Responsible for the Following**

10.1 This list of tasks and items for which the Managing Agent is not responsible shall not be considered as a comprehensive list, rather, these specific items are provided for the sake of clarity.

10.2 Maintenance or repairs to any Units or Lots within the District. Any such maintenance and repairs shall be the sole responsibility and expense of the Owners of such Units or Lots, except to the extent required for enforcement of the Governing Documents, at which point the maintenance and repair is the responsibility of the District acting through the Managing Agent.

10.3 Preparation of any tax returns or tax reporting of the District.

10.4 Any acts or omissions of the Board, the District, any previous Boards, current or previous Owners, any previous managing agent, the District developer, or any other agent thereof.

10.5 Any failure of or default by any individual Owner in the payment of any Assessment due the District or in the performance of any obligations owed by any Owner to the District. Managing Agent likewise is not responsible for any failure of or default by concessionaires or other third parties in any rental or other payments to District.

10.6 Violations of environmental or other regulations which may become known during the terms of this Agreement, unless caused by Managing Agent. Any such regulatory violations or hazards discovered by Managing Agent shall be brought to the attention of the District in writing.

10.7 Managing Agent does not practice law, is not an attorney and does not give legal advice. Any advice given by the Managing Agent is based upon business experience only. In the event that the Board requires a legal opinion, the Board shall seek legal advice from a qualified and competent attorney.

10.8 Monitoring, administering or otherwise be involved with any social media platform for the District.

#### **ARTICLE 11. District Files**

11.1 Within thirty (30) days following the effective date of termination of this Agreement, Managing Agent shall account for and prepare for receipt by the District, or such person or entity designated, all funds, receipts, materials, supplies, equipment, keys, contracts, documents, files, books, records, or data, whatever that data's source (in either hard copy or electronic media at the Managing Agent's sole discretion) pertaining to this Agreement and the management, operation and maintenance of the District in the Managing Agent's possession. District acknowledges it has no right to any software utilized by Managing Agent. Managing Agent will comply with whatever records retention requirements are required by the District's adopted records retention policy or statute or regulation. Since business records received by Managing Agent may be in a vast variety of media and condition, complete or partial, any and all reproduction costs will be borne by the District at the rate(s) set forth in Exhibit B. Once the property of the District is prepared for transfer, the Managing Agent will contact the designated individual selected to receive the District's property and set an appointment mutually acceptable to the Managing Agent and the District's designated representative. Payment of any and all outstanding reimbursable fees and expenses will be paid to the Managing Agent prior to the transfer of records to the District; provided, however, Managing Agent may not withhold District records in the event of a payment dispute between the parties. Further, Managing Agent shall take such action as is reasonably, in its sole discretion, required to affect an orderly termination of services and provide a final accounting of District operations and finances.

#### **ARTICLE 12. Administration of Collection Policy**

12.1 With reference to costs of collection of delinquent assessments and expenses borne by Managing Agent on behalf of the District, the District recognizes that Managing Agent has invested a very significant amount of time and money administering the collection of



delinquent District funds from Owners. In the event that this Agreement is terminated by either party with or without cause, the District agrees to reimburse Managing Agent 75% of any and all outstanding and uncollected administrative fees and costs accrued as of the date of termination. Both the District and Managing Agent recognize that without reimbursing these accrued Management fees and costs, the District would be unjustly enriched. Both the District and Managing Agent understand and agree that a 75% reimbursement of these fees and costs represents a generous discount of those fees and costs and is a reasonable settlement for the uncollected fees and costs due and payable to Managing Agent for services which it has already rendered. Upon request, Managing Agent will provide an accounting of all such administrative fees and costs incurred (including a breakdown for the individual owner accounts) to the District within seven business days of the request.

