

# DENARGO MARKET METROPOLITAN DISTRICT NOS. 1, 2 AND 3

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

## NOTICE OF REGULAR MEETING AND AGENDA

<u>Board of Directors</u>	<u>Office</u>	<u>Term/Expires</u>
Laura H. Newman	President	2023/May 2023
Donald D. Cabrera	Treasurer	2023/May 2023
Jeffrey D. Jones	Asst. Secretary	2025/May 2025
Todd T. Wenskoski	Asst. Secretary	2023/May 2025
Wade Davidson	Asst. Secretary	2023/May 2025
Ann Finn	Secretary	

DATE: November 15, 2022

TIME: 4:30 p.m.

LOCATION: Zoom Meeting

<https://us02web.zoom.us/j/81056620865?pwd=WjhYZUtlMTYzbGxaZ2ZxdUpZSGtGZz09>

**Phone:** 1 (719) 359-4580

**Meeting ID:** 810 5662 0865

**Password:** 946822

**One tap mobile:** +17193594580,,81056620865#,,,\*946822#

### I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

---

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

---

C. Consider adoption of Resolution of Appreciation for Director Cabrera (enclosure).

---

D. Review and approve the Minutes of the September 20, 2022 Regular Meeting and November 1, 2022 Special Meeting of Denargo Market Metropolitan District No. 1 (“District No. 1”), Denargo Market Metropolitan District No. 2 (“District No. 2”) and Denargo Market Metropolitan District No. 3 (“District No. 3”) (enclosures).

---

- E. Discuss business to be conducted in 2023 and location (**virtual and/or physical**) or meetings. Consider regular meeting dates for 2023 (suggested dates are March 14, 2023, June 20, 2023, September 19, 2023 and November 14, 2023 at 4:30 p.m. via Zoom Meeting). Review and consider approval of Resolution Establishing Regular Meeting Dates, Time and Location, and Designating Location for Posting of 24-Hour Notices (enclosures).
- 

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

- Authorize posting of the Transparency Notice on the SDA website, in compliance with requirements of Section 32-1-809, C.R.S.
  - Acknowledge approval of 2022-2025 Operation Funding Agreement by and between District No. 1 and JV Denargo LLC (enclosure).
  - Acknowledge approval of 2022-2025 Facilities Funding and Acquisition Agreement by and between District No. 1 and JV Denargo LLC (enclosure).
  - Ratify approval of Change Order to Service Agreement for Site Inspection Services/Construction Oversight by and between the District and Triunity Engineering & Management, INC. for review of development applications (enclosure).
  - Ratify approval of ROW Permit with Hooper Corporation (enclosure).
  - Ratify approval ROW Permit with Sage Telecommunications Corp. of Colorado, LLC, d/b/a Sage Telecommunications Corporation (enclosure).
  - Ratify approval ROW Permit with Ad Light Group (enclosure).
  - Ratify approval of proposal from BrightView Landscape Services, Inc. for erosion repair work (enclosure).
- 

III. PUBLIC COMMENT

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

IV. FINANCIAL MATTERS

- A. **District No. 1** - Review and consider approval of the payment of claims through the period ending as follows (enclosures):

<b>Fund</b>	Period Ending Sept. 30, 2022	Period Ending October 31, 2022
General	\$ 13,897.27	\$ 22,129.56
Debt Service	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ 931.00
<b>Total</b>	<b>\$ 13,897.27</b>	<b>\$ 23,060.56</b>

- B. **District Nos. 1 and 2** - Review and accept the unaudited financial statements through the period ending September 30, 2022 and Schedule of Cash Position updated as of October 24, 2022 (enclosures).

- C. Conduct Public Hearings to consider Amendment to 2022 Budgets (if necessary) and consider adoption of Resolutions to Amend the 2022 Budgets and Appropriate Expenditures.

- D. Conduct Public Hearings on the proposed 2023 Budgets and consider adoption of Resolutions to Adopt the 2023 Budgets and Appropriate Sums of Money and Resolutions to Set Mill Levies for General Fund \_\_\_\_\_, Debt Service Fund \_\_\_\_\_, and Other Fund(s) \_\_\_\_\_ for a total mill levy of \_\_\_\_\_ (enclosures – preliminary AV, draft 2023 Budget, and Resolutions).

- E. Authorize District Accountant to prepare, and appoint Board Member to sign, the DLG-70 Certification of Tax Levies forms (“Certifications”). Direct District Accountant to file the Certifications with the Assessor and/or Board of County Commissioners and other interested parties.

- F. **District No. 2** - Discuss and consider adoption of Resolution Authorizing Adjustment of the District Mill Levy in Accordance with the Service Plan (enclosure).

- G. Review and consider approval of CliftonLarsonAllen LLP Statements of Work by and between each of the Districts and CliftonLarsonAllen LLP for 2023 Accounting Services (enclosures).

H. **District No. 1** - Consider engagement of Dazzio & Associates, PC for preparation of 2022 Audit, in the amount of \$4,200 (enclosure).

---

I. **District No. 2** - Consider engagement of Dazzio & Associates, PC for preparation of 2022 Audit, in the amount of \$4,700 (enclosure).

---

J. **District No. 3** - Consider appointment of District Accountant to prepare the Application for Exemption from Audit for 2022.

---

K. Consider appointment of District Accountant to prepare 2024 Budgets.

---

V. LEGAL MATTERS

A. Discuss May 2, 2023 Regular Elections and consider adoption of Resolutions Calling a Regular Election on May 2, 2023, appointing the Designated Election Official (“DEO”), and authorizing the DEO to perform all tasks required for the conduct of mail ballot elections (enclosures). Self-Nomination forms are due by February 24, 2023. **Discuss need for ballot issues and/or questions.**

---

B. Discuss status of Service Plan Amendments and authorize necessary actions related thereto.

---

C. Discuss potential License Agreement with commercial user for encroachment of private improvements on District owned property.

---

VI. OPEARATION AND MAINTENANCE

A. Ratify approval of Change Order No. 1 to Service Agreement with Brightview Landscape Services, Inc. for snow removal services (enclosure).

---

B. Consider approval of Service Agreement/Change Order with Brightview Landscape Services, Inc. for 2023 landscape maintenance services (enclosure).

---



- C. Consider approval of Service Agreement with Colorado Lighting, Inc. for site lighting maintenance services (enclosure).

---
- D. Consider approval of Service Agreement/Change Order with Diversified Underground, Inc. for locate services (enclosure).

---
- E. Consider approval of Service Agreement/Change Order with Denver Metro Protective Services for security services.

---
- F. Discuss status of the O&M Analysis from ETM Associates.

---

VII. OTHER MATTERS

- A. Discuss status of the Pennrose, LLC (2700 Wewatta Way) Project (enclosure).

---

  - 1. Discuss relocation of Xcel/Comcast/District pedestals onto the City and County of Denver ROW.

---
- B. Discuss the Establishment of a Construction Committee.

---
- C. Review and discuss Construction Oversight/Site Inspections/Development Application Reviews (Triunity).

---

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

Additional Enclosure:

- Notice of rate increase from Special District Management Services, Inc.
- Notice of rate increase from McGeady Becher P.C.

A RESOLUTION OF  
THE BOARD OF DIRECTORS OF  
DENARGO MARKET METROPOLITAN DISTRICT NOS. 1-3

A Resolution to communicate sincere thanks and appreciation to Donald D. Cabrera for time and expertise contributed to the Denargo Market Metropolitan District Nos. 1-3 (the District").

WHEREAS, the Districts were duly organized under authorization of Colorado State Statute to provide for the planning, financing, construction, maintenance and operation of public infrastructure necessary to serve the needs of the Districts; and

WHEREAS, the Board of Directors of the Districts were duly elected to oversee and supervise the many and complex details associated with the operation and administration of the Districts; and

WHEREAS, the accomplishments undertaken were satisfied in a manner and style which resulted in a successful development; and

WHEREAS, Donald D. Cabrera served as a Board Member of the Districts as an effective leader and with utmost distinction.

NOW, THEREFORE, BE IT RESOLVED THAT the leadership and expertise provided by Director Cabrera be acknowledged and that this Resolution communicate the sincere gratitude and appreciation of the Board of Directors of the Denargo Market Metropolitan District Nos. 1-3.

ADOPTED this 15th day of November, 2022.

DENARGO MARKET METROPOLITAN  
DISTRICT NOS. 1- 3

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

ATTEST:

\_\_\_\_\_  
Secretary

## RECORD OF PROCEEDINGS

---

### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 1 HELD SEPTEMBER 20, 2022

A Regular Meeting of the Board of Directors (referred to hereafter as the “Board”) of the Denargo Market Metropolitan District No. 1 (referred to hereafter as the “District”) was held on Tuesday, the 20<sup>th</sup> day of September 2022, at 4:30 p.m. The District Board meeting was held and properly noticed to be held via Zoom. The meeting was open to the public via Zoom.

#### ATTENDANCE

#### Directors In Attendance Were:

Laura H. Newman  
Jeffrey D. Jones

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the absence of Director Cabrera was excused.

#### Also In Attendance Were:

Ann Finn; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq. and Erica Montague, Esq; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

Wade Davidson and Todd Wenskoski; Board Candidates

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. It was noted that disclosures of potential conflicts of interest statements for each of the Directors had been filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. It was noted for the record that there were no additional disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statutes.

## RECORD OF PROCEEDINGS

---

### ADMINISTRATIVE MATTERS

#### **Confirmation of Quorum, Location of Meeting and Posting of Meeting**

**Notices:** Ms. Finn confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. It was noted that the District Board meeting was held and properly noticed to be held by video / telephonic means via Zoom. The Board further noted that notice of the time, date and meeting access information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed were received from taxpaying electors within the District's boundaries.