### **ARTICLE 13. Managing Agent as Agent for Litigation**

13.1 Managing Agent may be asked to provide advice and counsel to the Board in the event the Board considers initiating a legal action (whether in litigation or arbitration), undertakes legal action, or is named as a defendant in any legal action. Such advice and counsel shall not be of a legal nature. Managing Agent shall be kept fully informed of any such legal action the Board considers, undertakes, or is named in that may include or reference any service provided by Contractor. The Managing Agent shall be consulted regarding, and participate in, Board decisions related to the legal action except to the extent District legal counsel deems such participation to be detrimental or potentially detrimental in writing. Notwithstanding the foregoing, should Managing Agent believe in its sole discretion that such participation or communication with the Board subjects it to any legal jeopardy or liability, the Managing Agent may choose not to participate by providing notice to the District in writing. Managing Agent will charge hourly fees for additional work needed to support any litigating matter and shall be billed at hourly rates as set forth in Exhibit B.

### **ARTICLE 14. Disclosed Remunerations**

14.1 Managing Agent agrees not to collect or charge any undisclosed fees, rebates, or discounts; and in the event that any such items are ever collected by Managing Agent, such fees shall be immediately remitted to the District's account. The District understands that the Managing Agent may have a negotiated partnership with a financial institution(s) to provide the benefit of cash management services to its clients at no cost to the District. As part of that relationship the financial institution may reimburse the Managing Agent for on-going administrative services related to banking integration and ongoing maintenance. As a means to build professional business relationships with District service providers, contractors and vendors will occasionally provide food items and holiday gifts (such as poinsettia plants and coffee house gift cards) or invitations to various activities or networking events to the staff of the Managing Agent. These token gifts are not considered an enticement to do business with a particular vendor or contractor but rather a courtesy acknowledgement of the professional business relationship Managing Agent has established with many vendors who do business with our clients.

## **EXHIBIT B**

### **COMPENSATION SCHEDULE**

Effective as of January 1, 2024

#### **Compensation Due from the District**

Managing Agent shall be entitled to receive compensation (plus any applicable taxes and fees), for its services performed pursuant to the Management Agreement (hereafter “Agreement”). The following is a listing of fees and costs:

#### **Base Monthly Management Fee**

Fee Managing Agent charges on a monthly basis to provide the general and continually-recurring services listed in the Agreement. This fee does not pay for unusual or non-continually-recurring services that may occur from time to time, and this Base Monthly Management Fee does not cover reimbursable supplies and expendable costs incurred for the general administration of the Responsibilities of the Managing Agent as more fully delineated in the Agreement.

Specifically, the base monthly management fee for the District is \$4,400 as of January 1, 2024, until amended and approved by both parties. Managing Agent shall provide thirty (30) days’ notice prior to any amendment of any fee and such change shall be documented by an addendum to this Exhibit.

#### **Schedule of Other Charges, Fees and/or Reimbursements (Paid by District)**

##### **Origination and Set Up Fee**

During the transition period, estimated to be within 90 days of effective date, Managing Agent may need to charge \$150.00 per hour, only if necessary and after Board approval. While Managing Agent rarely charges this fee, it may be necessary when circumstances require an extraordinary amount of time and/or expense in completing a management transition. Since this is a very rare situation and each management transition is unique, there is no possible way to provide a set cost unless Managing Agent has carefully reviewed the specific circumstances and determined what the added costs would be to provide the management transition services. Managing Agent will seek Board Approval before charging additional fees for Origination and Set Up services.

##### **Length & Time of Meetings Outside Standard Parameters**

Long and late-night Board Meetings have a negative effect on professional managers as well as Board Members. Contractor acknowledges that the Board’s meetings are currently scheduled to begin at 6:00 p.m. and agrees that this is a reasonable time for meetings in order for community involvement. After 90 days of the effective date of this Agreement, in the event that a Board or other Meeting exceeds two hours in length, the District will be charged, based on the hourly rates noted in this Exhibit, and is billable in 15 minute increments, for any portion of time exceeding two hours.



### **Board Meeting Quorum Failure**

The Board recognizes that the Managing Agent spends significant time preparing documentation for each Board meeting. The Board also recognizes that the Managing Agent has set aside a large block of valuable time to attend and participate in every Board meeting. Additionally, the business flow of actions and processes is adversely affected when quorum is not obtained. In the event the Managing Agent attends a board meeting and a quorum fails to attend, the District agrees to pay \$250 (if a virtual meeting) and \$500 (if in person) to cover a small portion of the cost to the Managing Agent.

### **Cancellation of Board Meetings**

In the event the District cancels a board meeting with less than five (5) business day notice, the District agrees to pay Managing Agent a \$100 fee.

### **Hourly rates for Managing Agent's Staff (based upon Board's prior authorization unless otherwise noted) for non-recurring work:**

Executive Staff	\$2000.00/hr.
IT Manager	\$175.00/hr.
District Management Staff	\$150.00/hr.
Client Documentation Administrator	\$145.00/hr.
Specialty Support Staff	\$100.00/hr.
Administrative Staff	\$75.00/hr.
Accounting Staff	\$75.00/hr.

### **Special Accounting or Special Administration Services:**

#### *Delinquency Court:*

No hourly charge provided Managing Agent is currently the Managing Agent for the community and court attendance time does not exceed 4 hours. Only charge for reimbursement for out of pocket costs (parking, mileage, lunch per diem, etc.) If Managing Agent is no longer the managing agent or the court attendance time exceeds 4 hours, the hourly rates as noted in this Exhibit will apply for any clerical, research and discovery time in addition to out of pocket costs and court time as stated above.

#### *Non-Delinquency Court:*

Hourly rates as noted in this Exhibit for clerical, research and discovery, as well as actual court time.

#### *Arbitration and Mediation:*

Hourly rates as noted in this Exhibit for arbitration and mediation appearance and deposition time.

#### *Insurance Claims Management:*

For such extra work and if the claim is considered extensive by the Managing Agent, time will be billed at 3% % of the total insurance claim unless otherwise agreed to in writing by both parties. Managing Agent

will notify Board in writing once an Insurance claim has been filed.

*Acting Agent for Litigation:*

Additional work needed to support any litigating matter shall be billed at hourly rates as noted in this Exhibit. Prior Board approval may not be possible due to timing of service of process and response requirements. Managing Agent will advise the Board President or appointed Representative as soon as reasonably possible.

*Special Project Services:*

For projects/services that are non-recurring annually, Managing Agent will charge 3% of total contract price unless otherwise agreed in writing by both parties. For services to include: identification of project scope of work, funding verification, bid services, contract administration, community liaison/communication, issuance of progress payments as directed by Board and any other service agreed to in writing by both parties.

*NSF or Return Check Fee:*

\$20.00 for each returned item, payable by Owner.

*Non-Board Records Inspection:*

Clerical, research, copying and monitoring time billed at the hourly rate(s) as noted in this Exhibit.

*Bid Only Services:*

Construction Management, Insurance Claim Processing, Governing Document Amendments (that require membership review and/or approval) and Loan Application Fees billed at hourly rate(s) as noted in this Exhibit after prior Board approval.

*Administrative Fee:*

Collection notices, lien filings, assignments, releases, and foreclosure assistance payable as set forth in the adopted collection policy. The adopted collection policy is an addendum to this Management Agreement. During the business relationship, these administrative fees are only paid to Managing Agent after collection of said fees.

In the event that the Management Agreement between the District and Managing Agent is terminated by either party with or without cause, the District agrees to reimburse Managing Agent 75% of any and all outstanding and uncollected collection fees and costs accrued at the time of termination.

### Reimbursable Administrative Costs

These are costs that Managing Agent incurs for the proper administration of the Agreement. Managing Agent invests an extraordinary amount of capital in equipment, technology and supplies to provide professional services. These costs consist of:

<i>District Supplies:</i>	At Managing Agent's cost for supplies utilized (including but not limited to pocket folders, master files, storage boxes, coupon books, checks, envelopes, digital storage devices, etc.)
<i>Copying/Printing:</i>	\$ .20 per copy
<i>Digital Scanning:</i>	\$ .10 per scan
<i>Mailing Costs:</i>	At Managing Agent's cost plus 10% administrative fee
<i>Postage:</i>	USPS Stamped Postage Rates
<i>Alternative Delivery:</i>	Federal Express, UPS, courier – billed at courier's cost
<i>Historic Record Storage:</i>	The monthly records storage charge for the District is <u>\$ 75.00</u>
<i>Title Research:</i>	Title company research for Declaration amendments, supplements, annexations, etc. during onboarding – billed at title research company hourly charge for research and actual costs for copies of information pulled.