**Agenda:** Ms. Finn reviewed with the Board a proposed Agenda for the District's Regular Meeting.

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

**Minutes:** The Board reviewed the Minutes of the June 21, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the Minutes of the June 21, 2022 Regular Meeting were approved, as presented.

**Appointment of Directors:** The Board considered the appointment of Todd Wenskoski and Wade Davidson to fill the vacant seats on the Board.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, Todd Wenskoski and Wade Davidson were appointed to fill the vacant seats on the Board.

**Resignation of Matt Cohrs:** The Board acknowledged the resignation of Matt Cohrs as District Manager and Secretary.

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

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the following slate of officers was appointed, subject to administration and filing of Oath documents for Mr. Wenskoski and Mr. Davidson:

## RECORD OF PROCEEDINGS

---

President	Laura H. Newman
Treasurer	Donald D. Cabrera
Secretary	Ann Finn
Assistant Secretary	Jeffrey D. Jones
Assistant Secretary	Todd Wenskoski
Assistant Secretary	Wade Davidson

### PUBLIC COMMENT

There were no public comments.

### FINANCIAL MATTERS

**Claims:** The Board considered ratifying the approval of the payment of claims as follows:

<b>Fund</b>	Period Ending July 31, 2022	Period Ending August 31, 2022	Special Check BrightView Landscape Services
General	\$ 20,430.95	\$ 28,143.46	\$ 8,512.50
Debt Service	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ 2,536.50	\$ -0-
<b>Total</b>	<b>\$ 20,430.95</b>	<b>\$ 30,679.96</b>	<b>\$ 8,512.50</b>

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote unanimously carried, the Board ratified approval of the payment of the claims, as presented.

**Unaudited Financial Statements:** Ms. Ross reviewed the unaudited financial statements through the period ending June 30, 2022 and Schedule of Cash Position updated as of August 1, 2022 with the Board. Ms. Ross was directed to prepare an updated budget projection for the remainder of the year.

Following review, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote unanimously carried, the Board accepted the unaudited financial statements through the period ending June 30, 2022 and Schedule of Cash Position updated as of August 1, 2022.

### LEGAL MATTERS

**Service Plan Amendment:** Attorney Williams provided an update to the Board regarding the status of the District's proposed Service Plan Amendment. Attorney Williams informed the Board that a TABOR election will be necessary in conjunction with the District's Regular Election for Directors in May, 2023.

## RECORD OF PROCEEDINGS

---

**Cost Sharing Agreement by and among City and County of Denver, JV Denargo LLC and the District:** Attorney Williams presented the Cost Sharing Agreement by and among City and County of Denver, JV Denargo LLC and the District to the Board.

Following review, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote unanimously carried, the Board approved the Cost Sharing Agreement by and among the City and County of Denver, JV Denargo LLC and the District, subject to final review and revision. The Board further authorized Director Newman to execute the Agreement.

**License Agreement with Commercial User for Encroachment of Private Improvements on District Owned Property:** Attorney Williams discussed the need for a License Agreement with commercial user for encroachment of private improvements on District owned property. No action was taken by the Board.

**Service Agreement for Operations and Maintenance Consultation Services by and between the District and ETM Associates, L.L.C.:** The Board entered into discussion regarding a Service Agreement for Operations and Maintenance Consultation Services by and between the District and ETM Associates, L.L.C.

Following review and discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the Board acknowledged the Service Agreement for Operations and Maintenance Consultation Services by and between the District and ETM Associates, L.L.C.

**Amended and Restated Partial Termination of Easement (Easement Agreement [Detention Pond] dated as of April 19, 2012 and recorded in the official records of the City and County of Denver at Reception Number 2012059040):** The Board entered into discussion regarding an Amended and Restated Partial Termination of Easement (Easement Agreement [Detention Pond] dated as of April 19, 2012 and recorded in the official records of the City and County of Denver at Reception Number 2012059040).

Following review and discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote unanimously carried, the Board acknowledged the Amended and Restated Partial Termination of Easement (Easement Agreement [Detention Pond] dated as of April 19, 2012 and recorded in the official records of the City and County of Denver at Reception Number 2012059040).

---

### **OTHER MATTERS**

**Development Update – Wewatta Way:** There was no update.

## RECORD OF PROCEEDINGS

---

**Change Order to Service Agreement for Site Inspection Services/Construction Oversight by and between the District and Triunity Engineering & Management, INC. for Review of Development Applications:** The Board entered into discussion regarding a Change Order to Service Agreement for Site Inspection Services/Construction Oversight by and between the District and Triunity Engineering & Management, INC. for review of development applications.

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote unanimously carried, the Board approved the Change Order to Service Agreement for Site Inspection Services/Construction Oversight by and between the District and Triunity Engineering & Management, INC. for review of development applications for 2022. The Board further directed Ms. Finn to obtain a proposal for 2023.

**Annual Meeting for Property Owners:** Ms. Finn reported that the 2022 Annual Property Owners Meeting Notice was provided to all property owners on August 16, 2022. It was noted that no property owners were in attendance.

**Ad Light Group:** Ms. Finn presented a request from Ad Light Group for payment related to repair work performed on the Denargo Market signage, in the amount of \$500. Following discussion, the Board directed Ms. Finn to advise Ad Light Group to contact the building owner for payment.

---

### **ADJOURNMENT**

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting

## RECORD OF PROCEEDINGS

---

### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 1 HELD NOVEMBER 1, 2022

A Special Meeting of the Board of Directors (referred to hereafter as the “Board”) of the Denargo Market Metropolitan District No. 1 (referred to hereafter as the “District”) was held on Tuesday, the 1<sup>st</sup> day of November 2022, at 4:00 p.m. The District Board meeting was held and properly noticed to be held via Zoom. The meeting was open to the public via Zoom.

#### ATTENDANCE

#### Directors In Attendance Were:

Laura H. Newman  
Jeffrey D. Jones  
Wade Davidson  
Todd Wenskoski

Following discussion, upon motion duly made by Director Jones, seconded by Director Wenskoski and, upon vote unanimously carried, the absence of Director Cabrera was excused.

#### Also In Attendance Were:

Ann Finn; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq.; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. It was noted that disclosures of potential conflicts of interest statements for each of the Directors had been filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. It was noted for the record that there were no additional disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statutes.



## RECORD OF PROCEEDINGS

---

### ADMINISTRATIVE MATTERS

#### **Confirmation of Quorum, Location of Meeting and Posting of Meeting**

**Notices:** Ms. Finn confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. It was noted that the District Board meeting was held and properly noticed to be held by video / telephonic means via Zoom. The Board further noted that notice of the time, date and meeting access information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed were received from taxpaying electors within the District's boundaries.

**Agenda:** Ms. Finn reviewed with the Board a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Jones, seconded by Director Wenskoski and, upon vote unanimously carried, the Agenda was approved.

**Resignation and Appointment of Secretary to the Board:** The Board discussed the resignation of Matt Cohrs and considered the appointment of Ann Finn as Secretary to the Board.

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote unanimously carried, the Board accepted the resignation of Matt Cohrs as Secretary to the Board and appointed Ann Finn as Secretary to the Board.

### PUBLIC COMMENT

There were no public comments.

### FINANCIAL MATTERS

**Budget Work Session:** Ms. Ross presented the draft 2023 Budget to the Board and discussion ensued. Ms. Ross was directed to revise the draft Budget per discussion with the Board and to present the updated Budget at the November 15<sup>th</sup> Regular Meeting / Budget Hearing.

*2023 Landscape Services Proposal:* Discussion of this matter was deferred.

*Mulch Installation Proposal:* Discussion of this matter was deferred.

*Erosion Repair Proposal:* Discussion of this matter was deferred.

*Tree Pruning Proposal:* Discussion of this matter was deferred.

## RECORD OF PROCEEDINGS

---

*District Clean-Up Proposal:* Discussion of this matter was deferred.

---

### **ADJOURNMENT**

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting

## RECORD OF PROCEEDINGS

---

### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2 HELD SEPTEMBER 20, 2022

A Regular Meeting of the Board of Directors (referred to hereafter as the “Board”) of the Denargo Market Metropolitan District No. 2 (referred to hereafter as the “District”) was held on Tuesday, the 20<sup>th</sup> day of September 2022, at 4:30 p.m. The District Board meeting was held and properly noticed to be held via Zoom. The meeting was open to the public via Zoom.

#### ATTENDANCE

#### Directors In Attendance Were:

Laura H. Newman  
Jeffrey D. Jones

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the absence of Director Cabrera was excused.

#### Also In Attendance Were:

Ann Finn; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq. and Erica Montague, Esq; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

Wade Davidson and Todd Wenskoski; Board Candidates

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. It was noted that disclosures of potential conflicts of interest statements for each of the Directors had been filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. It was noted for the record that there were no additional disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statutes.

## RECORD OF PROCEEDINGS

---

### ADMINISTRATIVE MATTERS

#### **Confirmation of Quorum, Location of Meeting and Posting of Meeting**

**Notices:** Ms. Finn confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. It was noted that the District Board meeting was held and properly noticed to be held by video / telephonic means via Zoom. The Board further noted that notice of the time, date and meeting access information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed were received from taxpaying electors within the District's boundaries.

**Agenda:** Ms. Finn reviewed with the Board a proposed Agenda for the District's Regular Meeting.

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

**Minutes:** The Board reviewed the Minutes of the June 21, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the Minutes of the June 21, 2022 Regular Meeting were approved, as presented.

**Appointment of Directors:** The Board considered the appointment of Todd Wenskoski and Wade Davidson to fill the vacant seats on the Board.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, Todd Wenskoski and Wade Davidson were appointed to fill the vacant seats on the Board.

**Resignation of Matt Cohrs:** The Board acknowledged the resignation of Matt Cohrs as District Manager and Secretary.

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

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the following slate of officers was appointed, subject to administration and filing of Oath documents for Mr. Wenskoski and Mr. Davidson:

## RECORD OF PROCEEDINGS

---

President	Laura H. Newman
Treasurer	Donald D. Cabrera
Secretary	Ann Finn
Assistant Secretary	Jeffrey D. Jones
Assistant Secretary	Todd Wenskoski
Assistant Secretary	Wade Davidson

---

### **PUBLIC COMMENT**

There were no public comments.

---

### **FINANCIAL MATTERS**

**Unaudited Financial Statements:** Ms. Ross reviewed with the Board the unaudited financial statements through the period ending June 30, 2022 and Schedule of Cash Position updated as of August 1, 2022. Ms. Ross was directed to prepare an updated budget projection for the remainder of the year.

Following review, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote unanimously carried, the Board accepted the unaudited financial statements through the period ending June 30, 2022 and Schedule of Cash Position updated as of August 1, 2022.

---

### **LEGAL MATTERS**

**Service Plan Amendment:** Attorney Williams provided an update to the Board regarding the status of the District's proposed Service Plan Amendment. Attorney Williams informed the Board that a TABOR election will be necessary in conjunction with the District's Regular Election for Directors in May, 2023.

**License Agreement with Commercial User for Encroachment of Private Improvements on District Owned Property:** Attorney Williams discussed with the Board a License Agreement with commercial user for encroachment of private improvements on District owned property. No action was taken by the Board.

---

### **OTHER MATTERS**

**Development Update – Wewatta Way:** There was no update.

**Annual Meeting for Property Owners:** Ms. Finn reported that the 2022 Annual Property Owners Meeting Notice was provided to all property owners on August 16, 2022. It was noted that no property owners were in attendance.

**Ad Light Group:** Ms. Finn noted Ad Light Group made a request regarding payment for repair work performed on the Denargo Market signage for \$500. Following discussion, the Board directed Ad Light Group to contact the building owner for payment.

---

## RECORD OF PROCEEDINGS

---

### ADJOURNMENT

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting

## RECORD OF PROCEEDINGS

---

### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2 HELD NOVEMBER 1, 2022

A Special Meeting of the Board of Directors (referred to hereafter as the “Board”) of the Denargo Market Metropolitan District No. 2 (referred to hereafter as the “District”) was held on Tuesday, the 1<sup>st</sup> day of November 2022, at 4:00 p.m. The District Board meeting was held and properly noticed to be held via Zoom. The meeting was open to the public via Zoom.

#### ATTENDANCE

#### Directors In Attendance Were:

Laura H. Newman  
Jeffrey D. Jones  
Wade Davidson  
Todd Wenskoski

Following discussion, upon motion duly made by Director Jones, seconded by Director Wenskoski and, upon vote unanimously carried, the absence of Director Cabrera was excused.

#### Also In Attendance Were:

Ann Finn; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq.; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. It was noted that disclosures of potential conflicts of interest statements for each of the Directors had been filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. It was noted for the record that there were no additional disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statutes.

## RECORD OF PROCEEDINGS

---

### ADMINISTRATIVE MATTERS

#### **Confirmation of Quorum, Location of Meeting and Posting of Meeting**

**Notices:** Ms. Finn confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. It was noted that the District Board meeting was held and properly noticed to be held by video / telephonic means via Zoom. The Board further noted that notice of the time, date and meeting access information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed were received from taxpaying electors within the District's boundaries.

**Agenda:** Ms. Finn reviewed with the Board a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Jones, seconded by Director Wenskoski and, upon vote unanimously carried, the Agenda was approved.

**Resignation and Appointment of Secretary to the Board:** The Board discussed the resignation of Matt Cohrs and considered the appointment of Ann Finn as Secretary to the Board.

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote unanimously carried, the Board accepted the resignation of Matt Cohrs as Secretary to the Board and appointed Ann Finn as Secretary to the Board.

### PUBLIC COMMENT

There were no public comments.

### FINANCIAL MATTERS

**Budget Work Session:** Ms. Ross presented the draft 2023 Budget to the Board and discussion ensued. Ms. Ross was directed to revise the draft Budget per discussion with the Board and to present the updated Budget at the November 15<sup>th</sup> Regular Meeting / Budget Hearing.

*2023 Landscape Services Proposal:* Discussion of this matter was deferred.

*Mulch Installation Proposal:* Discussion of this matter was deferred.

*Erosion Repair Proposal:* Discussion of this matter was deferred.

*Tree Pruning Proposal:* Discussion of this matter was deferred.



## RECORD OF PROCEEDINGS

---

*District Clean-Up Proposal:* Discussion of this matter was deferred.

---

### **ADJOURNMENT**

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting

## RECORD OF PROCEEDINGS

---

### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 3 HELD SEPTEMBER 20, 2022

A Regular Meeting of the Board of Directors (referred to hereafter as the “Board”) of the Denargo Market Metropolitan District No. 3 (referred to hereafter as the “District”) was held on Tuesday, the 20<sup>th</sup> day of September 2022, at 4:30 p.m. The District Board meeting was held and properly noticed to be held via Zoom. The meeting was open to the public via Zoom.

#### ATTENDANCE

#### Directors In Attendance Were:

Laura H. Newman  
Jeffrey D. Jones

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the absence of Director Cabrera was excused.

#### Also In Attendance Were:

Ann Finn; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq. and Erica Montague, Esq; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

Wade Davidson and Todd Wenskoski; Board Candidates

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. It was noted that disclosures of potential conflicts of interest statements for each of the Directors had been filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. It was noted for the record that there were no additional disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statutes.

## RECORD OF PROCEEDINGS

---

### ADMINISTRATIVE MATTERS

#### **Confirmation of Quorum, Location of Meeting and Posting of Meeting**

**Notices:** Ms. Finn confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. It was noted that the District Board meeting was held and properly noticed to be held by video / telephonic means via Zoom. The Board further noted that notice of the time, date and meeting access information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed were received from taxpaying electors within the District's boundaries.

**Agenda:** Ms. Finn reviewed with the Board a proposed Agenda for the District's Regular Meeting.

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

**Minutes:** The Board reviewed the Minutes of the June 21, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, the Minutes of the June 21, 2022 Regular Meeting were approved, as presented.

**Appointment of Directors:** The Board considered the appointment of Todd Wenskoski and Wade Davidson to fill the vacant seats on the Board.

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote unanimously carried, Todd Wenskoski and Wade Davidson were appointed to fill the vacant seats on the Board.

**Resignation of Matt Cohrs:** The Board acknowledged the resignation of Matt Cohrs as District Manager and Secretary.

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

Following discussion, upon motion duly made by Director Newman, seconded by Director Jones and, upon vote, unanimously carried, the following slate of officers was appointed, subject to administration and filing of Oath documents for Mr. Wenskoski and Mr. Davidson:

## RECORD OF PROCEEDINGS

---

President  
Treasurer  
Secretary  
Assistant Secretary  
Assistant Secretary  
Assistant Secretary

Laura H. Newman  
Donald D. Cabrera  
Ann Finn  
Jeffrey D. Jones  
Todd Wenskoski  
Wade Davidson

---

### **PUBLIC COMMENT**

There were no public comments.

---

### **FINANCIAL MATTERS**

There were no financial matters.

---

### **LEGAL MATTERS**

**Service Plan Amendment:** Attorney Williams provided an update to the Board regarding the status of the District's proposed Service Plan Amendment. Attorney Williams informed the Board that a TABOR election will be necessary in conjunction with the District's Regular Election for Directors in May, 2023.

**License Agreement with Commercial User for Encroachment of Private Improvements on District Owned Property:** Attorney Williams discussed with the Board a License Agreement with commercial user for encroachment of private improvements on District owned property. No action was taken by the Board.

---

### **OTHER MATTERS**

**Development Update – Wewatta Way:** There was no update.

**Annual Meeting for Property Owners:** Ms. Finn reported that the 2022 Annual Property Owners Meeting Notice was provided to all property owners on August 16, 2022. It was noted that no property owners were in attendance.

**Ad Light Group:** Ms. Finn presented a request from Ad Light Group for payment related to repair work performed on the Denargo Market signage, in the amount of \$500. Following discussion, the Board directed Ms. Finn to advise Ad Light Group to contact the building owner for payment.

---

## RECORD OF PROCEEDINGS

---

### ADJOURNMENT

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting

## RECORD OF PROCEEDINGS

---

### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 3 HELD NOVEMBER 1, 2022

A Special Meeting of the Board of Directors (referred to hereafter as the “Board”) of the Denargo Market Metropolitan District No. 3 (referred to hereafter as the “District”) was held on Tuesday, the 1<sup>st</sup> day of November 2022, at 4:00 p.m. The District Board meeting was held and properly noticed to be held via Zoom. The meeting was open to the public via Zoom.

#### ATTENDANCE

#### Directors In Attendance Were:

Laura H. Newman  
Jeffrey D. Jones  
Wade Davidson  
Todd Wenskoski

Following discussion, upon motion duly made by Director Jones, seconded by Director Wenskoski and, upon vote unanimously carried, the absence of Director Cabrera was excused.