### Historical Document Retention Review/Purge

The historical records review and organization of District records, inventoried by subject matter and year, with the purge of old, non-essential records (according to the Board's adopted Records Retention Policy), are subject to the hourly rates within this Exhibit and only after Board approval. This provision applies to documents and records, hard copy and electronic, created and maintained prior to the effective date of this Agreement.

### Use of Managing Agent Funds:

From time to time, a client will use the Managing Agent's funds to pay a bill or fee. Should a client use the Managing Agents funds, the following terms, conditions and service fees will apply unless otherwise waived by Managing Agent.

Managing Agent Fund Use Amount	Fee*
\$1.00-\$100.99	\$ 10.00
\$101.00-\$300.99	\$ 25.00
\$301.00-\$500.99	\$ 50.00
\$501.00-\$1,000.99	\$ 75.00

\$1,001.00+

10%

\*Reimbursement / Payments not received within 30 days of District's use of funds will be charged interest at the current bank rate. Use of funds requires approval by Managing Agent's Principals or duly authorized representative.

**Additional Services (if applicable):**

Release of Lien placed by a previous management company	\$ 125.00
Secretary of State – Change of Registered Agent & Principal Address	\$ 50.00
Statutory Required District Notice Filing – Addendum to Declaration	\$ 25.00

**Schedule of Other Charges, Fees and/or Reimbursements (Paid by 3<sup>rd</sup> Parties)**

**Third Party Transactional Services & Fees:**

Documentation required by Sellers, Potential Buyers/Investors, Realtors, Title Companies and Appraisers, et. al. must be accurate, factual and as current as possible so that all parties to a sales transaction can reasonably rely on the information provided in making a business decision about the financial condition and general information of a District/Community. As Managing Agent, these documents are taken very seriously. Documents are updated daily during normal business hours/days, as information is available. These services are not included as part of the base monthly management fee. The following is a list of current charges. The buyer/seller, real estate professional, and/or title company pays for the below listed services. The District is not responsible for said fees unless otherwise agreed to, in writing, with the District and/or the District's actions, in the sole discretion of the Managing Agent, are adversely affecting its ability to collect said fees.

<b>Products (Documents / Services)</b>	<b>Fee</b>
Status Letter: Status Letter	\$ 225.00
Bank Owned Property Package (REQUIRED FOR FORECLOSED PROPERTIES): Resale Demand, District Documents, W-9, Unit Ledger	\$ 500.00
Refinance Status Letter / Affidavit	\$ 100.00
Ownership Conveyance Fee (Resale Ownership Change)	\$ 200.00
<b>Rush / Update Services &amp; Fees</b> (Standard Processing Time is 6 business days)	<b>Fee</b>
Within 1 Business Day Rush Fee*	\$ 175.00
Within 2-3 Business Days Rush Fee*	\$ 150.00
Within 4-5 Business Days Rush Fee*	\$ 100.00
Resale Status Letter / Affidavit Update Fee	\$ 75.00

**EXHIBIT B-1**

CONTRACTOR'S COMPLETED W-9

## EXHIBIT C

### INSURANCE REQUIREMENTS

NOTE: All insurance required and provided hereunder shall also comply with the provisions of Section 11 of this Agreement.

1. Standard Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor involved with the performance of the Services, with policy amounts and coverage in compliance with the laws of the jurisdiction in which the Services will be performed.
2. Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 designated location, general aggregate; and \$1,000,000 umbrella. Such insurance will include coverage for contractual liability, personal injury, and broad form property damage, and shall include all major divisions of coverage and be on a comprehensive basis including, but not limited to:
  - a. premises operations;
  - b. personal injury liability without employment exclusion;
  - c. limited contractual;
  - d. broad form property damages, including completed operations;
  - e. medical payments;
  - f. products and completed operations;
  - g. independent consultants coverage; and
  - h. coverage inclusive of construction means, methods, techniques, sequences, and procedures, employed in the capacity of a construction consultant.

**This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**

3. Comprehensive Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used in connection with the performance of the Services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage. **This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**
4. Contractor shall secure and maintain a third-party fidelity bond in favor of the District, covering the Contractor and its employees and agents who may provide or be responsible for the provision of Services where such activities contemplate the responsibility for money or property of the District. Such bond shall protect the District against any fraudulent or dishonest act which may result in the loss of money, securities, or other property belonging

to or in the possession of the District. Said bond shall be in an amount as determined by the District, from a surety acceptable to the District.

5. Any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement.

**EXHIBIT C-1**  
CERTIFICATE(S) OF INSURANCE



EXHIBIT D

CERTIFICATE OF GOOD STANDING WITH COLORADO SECRETARY OF STATE

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO

**CERTIFICATE OF FACT OF GOOD STANDING**

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Westwind Management Group, LLC

is a

Limited Liability Company

formed or registered on 06/05/2018 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20181457458 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 10/24/2023 that have been posted, and by documents delivered to this office electronically through 10/29/2023 @ 17:46:10 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 10/29/2023 @ 17:46:10 in accordance with applicable law. This certificate is assigned Confirmation Number 15442761 .



*Jena Griswold*

Secretary of State of the State of Colorado

\*\*\*\*\*End of Certificate\*\*\*\*\*  
*Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."*

**AMENDED AND RESTATED EXHIBIT B****COMPENSATION SCHEDULE-**

Effective as of ~~September~~January 1, 2024

**Compensation Due from the District**

Managing Agent shall be entitled to receive compensation (plus any applicable taxes and fees), for its services performed pursuant to the Management Agreement (hereafter "Agreement"). The following is a listing of fees and costs:

**Base Monthly Management Fee**

Fee Managing Agent charges on a monthly basis to provide the general and continually-recurring services listed in the Agreement. -This fee does not pay for unusual or non-continually-recurring services that may occur from time to time, and this Base Monthly Management Fee does not cover reimbursable supplies and expendable costs incurred for the general administration of the Responsibilities of the Managing Agent as more fully delineated in the Agreement.

Specifically, the base monthly management fee for the District is \$4,400.~~00~~ as of January 1, 2024, until amended and approved by both parties.- Managing Agent shall provide thirty (30) days' notice prior to any amendment of any fee and such change shall be documented by an addendum to this Exhibit.

**Schedule of Other Charges, Fees and/or Reimbursements (Paid by District)****Origination and Set Up Fee**

During the transition period, estimated to be within 90 days of effective date, Managing Agent may need to charge \$150.00 per hour, only if necessary and after Board approval. -While Managing Agent rarely charges this fee, it may be necessary when circumstances require an extraordinary amount of time and/or expense in completing a management transition. -Since this is a very rare situation and each management transition is unique, there is no possible way to provide a set cost unless Managing Agent has carefully reviewed the specific circumstances and determined what the added costs would be to provide the management transition services. Managing Agent will seek Board Approval before charging additional fees for Origination and Set Up services.-

**Length & Time of Meetings Outside Standard Parameters**

Long and late-night Board Meetings have a negative effect on professional managers as well as Board Members. -Contractor acknowledges that the Board's meetings are currently scheduled to begin at 6:00 p.m. and agrees that this is a reasonable time for meetings in order for community involvement. -After 90 days of the effective date of this Agreement, in the event that a Board or other Meeting exceeds two hours in length, the District will be charged, based on the hourly rates noted in this Exhibit, and is billable in 15 minute increments, for any portion of time exceeding two hours.-

**Board Meeting Quorum Failure**

The Board recognizes that the Managing Agent spends significant time preparing documentation for each Board meeting. -The Board also recognizes that the Managing Agent has set aside a large block of valuable time to attend and participate in every Board meeting. -Additionally, the business flow of actions and processes is adversely affected when quorum is not obtained. -In the event the Managing Agent attends a board meeting and a quorum fails to attend, the District agrees to pay \$200250 (if a virtual meeting) and \$500 (if in person) to cover a small portion of the cost to the Managing Agent.