#### Also In Attendance Were:

Ann Finn; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq.; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

#### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

**Disclosure of Potential Conflicts of Interest:** The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. It was noted that disclosures of potential conflicts of interest statements for each of the Directors had been filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Williams requested that the Directors consider whether they had any additional conflicts of interest to disclose. It was noted for the record that there were no additional disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statutes.

## RECORD OF PROCEEDINGS

---

### ADMINISTRATIVE MATTERS

#### **Confirmation of Quorum, Location of Meeting and Posting of Meeting**

**Notices:** Ms. Finn confirmed the presence of a quorum. The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. It was noted that the District Board meeting was held and properly noticed to be held by video / telephonic means via Zoom. The Board further noted that notice of the time, date and meeting access information was duly posted and that no objections, or any requests that the means of hosting the meeting be changed were received from taxpaying electors within the District's boundaries.

**Agenda:** Ms. Finn reviewed with the Board a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Jones, seconded by Director Wenskoski and, upon vote unanimously carried, the Agenda was approved.

**Resignation and Appointment of Secretary to the Board:** The Board discussed the resignation of Matt Cohrs and considered the appointment of Ann Finn as Secretary to the Board.

Following discussion, upon motion duly made by Director Jones, seconded by Director Newman and, upon vote unanimously carried, the Board accepted the resignation of Matt Cohrs as Secretary to the Board and appointed Ann Finn as Secretary to the Board.

### PUBLIC COMMENT

There were no public comments.

### FINANCIAL MATTERS

**Budget Work Session:** Ms. Ross presented the draft 2023 Budget to the Board and discussion ensued. Ms. Ross was directed to revise the draft Budget per discussion with the Board and to present the updated Budget at the November 15<sup>th</sup> Regular Meeting / Budget Hearing.

*2023 Landscape Services Proposal:* Discussion of this matter was deferred.

*Mulch Installation Proposal:* Discussion of this matter was deferred.

*Erosion Repair Proposal:* Discussion of this matter was deferred.

*Tree Pruning Proposal:* Discussion of this matter was deferred.

## RECORD OF PROCEEDINGS

---

*District Clean-Up Proposal:* Discussion of this matter was deferred.

---

### **ADJOURNMENT**

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

Respectfully submitted,

By: \_\_\_\_\_  
Secretary for the Meeting



**RESOLUTION NO. 2022-11-\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE DENARGO MARKET METROPOLITAN DISTRICT NO. 1  
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND  
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.

C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting if a special district posts the Notice of Meeting online on a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.

E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Denargo Market Metropolitan District No. 1 (the “**District**”), City and County of Denver, Colorado:

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

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

2. That regular meetings of the District Board for the year 2023 shall be held on March 14, 2023, June 20, 2023, September 19, 2023 and November 14, 2023 at 4:30 p.m., via Zoom Meeting.

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

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

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

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

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

(a) On west side of Denargo Street just south of Wewatta Way on the southern boundary of Tract F

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

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

RESOLUTION APPROVED AND ADOPTED on November 15, 2022.

**DENARGO MARKET METROPOLITAN  
DISTRICT NO. 1**

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

Attest:

\_\_\_\_\_  
Secretary

**RESOLUTION NO. 2022-11-\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
ESTABLISHING REGULAR MEETING DATES, TIME, AND LOCATION, AND  
DESIGNATING LOCATION FOR POSTING OF 24-HOUR NOTICES**

A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.

C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting if a special district posts the Notice of Meeting online on a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.

E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Denargo Market Metropolitan District No. 2 (the “**District**”), City and County of Denver, Colorado:

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

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

2. That regular meetings of the District Board for the year 2023 shall be held on March 14, 2023, June 20, 2023, September 19, 2023 and November 14, 2023 at 4:30 p.m., via Zoom Meeting.

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

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

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

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

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

(a) At the park located at the intersection of 28<sup>th</sup> Street and Delgany Street

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

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

RESOLUTION APPROVED AND ADOPTED on November 15, 2022.

**DENARGO MARKET METROPOLITAN  
DISTRICT NO. 2**

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

Attest:

\_\_\_\_\_  
Secretary

**RESOLUTION NO. 2022-11-\_\_\_\_**

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

A. Pursuant to Section 32-1-903(1.5), C.R.S., special districts are required to designate a schedule for regular meetings, indicating the dates, time and location of said meetings.

B. Pursuant to Section 32-1-903(5), C.R.S., “location” means the physical, telephonic, electronic, or virtual place, or a combination of such means where a meeting can be attended. “Meeting” has the same meaning as set forth in Section 24-6-402(1)(b), C.R.S., and means any kind of gathering, convened to discuss public business, in person, by telephone, electronically, or by other means of communication.

C. Pursuant to Section 24-6-402(2)(c)(I), C.R.S., special districts are required to designate annually at the board of directors of the district’s first regular meeting of each calendar year, the public place at which notice of the date, time and location of regular and special meetings (“**Notice of Meeting**”) will be physically posted at least 24 hours prior to each meeting (“**Designated Public Place**”). A special district is deemed to have given full and timely notice of a regular or special meeting if it posts its Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

D. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., special districts are relieved of the requirement to post the Notice of Meeting at the Designated Public Place, and are deemed to have given full and timely notice of a public meeting if a special district posts the Notice of Meeting online on a public website of the special district (“**District Website**”) at least 24 hours prior to each regular and special meeting.

E. Pursuant to Section 24-6-402(2)(c)(III), C.R.S., if a special district is unable to post a Notice of Meeting on the District Website at least 24 hours prior to the meeting due to exigent or emergency circumstances, then it must physically post the Notice of Meeting at the Designated Public Place at least 24 hours prior to the meeting.

F. Pursuant to Section 32-1-903(1.5), C.R.S., all meetings of the board that are held solely at physical locations must be held at physical locations that are within the boundaries of the district or that are within the boundaries of any county in which the district is located, in whole or in part, or in any county so long as the physical location does not exceed twenty (20) miles from the district boundaries unless such provision is waived.

G. The provisions of Section 32-1-903(1.5), C.R.S., may be waived if: (1) the proposed change of the physical location of a meeting of the board appears on the agenda of a meeting; and (2) a resolution is adopted by the board stating the reason for which meetings of the board are to be held in a physical location other than under Section 32-1-903(1.5), C.R.S., and further stating the date, time and physical location of such meeting.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Denargo Market Metropolitan District No. 3 (the “**District**”), City and County of Denver, Colorado:

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

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

2. That regular meetings of the District Board for the year 2023 shall be held on March 14, 2023, June 20, 2023, September 19, 2023 and November 14, 2023 at 4:30 p.m., via Zoom Meeting.

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

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

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

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

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

(a) On west side of Denargo Street just south of Wewatta Way on the southern boundary of Tract F

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



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

RESOLUTION APPROVED AND ADOPTED on November 15, 2022.

**DENARGO MARKET METROPOLITAN  
DISTRICT NO. 3**

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

Attest:

\_\_\_\_\_  
Secretary

## 2022 - 2025 OPERATION FUNDING AGREEMENT

This **2022 - 2025 OPERATION FUNDING AGREEMENT** (“**Agreement**”) is made and entered into this 11<sup>th</sup> day of October, 2022, by and between **DENARGO MARKET METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **JV DENARGO LLC**, a Delaware limited liability company, its successors and assigns (the “**Developer**”) (individually, each a “**Party**” and collectively, the “**Parties**”).

### RECITALS

- A. The Developer is developing property within a project located in the City and County of Denver, Colorado, commonly known as Denargo Market (the “**Property**”).
- B. The Property is within the boundaries and/or service area of the District.
- C. The District was organized on June 30, 2010 (“**Organization Date**”).
- D. Pursuant to the authority granted to the District by its Service Plan, as approved by the City Council for the City and County of Denver on March 8, 2010, as it may be amended from time to time (the “**Service Plan**”), the District intends to construct and/or acquire certain public improvements and provide certain services to benefit properties within its boundaries and/or service area (the “**District Services**”).
- E. The District Services will benefit the Property.
- F. The District must pay for its ongoing operations, maintenance and administrative expenses which enable it to provide the District Services.
- G. The District anticipates that it will not have sufficient revenues to pay for its operations, maintenance and administrative expenses for fiscal years 2022-2025.
- H. In order to enable the District to provide District Services, the Developer is willing to advance funds to the District or to pay consultants directly for operations, maintenance and administrative expenses pursuant to the terms of this Agreement.
- I. The District and the Developer desire to set forth the rights, obligations and procedures for the Developer to advance funds and for the District to reimburse the Developer for the advances made hereunder.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

### COVENANTS AND AGREEMENTS

1. Acknowledgement of Anticipated Shortfall. The District anticipates a shortfall in revenues available for operations, maintenance and administrative expenses to be incurred for fiscal years 2022 through 2025 in an aggregate amount of One Hundred Thousand Dollars

(\$100,000) (the “**Shortfall Amount**”). The District may require funds in years subsequent to 2025, however, this Agreement does not bind Developer to advance funds for any fiscal years beyond 2025, and any funding in years subsequent to 2025 will be subject to a mutually agreeable amendment or new agreement between the District and the Developer.

2. Payment of Shortfall. The Developer shall advance funds necessary to fund, or shall directly pay, the District’s operations, maintenance and administrative expenses on a periodic basis as needed for the fiscal years 2022 through 2025 up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District within thirty (30) days of receipt from the District of any such written notice that an advance of funds is required (“**Developer Advance**”).

3. Request for Additional Developer Advance. If the District requires additional advances above the Shortfall Amount from the Developer in order to meet its operation and maintenance expenses, the District shall request such additional funds in writing. Such request shall be accompanied by written explanation regarding the reasons additional funds are required. If acceptable to the Developer, the Developer may provide such additional funds within thirty (30) days of receipt of notice requesting such funds. The amount of the additional funds shall be added to and included in the Shortfall Amount and included in the definition of Developer Advance.