**Cancellation of Board Meetings**

In the event the District cancels a board meeting with less than ~~three~~ (3five (5)) business day notice, the District agrees to pay Managing Agent a \$100 fee.

**Hourly rates for Managing Agent’s Staff (based upon Board’s prior authorization unless otherwise noted) for non-recurring work:**

Executive Staff	\$ <del>150</del> <u>200</u> .00/hr.
IT Manager	<del>\$125</del> <u>\$175</u> .00/hr.
District Management Staff	\$ <del>100</del> <u>150</u> .00/hr.
Client Documentation Administrator	\$ <del>95</del> <u>145</u> .00/hr.
Specialty Support Staff	\$ <del>65</del> <u>100</u> .00/hr.
Administrative Staff	\$ <del>55</del> <u>75</u> .00/hr.
Accounting Staff	\$ <del>55</del> <u>75</u> .00/hr.

**Special Accounting or Special Administration Services:**

*Delinquency Court:* No hourly charge provided Managing Agent is currently the Managing Agent for the community and court attendance time does not exceed 4 hours. Only charge for reimbursement for out of pocket costs (parking, mileage, lunch per diem, etc.)- If Managing Agent is no longer the managing agent or the court attendance time exceeds 4 hours, the hourly rates as noted in this Exhibit will apply for any clerical, research and discovery time in addition to out of pocket costs and court time as stated above.

*Non-Delinquency Court:-* Hourly rates as noted in this Exhibit for clerical, research and discovery, as well as actual court time.

*Arbitration and Mediation:* Hourly rates as noted in this Exhibit for arbitration- and mediation appearance and deposition time.

*Insurance Claims Management:* For such extra work and if the claim is considered extensive by the Managing Agent, time will be billed

~~at 3% of the hourly rate(s) as noted in this Exhibit, subject to total insurance claim unless otherwise agreed to prior approval in writing by the both parties. Managing Agent will notify Board in writing once an Insurance claim has been filed~~

*Acting Agent for Litigation:*

Additional work needed to support any litigating-matter shall be billed at hourly rates as noted in this Exhibit. - Prior Board approval may not be possible due to timing of service of process and response requirements. - Managing Agent will advise the Board President or appointed Representative as soon as reasonably possible.

~~*NSF or Return Check Fee:* \$20.00 for each returned item, payable by Owner.~~

*Special Project Services:*

For projects / services that are non-recurring annually, Managing Agent will charge 3% of total contract price unless otherwise agreed in writing by both parties. For services to include: identification of project scope of work, funding verification, bid services, contract administration, community liaison / communication, issuance of progress payments as directed by Board and any other service agreed to in writing by both parties.

*Non-Board Records Inspection:*

Clerical, research, copying and monitoring time-billed at the hourly rate(s) as noted in this Exhibit.

*Bid Only Services:*

Construction Management, Insurance Claim Processing, Governing Document Amendments (that require membership review and/or approval) and Loan Application Fees billed at hourly rate(s) as noted in this Exhibit after prior Board approval.

*Administrative Fee:*

Collection notices, lien filings, assignments, releases, and foreclosure assistance payable as set forth in the adopted collection policy. -The adopted collection policy is an addendum to this Management Agreement.- During the business relationship, these administrative fees are only paid to Managing Agent after collection of said fees.-

In the event that the Management Agreement between the District and -Managing Agent is terminated by either party with or without cause, the District agrees to reimburse Managing Agent

|

75% of any and all outstanding and uncollected-

collection fees and costs accrued at the time of termination.