4. Accounting. The Developer shall provide the District with written documentation relative to any expenses paid directly to consultants. The District shall keep an accounting of each advance made by the Developer, including the accrued and unpaid interest on such advances, and shall provide unaudited financial statements reflecting this accounting to the Developer on a quarterly basis.

5. Repayment. The District hereby agrees that it is its intention to repay the amounts the Developer has advanced or directly paid pursuant to this Agreement to the extent it has funds available from the imposition of its taxes, fees, rates, tolls, penalties and charges, and from any other revenue legally available, after the payment of its annual debt service obligations and annual operations, maintenance and administrative expenses, which repayment is subject to annual budget and appropriation. Simple interest shall accrue on each Developer Advance from the date of deposit into the District’s account or from the date of direct payment by the Developer, until paid in full, at the rate of eight percent (8%) per annum. Interest shall be computed on the basis of a 360-day year, calculated for the actual number of days elapsed. It is hereby agreed and acknowledged that this Agreement evidences an intent to reimburse the Developer hereunder, but that this Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District in its absolute discretion. By acceptance of this Agreement, the Developer agrees and consents to all of the limitations in respect of the payment of the principal and interest due hereunder and in the District’s Service Plan.

6. Priority of Payments. Subject to the provisions of Section 5 above, payments to reimburse the Developer shall be made on December 2 of each year and shall be applied as follows: first to the accrued and unpaid interest and then to the principal amount due pursuant to this Agreement.

7. Representations. The Developer hereby represents and warrants to and for the benefit of the District as follows:

(a) The Developer is a Delaware limited liability company in good standing and qualified to conduct business under the laws of the State of Colorado.

(b) The Developer has the full power and legal authority to enter into this Agreement. Neither the execution and delivery of this Agreement nor the compliance by the Developer with any of its terms, covenants or conditions is or shall become a default under any other agreement or contract to which the Developer is a party or by which the Developer is or may be bound. The Developer has taken or performed all requisite acts or actions which may be required by its organizational or operational documents to confirm its authority to execute, deliver and perform each of its obligations under this Agreement.

(c) The Developer represents that it has, or will have at the time of the District's request, sufficient available funds to fulfill its obligations under this Agreement.

The foregoing representations and warranties are made as of the date hereof and shall be deemed continually made by the Developer to the District for the entire term of this Agreement.

8. Term/Repose. Any obligation of the Developer to advance funds will expire upon advance to the District of amounts sufficient to pay expenses incurred in 2022 through 2025, not to exceed the Shortfall Amount unless agreed to in writing by the Parties. Any obligation of the District to reimburse the Developer shall expire on December 31, 2062. In the event the District has not reimbursed the Developer for any Developer Advance(s) made pursuant to this Agreement on or before December 31, 2062, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

9. Termination of Reimbursement Obligations. Notwithstanding any provision herein to the contrary, the District's obligations to reimburse the Developer for any and all funds advanced or otherwise payable to the Developer under and pursuant to this Agreement (whether the Developer has already advanced or otherwise paid such funds or intends to make such advances or payments in the future) shall terminate automatically and be of no further force or effect upon the occurrence of: (a) the Developer's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by the Developer dissolving the Developer as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership or similar process or actions with regard to the Developer (whether voluntary or involuntary). The termination of the District's reimbursement obligations as set forth in this Section shall be absolute and binding upon the Developer, its successors and assigns. The Developer, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against

the District relating to or arising out of the District's reimbursement obligations under this Agreement in the event that any of the occurrences described in this Section occur.

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

To District: Denargo Market Metropolitan District No. 1  
c/o Special District Management Services, Inc.  
141 Union Boulevard, Suite 150  
Lakewood, CO 80228  
Phone: (303) 987-0835  
Email: [afinn@sdmsi.com](mailto:afinn@sdmsi.com)  
Attn: Ann Finn

With a copy to: McGeady Becher P.C.  
450 East 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203-1254  
Phone: 303-592-4380  
Email: [legalnotices@specialdistrictlaw.com](mailto:legalnotices@specialdistrictlaw.com)

To Developer: JV DENARGO LLC  
c/o Golub & Company, LLC  
625 North Michigan Avenue, Suite 2000  
Chicago, Illinois 60611  
Attention: Michael Glazier  
Phone: 720-440-7718  
Email: [MGlazier@goco.com](mailto:MGlazier@goco.com)

With a copy to: Brownstein Hyatt Farber Schreck  
410 17<sup>th</sup> Street, Suite 2200  
Denver, CO 80202  
Attention: Caitlin Quander  
Phone: 303-223-1100  
Email: [cquander@bhfs.com](mailto:cquander@bhfs.com)

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

11. Assignment. This Agreement shall not be assignable by the Developer or the District. Notwithstanding the foregoing, following written consent of the District, Developer shall have the right to assign or transfer all or any portion of its interests, rights and obligations under this Agreement to third parties acquiring an interest or estate in the Property, including, but not limited to, purchasers or long-term ground lessees of individual lots, parcels, or of any improvements now or hereafter located within the Property, provided that to the extent the Developer assigns any of its obligations under this Agreement, the assignee of such obligations shall expressly assume such obligations. The express assumption of any of the Developer's obligations under this Agreement by its assignee shall thereby relieve the Developer of any further obligations under this Agreement with respect to the matter so assumed. The District's consent may be conditioned upon confirmation that the terms of the assignment or assignee will qualify for an exemption from the registration requirements of the Colorado Municipal Bond Supervision Act and the District may require the Developer to pay all costs associated with the District's filing of a Notice of Claim of Exemption pursuant to Section 11-50-110(2) of the Colorado Revised Statutes. The District agrees that it shall not withhold its consent to an assignment provided the Colorado Municipal Bond Supervision Act is complied with and the Developer pays all costs associated with such compliance. If this Agreement is assigned, all the covenants and agreements herein contained shall be binding upon and inure to the benefit of the successors, assigns, heirs and personal representatives of the respective Parties. Any purported assignment without the consent of the District shall be void.

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

13. Default/Remedies. In the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

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

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

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

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

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

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

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

**SIGNATURE PAGE FOLLOWS**

[SIGNATURE PAGE TO 2022 – 2025 OPERATION FUNDING AGREEMENT]

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

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

By: Laura Newman  
President

Attest:

[Signature]  
Assistant Secretary

**JV DENARGO LLC**, a Delaware limited liability company

By: GF Denargo Investor, LLC, a Delaware limited liability company, its manager

By: GOCO Denargo Investors, LLC, its administrative manager

By: Golub Real Estate Corp., its manager

By: [Signature]  
Michael Glazier



## 2022-2025 FACILITIES FUNDING AND ACQUISITION AGREEMENT

This **2022-2025 FACILITIES FUNDING AND ACQUISITION AGREEMENT** (“**Agreement**”) is made and entered into this 11<sup>th</sup> day of October, 2022, by and between **DENARGO MARKET METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **JV DENARGO LLC**, a Delaware limited liability company, its successors and assigns (the “**Developer**”) (each a “**Party**”, and collectively, the “**Parties**”).

### RECITALS

- A. The Developer is developing property within a project located in the City and County of Denver, Colorado, commonly known as Denargo Market (the “**Property**”).
- B. The Property is within the boundaries and/or service area of the District.
- C. The District was organized on June 30, 2010 (“**Organization Date**”).
- D. Pursuant to the authority granted to the District by its Service Plan, as approved by the City Council for the City and County of Denver on March 8, 2010, as it may be amended from time to time (the “**Service Plan**”), the District is authorized to construct, acquire and install public improvements, including water, sanitation (including storm drainage), street, safety protection, park and recreation, transportation, and mosquito control and other facilities and services (“**Improvements**”), which benefit property within the District’s boundaries and/or service area.
- E. The District, Denargo Market Metropolitan District No. 2, and Denargo Market Metropolitan District No. 3 have entered into a Memorandum of Understanding dated October 29, 2010, as amended by that First Amendment to Memorandum of Understanding dated August 22, 2016 (the “**MOU**”).
- F. Pursuant to the MOU, the District has agreed to provide for the construction or acquisition of certain Improvements.
- G. In order for the Property to be developed, the Improvements need to be constructed and/or acquired.
- H. The District does not currently have sufficient monies available to fund the cost of construction of the Improvements or to acquire the Improvements.
- I. Funds related to the design, testing, engineering, and construction of the Improvements, together with the related consultant and management fees associated with the construction of the Improvements, have been and/or will be expended by the Parties (“**Construction Related Expenses**”).

J. It is anticipated that the District will issue bonds, the proceeds of which may be utilized in part to reimburse the Developer for Construction Related Expenses and/or acquisition of Improvements.

K. In order to encourage development within the District, the District and the Developer have determined that until bonds are issued it is in the best interests of the District for the Developer to advance funds to the District for the Construction Related Expenses and/or for the District's acquisition of the Improvements upon completion, and the Developer is willing to so proceed.

L. The District desires to reimburse the Developer for the Construction Related Expenses and to acquire such Improvements completed by the Developer.

M. The District and the Developer desire to set forth the rights, obligations, and procedures for the acquisition of the Improvements and for the District to reimburse the Developer as provided herein.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

## COVENANTS AND AGREEMENTS

### ARTICLE I FUNDING OF ORGANIZATION EXPENSES

1.1 "INTENTIONALLY DELETED."