### Reimbursable Administrative Costs

These are costs that Managing Agent incurs for the proper administration of the Agreement. Managing Agent invests an extraordinary amount of capital in equipment, technology and supplies to provide professional services. -These costs consist of:

*District Supplies:* At Managing Agent's cost for supplies utilized (including but not limited to pocket folders, master files, storage boxes, coupon books, checks, envelopes, digital storage devices, etc.)

~~Copying~~ ~~\_\_\_\_\_~~ ~~\$ .15/Printing~~ ~~\$ .20~~ per ~~page for notices, mailings, newsletters, etc.~~ COPY

~~Digital Scanning:~~ ~~\_\_\_\_\_~~ ~~\$ .0810~~ per ~~page for notices, mailings, newsletters, file set up, client onboarding, etc.~~ SCAN

#### Postage

~~Mailing Costs:~~ ~~\_\_\_\_\_~~ ~~At Managing Agent's cost for mailing notices, newsletters, etc.~~ plus 10% administration fee

~~Postage:~~ ~~\_\_\_\_\_~~ USPS Stamped Postage Rates

~~Alternative Delivery:~~ ~~\_\_\_\_\_~~ Federal Express, UPS, courier – billed at courier's cost plus use of Managing Agent's Funds rates stated below

~~Historic Record Storage:~~ ~~\_\_\_\_\_~~ ~~Monthly cost established by the estimated amount of physical records generated by District, based upon size, as follows:~~

~~\_\_\_\_\_~~ ~~1 – 100 homes = \$17.00/month~~

~~\_\_\_\_\_~~ ~~101 – 200 homes = \$33.00/month~~

~~\_\_\_\_\_~~ ~~201+ homes = \$40.00/month~~

The monthly records storage charge for the District is-

~~\$ 4075.00~~

*Title Research:* Title company research for Declaration amendments, supplements, annexations, etc. during onboarding – billed at title research company hourly charge for research and actual costs for copies of information pulled.

### Historical Document Retention Review/Purge

The historical records review and organization of District records, inventoried by subject matter and year, with the purge of old, non-essential records (according to the Board's adopted Records Retention Policy), are subject to the hourly rates within this Exhibit and only after Board approval. This provision applies to documents and records, hard copy and electronic, created and maintained prior to the effective date of this Agreement.

**Use of Managing Agent Funds:**

From time to time, a client will use the Managing Agent's funds to pay a bill or fee. Should a client use the Managing Agents funds, the following terms, conditions and service fees will apply unless otherwise waived by Managing Agent.-

<del>Managing Agent Fund Use Amount</del>	<del>Fee*</del>
<del>\$1.00 \$100.99</del>	<del>\$ 5.00</del>
<del>\$101.00 \$300.99</del>	<del>\$ 10.00</del>
<del>\$301.00 \$500.99</del>	<del>\$ 20.00</del>
<del>\$501.00 \$1,000.99</del>	<del>\$ 30.00</del>
<del>\$1,001.00+</del>	<del>6%</del>

<u>Managing Agent Fund Use Amount</u>	<u>Fee*</u>
<u>\$1.00-\$100.99</u>	<u>\$ 10.00</u>
<u>\$101.00-\$300.99</u>	<u>\$ 25.00</u>
<u>\$301.00-\$500.99</u>	<u>\$ 50.00</u>
<u>\$501.00-\$1,000.99</u>	<u>\$ 75.00</u>
<u>\$1,001.00+</u>	<u>10%</u>

\*Reimbursement / Payments not received within 30 days of District’s use of funds will be charged interest at the current bank rate. -Use of funds requires approval by Managing Agent’s Principals or duly authorized representative.—

**Additional Services (if applicable):**

Release of Lien placed by a previous management company	<del>\$</del> <u>\$ 125.00</u>
Secretary of State – Change of Registered Agent & Principal Address	<del>\$</del> <u>30\$</u>
<u>50.00</u>	
Statutory Required District Notice Filing – Addendum to Declaration	<del>\$</del> <u>\$</u>
25.00	