### ARTICLE II FUNDING OF IMPROVEMENTS TO BE CONSTRUCTED BY THE DISTRICT

2.1 Improvements Constructed by the District. The Parties acknowledge that the District may design, construct, and complete certain Improvements and incur Construction Related Expenses in accordance with the provisions of this Article II.

2.2 Acknowledgement of Anticipated Shortfall. The Developer acknowledges that in connection with the construction of the Improvements, the District may incur Construction Related Expenses in reliance upon the Developer's commitments herein to provide funding. The total estimated cost to complete construction of the Improvements, including contingencies, is Twenty Five Million Dollars (\$25,000,000) (the "**Shortfall Amount**").

2.3 Payment of Shortfall. If the District undertakes the design and construction of Improvements, the Developer shall advance funds necessary to fund the Construction Related Expenses incurred by the District on a periodic basis as needed for the fiscal years 2022 through 2025 of the District, up to the Shortfall Amount. The District shall, from time to time, provide written notice to the Developer that an advance of all or part of the Shortfall Amount is required. The Developer shall make an advance of funds to the District within thirty (30) days of receipt from the District of any such written notice that an advance of funds is required ("**Developer Advance**").

2.4 Request for Additional Developer Advance. If the District requires additional advances above the Shortfall Amount from the Developer for the Construction Related Expenses, the District shall request such additional funds in writing. Such request shall be accompanied by written explanation regarding the reasons additional funds are required. The Developer shall provide written acknowledgement of approval of the increased Shortfall Amount as well as such additional funds within thirty (30) days of receipt of notice requesting such funds. The amount of the additional funds shall be added to and included within the Shortfall Amount and shall be included in the definition of “Developer Advance” as set forth in Section 2.3 above.

2.5 Accounting. The District shall keep an accounting of each Developer Advance, including the accrued and unpaid interest thereon, and shall provide unaudited financial statements reflecting this accounting to the Developer on a quarterly basis.

### **ARTICLE III CONSTRUCTION OF IMPROVEMENTS TO BE ACQUIRED BY THE DISTRICT**

3.1 Improvements Acquired by District. In lieu of or in addition to the District designing and constructing Improvements, the Developer may determine to construct all or a portion of the Improvements for subsequent acquisition by the District. The Parties agree that prior to the Developer requesting that the District acquire any Improvements pursuant to this Agreement, the District shall obtain a certification of an independent engineer that the Construction Related Expenses are reasonable and comparable for similar projects as constructed in the Denver Metropolitan Area, and verification from the District’s accountant that the Construction Related Expenses are reimbursable (“**Verified Costs**”) based on the copies of the invoices, bills, and requests for payment provided to the District pursuant to Section 3.4 herein. The Developer shall provide the District and/or the independent engineer with written evidence of the date that payment was made by the Developer for all Verified Costs. The Developer shall advance to the District funds necessary to pay the costs incurred by the District for such review and cost verification, including legal, accounting, management and engineering expenses, provided that such amounts advanced shall be included in the Verified Costs subject to reimbursement by the District.

3.2 Construction Contract Requirements. The Developer agrees that any construction contract for all or any portion of the Improvements shall require the contractor to provide a warranty from the date of initial acceptance of the completed Improvements and a security mechanism to secure the warranty approved by the District or as required by the applicable government entity to which the Improvements shall be dedicated, and the form and amount of the security and warranty shall follow City and County of Denver requirements.

3.3 Periodic Reports. If the District so requests, the Developer will provide periodic reports on the status of completion of the Improvements and/or accounting of Construction Related Expenses.

3.4 Acquisition of the Improvements. The District shall acquire the Improvements after preliminary acceptance from the appropriate accepting jurisdiction and prior to final acceptance upon receipt, review and approval by the District’s accountant and engineer, as applicable, of the following:

- (a) As-built drawings for the Improvements to be conveyed by the Developer;
- (b) Lien waivers and indemnifications from each contractor verifying that all amounts due to contractors, subcontractors, material providers, or suppliers have been paid in full, in a form acceptable to the District;
- (c) An assignment from the Developer to the District of any warranties associated with the Improvements, in a form acceptable to the District, such as a warranty agreement;
- (d) Copies of all contracts, pay requests, change orders, invoices and evidence of payment of same, the final AIA payment form (or similar form approved by the District), canceled checks, and any other requested documentation to verify the amount of reimbursable Construction Costs requested;
- (e) An executed Bill of Sale conveying the Improvements to the District, substantially in the form attached hereto as **Exhibit A**; and
- (f) Such other documentation, records and verifications as may reasonably be required by the District.

#### **ARTICLE IV REIMBURSEMENT OF DEVELOPER**

4.1 Reimbursement of Developer. Subject to the receipt of funding pursuant to Section 4.3 herein and all other applicable provisions hereof, the District agrees to make payment to the Developer for all Developer Advances and Verified Costs, together with interest thereon, unless otherwise agreed to in writing by the Parties.

4.2 Interest and Payment Priority. Simple interest shall accrue on Construction Related Expenses at the rate of eight percent (8%) per annum until paid in full. For Construction Related Expenses, simple interest shall accrue on each Developer Advance, from the date of deposit into the District's account. Interest shall be computed on the basis of a 360-day year, calculated for the actual number of days elapsed.

The Parties agree that payments by the District to the Developer shall credit first against accrued and unpaid interest and then to the principal amount due.

4.3 Funding Requirement. The Parties agree that no payment shall be required of the District hereunder unless and until the District issues bonds in an amount sufficient to reimburse the Developer for all or a portion of the Developer Advances and/or Verified Costs. The District agrees to exercise reasonable efforts to issue bonds at the earliest time practicable to reimburse the Developer subject to the limitations herein. In addition, the District agrees to utilize any available moneys not otherwise pledged to payment of bonds, used for operation and maintenance expenses, or otherwise encumbered, to reimburse the Developer. It is hereby agreed and acknowledged that this Agreement evidences an intent to reimburse the Developer hereunder, but that this Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple

fiscal year financial obligation for the purposes of Article X, Section 20 of the Colorado Constitution, and the making of any reimbursement hereunder shall be at all times subject to annual appropriation by the District. By acceptance of this Agreement, the Developer agrees and consents to all of the limitations in respect of the payment of the principal and interest due hereunder and in the District's Service Plan.

## **ARTICLE V GENERAL PROVISIONS**

5.1 Representations. The Developer hereby represents and warrants to and for the benefit of the District as follows:

(a) The Developer is a Delaware limited liability company in good standing and qualified to conduct business under the laws of the State of Colorado.

(b) The Developer has the full power and legal authority to enter into this Agreement. Neither the execution and delivery of this Agreement nor the compliance by the Developer with any of its terms, covenants or conditions is or shall become a default under any other agreement or contract to which the Developer is a party or by which the Developer is or may be bound. The Developer has taken or performed all requisite acts or actions which may be required by its organizational or operational documents to confirm its authority to execute, deliver and perform each of its obligations under this Agreement.

(c) The Developer represents that it has, or will have at the time of the District's request, sufficient available funds to fulfill its obligations under this Agreement.

(d) The foregoing representations and warranties are made as of the date hereof and shall be deemed continually made by the Developer to the District for the entire term of this Agreement.

5.2 Term; Repose. Notwithstanding anything set forth in this Agreement to the contrary, the District shall not be obligated to the Developer for Construction Related Expenses and/or Verified Costs incurred by the Developer, but not invoiced (as evidenced by the delivery of the documents described in Article 3 above) to the District within three (3) years of the date incurred. In the event the District has not paid or reimbursed the Developer for any Construction Related Expenses and/or Verified Costs by December 31, 2062, whether invoiced or not invoiced by such date, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full.

5.3 Intentionally Deleted.

5.4 Termination of Reimbursement Obligations. Notwithstanding any provision herein to the contrary, the District's obligations to reimburse the Developer for any and all funds advanced or otherwise payable to the Developer under and pursuant to this Agreement (whether the Developer has already advanced or otherwise paid such funds or intends to make such advances or payments in the future) shall terminate automatically and be of no further force or

effect upon the occurrence of (a) the Developer's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; (b) administrative dissolution (or other legal process not initiated by the Developer dissolving the Developer as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process; or (c) the initiation of bankruptcy, receivership or similar process or actions with regard to the Developer (whether voluntary or involuntary). The termination of the District's reimbursement obligations as set forth in this Section shall be absolute and binding upon the Developer, its successors and assigns. The Developer, by its execution of this Agreement, waives and releases any and all claims and rights, whether existing now or in the future, against the District relating to or arising out of the District's reimbursement obligations under this Agreement in the event that any of the occurrences described in this Section occur.

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

To District: Denargo Market Metropolitan District No. 1  
c/o Special District Management Services, Inc.  
141 Union Boulevard, Suite 150  
Lakewood, CO 80228  
Phone: (303) 987-0835  
Email: [afinn@sdmsi.com](mailto:afinn@sdmsi.com)  
Attn: Ann Finn

With a copy to: McGeady Becher P.C.  
450 East 17<sup>th</sup> Avenue, Suite 400  
Denver, CO 80203-1254  
Phone: 303-592-4380  
Email: [legalnotices@specialdistrictlaw.com](mailto:legalnotices@specialdistrictlaw.com)

To Developer: JV DENARGO LLC  
c/o Golub & Company, LLC  
625 North Michigan Avenue, Suite 2000  
Chicago, Illinois 60611  
Attention: Michael Glazier  
Phone: 720-440-7718  
Email: [MGlazier@goco.com](mailto:MGlazier@goco.com)

With a copy to: Brownstein Hyatt Farber Schreck  
410 17<sup>th</sup> Street, Suite 2200  
Denver, CO 80202  
Attention: Caitlin Quander  
Phone: 303-223-1100  
Email: [cquander@bhfs.com](mailto:cquander@bhfs.com)

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

5.6 Assignment. This Agreement shall not be assignable by the Developer or the District. Notwithstanding the foregoing, following written consent of the District, Developer shall have the right to assign or transfer all or any portion of its interests, rights and obligations under this Agreement to third parties acquiring an interest or estate in the Property, including, but not limited to, purchasers or long-term ground lessees of individual lots, parcels, or of any improvements now or hereafter located within the Property, provided that to the extent the Developer assigns any of its obligations under this Agreement, the assignee of such obligations shall expressly assume such obligations. The express assumption of any of the Developer's obligations under this Agreement by its assignee shall thereby relieve the Developer of any further obligations under this Agreement with respect to the matter so assumed. The District's consent may be conditioned upon confirmation that the terms of the assignment or assignee will qualify for an exemption from the registration requirements of the Colorado Municipal Bond Supervision Act and the District may require the Developer to pay all costs associated with the District's filing of a Notice of Claim of Exemption pursuant to Section 11-50-110(2) of the Colorado Revised Statutes. The District agrees that it shall not withhold its consent to an assignment provided the Colorado Municipal Bond Supervision Act is complied with and the Developer pays all costs associated with such compliance. If this Agreement is assigned, all the covenants and agreements herein contained shall be binding upon and inure to the benefit of the successors, assigns, heirs and personal representatives of the respective Parties. Any purported assignment without the consent of the District shall be void.

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

5.8 Default/Remedies. In the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, arbitration or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

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

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

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

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

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

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

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

**SIGNATURE PAGE FOLLOWS**



**SIGNATURE PAGE TO 2022-2025 FACILITIES FUNDING AND ACQUISITION AGREEMENT**

IN WITNESS WHEREOF, the Parties have executed this 2022-2025 Facilities Funding and Acquisition Agreement as of the day and year first set forth above.

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

By: Laura Newman

Laura H. Newman, President

Attest:

  
Jeffrey D. Jones, Assistant Secretary

**JV DENARGO LLC**, a Delaware limited liability company

By: GF Denargo Investor, LLC, a Delaware limited liability company, its manager

By: GOCO Denargo Investors, LLC, its administrative manager

By: Golub Real Estate Corp., its manager

By:   
Michael Glazier

EXHIBIT A

Bill of Sale

KNOW ALL BY THESE PRESENTS that \_\_\_\_\_, a \_\_\_\_\_, whose address is \_\_\_\_\_ ("Grantor"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt of which is hereby acknowledged, has bargained and sold, and by these presents does grant and convey unto \_\_\_\_\_, a \_\_\_\_\_, whose address is \_\_\_\_\_ (the "District"), its successors and assigns, all of Grantor's right, title and interest in and to the facilities, personal property and the improvements shown on **Exhibit I** attached hereto and incorporated herein by this reference ("**Improvements**"), excluding therefrom those Improvements previously conveyed to other jurisdictions for perpetual ownership.

TO HAVE AND TO HOLD the same unto the District, its successors and assigns forever; and Grantor, its successors and assigns, shall warrant and defend the sale of said Improvements made unto the District, its successors and assigns, against all and every person or persons whomsoever, and warrants that (i) the conveyance of the Improvements to the District, its successors and assigns, is made free from any claim or demand whatsoever; and (ii) the Improvements were constructed and installed in accordance with plans and specifications reviewed and approved by the District and all applicable Rules and Regulations of the District.

IN WITNESS WHEREOF, Grantor executes this Bill of Sale this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

GRANTOR:  
\_\_\_\_\_, a \_\_\_\_\_

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

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

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_ and by \_\_\_\_\_ as \_\_\_\_\_ of \_\_\_\_\_.

Witness my hand and official seal.

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

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

**EXHIBIT I**

Improvements

Project Description

Estimated Cost

## CHANGE ORDER NO. 1

<b>Change Order No:</b> 1	<b>Date Issued:</b> 09/01/2022
<b>Name of Agreement:</b> Site Inspection Services/Construction Oversight	
<b>Date of Agreement:</b> 01/01/2022	<b>District(s):</b> Denargo Market Metropolitan District No. 1
<b>Other Party/Parties:</b> <b>Triunity Engineering &amp; Management, Inc.</b>	

<p><b>CHANGE IN SCOPE OF SERVICES (describe):</b> Extending the termination date from December 31, 2022 to December 31, 2023.</p> <p>Additional Scope of Services as follows: *Provide design review services for various District-owned assets, coordinate/review CCD ER review comments, and review integration with Denargo Market development elements.</p> <p>Engineering Manager approx. 520 hours/year @ \$218.00/Hr = \$113,360.00 Project Coordinator approx. 50 hours/year @ \$78.00/Hr = \$3,900</p> <p style="text-align: center;">ESTIMATED TOTAL FOR 2023: \$117,260</p>
--

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Maximum Price: \$ 169,220	Original Term: Expires December 31, 2022
Increase of this Change Order: \$117,260	New Term: Expires December 31, 2023
Price with all Approved Change Orders: \$286,480	Agreement Time with all Approved Change Orders: December 31, 2023

<b>APPROVED:</b>	
<b>By:</b>	Laura Newman, President
	<b>District</b>

<b>APPROVED:</b>	
	<b>Mike Peek</b>
<b>By:</b>	Mike Peek, Principal
	<b>Consultant</b> Triunity, Inc.

Digitally signed by Mike Peek  
DN: C=US,  
E=mike.peek@triunityeng.com,  
OU="Triunity, Inc.", CN=Mike Peek  
Date: 2022.09.21 11:47:26-06'00'

## STREET OCCUPANCY REQUEST FORM Denargo Market Metropolitan District No. 1

All requests received by the District must contain the following information, in the order described, to better accommodate your request for a Street Occupancy Permit. (If applicable, Street Cut Permit(s) will be issued only when the approved Street Occupancy Permit is picked up by the permittee, and not before). Submit one request form for each street occupancy location only! For multiple street cuts in a single area (one street block), use one request form only.

**Submit This Form & Traffic Plan to: Email—afinn@sdmsi.com or Fax—(303) 387-2032**

\*\*All Information is required and must be completed prior to submission of Request for Street Occupancy.\*\*  
(Please Print All Information).

Company Name: Hooper Corporation Contractor License #: \_\_\_\_\_

Company Address: 6255 Dexter St, Commerce City, CO 80022

Contact's Name: Lisa Daugherty Off Phone: \_\_\_\_\_

Contact's Email: ldaugherty@hoopercorp.com Cell Phone: 608.417.0014

Location: Wewatta Way, adjacent to 2700 Wewatta Way

Purpose: Relocate electric distribution

Requested Dates: 11.4.22 To 11.15.22 Requested Time: 8:30am to 3:30pm

ROW Cut Request:	<input type="checkbox"/> Street	<input type="checkbox"/> Alley	<input type="checkbox"/> Sidewalks	<input checked="" type="checkbox"/> Tree Lawn
Cut Type:	<input type="checkbox"/> Sewer	<input type="checkbox"/> Gas	<input type="checkbox"/> Water	<input checked="" type="checkbox"/> Other
Cut Size/Quantity (Estimated Cost)	Length: <u>2</u>	Width: <u>2</u> x3	Total Area: _____	Est. Cost: _____
	Number of Potholes: <u>3</u>		Total Area: _____	Est. Cost: _____
<i>Note: For additional Street Cut Locations submit second sheet.</i>				

Additional Comments: 260' bore

**\*\*Any modification after approval of original permit will require a resubmittal.**

**For District Use Only:** Do not write below line.

Status:  Approved  Denied

Assigned Dates: Start: November 4, 2022 Finish: November 15, 2022

Allowed Work Times: 8:30 a.m. AM/PM To 3:30 p.m. AM/PM

Flagger Required: No

Reason: \_\_\_\_\_

Price: \_\_\_\_\_

District Representative's Signature *Ann Finn* Date October 27, 2022 Permit Number 10272022

TRAFFIC CONTROL PLAN  
FOR: Xcel / ARVADA  
ATTN : LISA / HOOPER  
WO#107039360



PLACED AT  
DELGANY ST

SIDEWALK CLOSED  
AHEAD  
←  
CROSS HERE



100'



100'



100'

NO NAME

WEWATTA WAY

SIDEWALK  
CLOSED



2700 WEWATTA WAY

WEWATTA WAY



100'



100'