**Schedule of Other Charges, Fees and/or Reimbursements (Paid by 3<sup>rd</sup> Parties)**

**Third Party Transactional Services & Fees:**

Documentation required by Sellers, Potential Buyers / Investors, Realtors, Title Companies and Appraisers, et. al. must be accurate, factual and as current as possible so that all parties to a sales transaction can reasonably rely on the information provided in making a business decision about the financial condition and general information of a District / Community. -As Managing Agent, these documents are taken very seriously. -Documents are updated daily during normal business hours/days, as information is available. -These services are not included as part of the base monthly management fee. -The following is a list of current charges.- The buyer/seller, real estate professional, and/or title company pays for the below listed services. -The District is not responsible for said fees unless otherwise agreed to, in writing, with the District and/or the District’s actions, in the sole discretion of the Managing Agent, are adversely affecting its ability to collect said fees.—

<del>Bundle Options (Discounted Pricing)</del>	<del>Fee</del>
<del>Status Letter and Complete Documents Package: Status Letter, District Documents</del>	<del>\$ 225.00</del>
<del>Premium Lender Questionnaire Bundle: Lender Questionnaire, District Documents</del>	<del>\$ 250.00</del>
<del>Standard Lender Questionnaire Bundle: Lender Questionnaire, Budget, Insurance Disclosure</del>	<del>\$ 150.00</del>
<del>Bank Owned Property Package (REQUIRED FOR FORECLOSED PROPERTIES): Resale Demand, District Documents, W-9, Unit Ledger</del>	<del>\$ 275.00</del>



<b>Products (Documents / Services)</b>	<b>Fee</b>
<del>Resale Status Letter / Affidavit</del> ; <u>Status Letter</u>	\$ - <u>125</u> <u>225.00</u>
<del>Refinance Status Letter / Affidavit</del>	<u>\$ 75.00</u>
<del>Seller's Resale Disclosure</del> <u>Bank Owned Property</u> Package <del>/(REQUIRED FOR FORECLOSED PROPERTIES): Resale Demand, District Documents Package, W-9, Unit Ledger</del>	\$ <del>150</del> <u>500.00</u>
<del>Lender Questionnaire (Managing Agent Form)</del> <u>Refinance Status Letter / Affidavit</u>	\$ <del>150</del> <u>100.00</u>
<del>Custom Lender Questionnaire (In addition to Lender Questionnaire fee above / Lender Specific Form)</del>	<u>\$ 50.00</u>
Ownership Conveyance Fee (Resale Ownership Change)	\$ - <u>150</u> <u>200.00</u>
<del>Individual District Documents (All Documents are provided as part of Seller's Resale Disclosure Package) — Per Document Fee Not to Exceed</del>	<u>\$ 25.00</u> per document
<b>Rush / Update Services &amp; Fees</b> (Standard Processing Time is 6 business days)	<b>Fee</b>
Within 1 Business Day Rush Fee*	<u>\$ 125</u> <u>175.00</u>
Within 2-3 Business Days Rush Fee*	<u>\$ 100</u> <u>150.00</u>
Within 4-5 Business Days Rush Fee*	<u>\$ 50</u> <u>100.00</u>
Resale Status Letter / Affidavit Update Fee	<u>\$ 30</u> <u>75.00</u>
<del>*Status Letters and/or Questionnaires</del>	
<b>Other Accounting Fees</b>	
<del>Lien sale documentation</del>	<u>\$ 200.00</u>
<del>Payment plan administration</del>	<u>\$ 100.00</u>

This Amended and Restated Exhibit B has been reviewed and approved by the Blackstone Metropolitan District this \_\_\_\_\_ day of November, 2023.

Contractor - \_\_\_\_\_  
WESTWIND MANAGEMENT GROUP, LLC

District - \_\_\_\_\_  
Blackstone Metropolitan District

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

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

| Date: \_\_\_\_\_

Date: \_\_\_\_\_