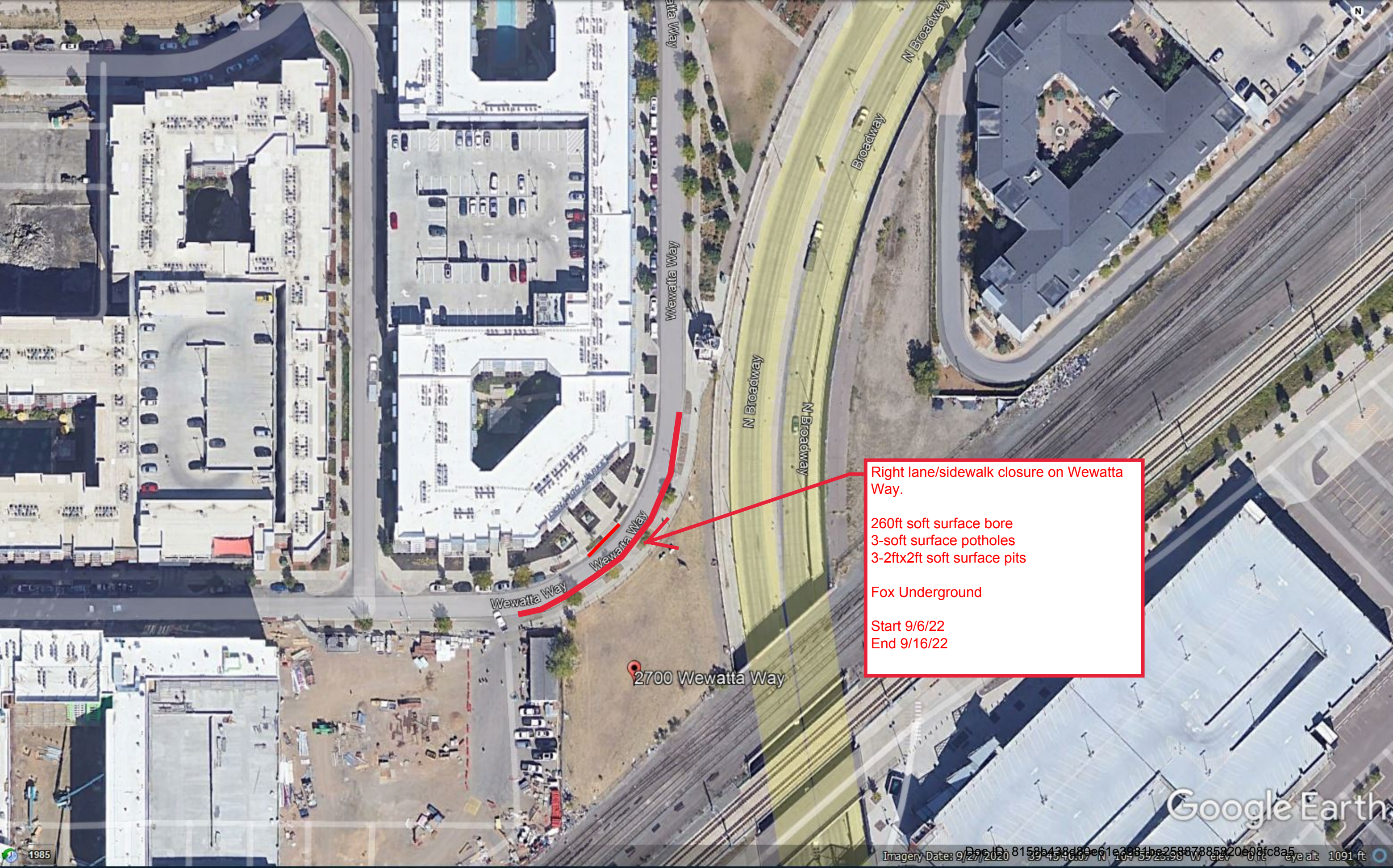


SIDEWALK CLOSED  
CROSS HERE  
↑



TRAFFIC CONTROL PLAN  
PREPARED BY:  
BOB BARRON  
WARNING LITES INC. OF COLORADO  
303-936-2990  
bob@warninglitesinc.com





Right lane/sidewalk closure on Wewatta Way.

260ft soft surface bore  
3-soft surface potholes  
3-2ftx2ft soft surface pits

Fox Underground

Start 9/6/22  
End 9/16/22

2700 Wewatta Way



**\*\*New Easement Documents are being written to be relocated alongside North Edge of Property Line\*\***

**2700 Wewatta Way. Denver. CO**  
- Electric Distribution Relocation -

Project Scope: Relocate existing pedestal and secondary easement running through the North side of customers property. Current easement is being set up with Xcel ROW and customer for new legal description.

**Demo:**  
1 - PEDESTAL, SEC, 10"W X 14"L X 30"H  
3 - CONN 6H TERM 600V #12-350  
70' - CABLE 600V 350AL TX SEC  
225' - CABLE 600V 1/0AL TX SEC  
225' - CONDUIT 2" HDPE RED ST LT

**Install:**  
1 - PEDESTAL, SEC, 10"W X 14"L X 30"H  
100' - CABLE 600V 350AL TX SEC  
260' - CABLE, 600V, 350AL TX, ST LT  
260' - CONDUIT 2" HDPE RED ST LT  
260' - T&B WHL TMP 24-30"W X 30-36"D  
260' - 6IN MARKING TAPE, ELETRIC TRENCH  
260' - TRACER WIRE #14 RED TRENCH

**Permit / Yes**  
**Traffic Control / Yes**  
**Asphalt Control / N/A**  
**Storm Water / N/A**

**Customer Contact:**  
**Wade Davidson - 303.996.5264**  
**Wdavidson@goco.com**

**Designer Contact:**  
**Alex Speer - 720.670.7501**  
**Alex.m.speer@Xcelenergy.com**



Work Order Information	
Service Request #	: 12709780
Design Number	: 000001052952
Designer/Planner ID	: 227342
Designer/Planner Name	: Speer,Alex
Designer/Planner Ph #	: 720.670.7501
Manager Approval	: _____

Joint Utility	
E: N/A	G: N/A
T: N/A	C: N/A

Design Location	
Division	: DENVER METRO REGION
County	: Denver
City	: DENVER
Address	: 2700 Wewatta Way
T: 3S	R: 68W S: 27
Map #	: 2142156 03
Permit	: Denver

Electric	
Feeder: ARGO1564	Voltage: 13200V
Phase: ABC	Bkup Dev ID: 875/588

Gas	
System	: N/A
Pressure	: N/A
Size	: N/A
Material	: N/A
Dead End	: N/A

Work Order # :  
Date: 11/02/2021  
Sketch: #1 Of #1 Sketch Data  
Scale: 1" equals 50'



CONSTRUCTION USE ONLY	
<input type="checkbox"/>	NO CHANGES (BUILT AS DESIGNED)
<input type="checkbox"/>	CHANGES MADE AS INDICATED (ALL URD MUST HAVE ACTUAL MEASUREMENTS FROM THE FIELD SITE)
RFO	_____
FOREMAN	_____ DATE _____
TEAM LEADER	_____

DISCLAIMER: THERE ARE NO REPRESENTATIONS OR WARRANTIES (EXPRESS OR IMPLIED) ABOUT THE ACCURACY OF THIS PRINT. THIS PRINT IS PROVIDED WITH NO CLAIM AS TO PRINT COMPLETENESS, TIMELINESS, ACCURACY OF CONTENT OR USEFULNESS. STATE LAW REQUIRES ANYONE DIGGING, GRADING OR EXCAVATING TO OBTAIN A PRIOR FIELD LOCATE OF ALL UTILITIES; THIS PRINT DOES NOT DISCHARGE THIS REQUIREMENT OR ANY OTHER REQUIREMENT. THE COMPANY AND ITS AFFILIATES ASSUME NO LEGAL RESPONSIBILITY OR LIABILITY FOR THE RECIPIENT'S USE (OR ANY OTHER PARTIES' USE) OF THE PRINT, INCLUDING THE RECIPIENT'S INTENDED PURPOSE IN USING THE PRINT. NO COMPANY EMPLOYEE OR OTHER PARTY HAS BEEN AUTHORIZED TO PROVIDE THIS PRINT FOR PLANNING OR ESTIMATING PURPOSES; RELY ON THIS PRINT AT YOUR OWN RISK. BY ACCEPTING THIS PRINT, THE RECIPIENT & ANY OTHER PARTY RECEIVING A COPY OF THE PRINT ACKNOWLEDGES AND AGREES TO THIS DISCLAIMER. For All Field Locates Call 811

THIS DOCUMENT IS XCEL ENERGY CONFIDENTIALS AND PROPRIETARY INFORMATION AND MAY NOT BE REPRODUCED IN WHOLE, OR IN PART, NOR MAY ANY OF THE INFORMATION CONTAINED HEREIN BE DISCLOSED WITHOUT THE CONSENT OF XCEL ENERGY. CONFIDENTIALS AND PROPRIETARY INFORMATION © 2019 XCEL ENERGY INC. | XCEL ENERGY IS REGISTERED TRADEMARK OF XCEL ENERGY INC



<b>TITLE</b>	Denargo Market MD Nos. 1, Permit
<b>FILE NAME</b>	Denargo Market Me...0 Wewatta Way.pdf
<b>DOCUMENT ID</b>	8158b438d80e61e3981be25887885820e08fc8a5
<b>AUDIT TRAIL DATE FORMAT</b>	MM / DD / YYYY
<b>STATUS</b>	● Signed

## Document History



SENT

**10 / 27 / 2022**

16:19:52 UTC

Sent for signature to Ann Finn (afinn@sdmsi.com) from apadilla@sdmsi.com  
IP: 50.78.200.153



VIEWED

**10 / 27 / 2022**

16:21:16 UTC

Viewed by Ann Finn (afinn@sdmsi.com)  
IP: 50.78.200.153



SIGNED

**10 / 27 / 2022**

16:21:43 UTC

Signed by Ann Finn (afinn@sdmsi.com)  
IP: 50.78.200.153



COMPLETED

**10 / 27 / 2022**

16:21:43 UTC

The document has been completed.

# Right-Of-Way Street Occupancy Permit

ROW Permit Fee at Denargo Market for Dates **11/2/2022** to **11/4/2022** Total Days **3**

Company Name: CFC Street Occupancy Permit#: \_\_\_\_\_  
 Street Occupancy Location: Denargo Market - Wewatta Way Work Hours Requested: \_\_\_\_\_  
 City Block Lengths: CBD - #Streets = 290 ft; Name Streets = 430 ft; East/West Streets = 310 ft; North/South Streets 640ft

**Traffic Lanes:** Peak Hours: (Weekdays 6am-8:30am, 3:30pm-6pm, & All 24hrs Closures)

## TCP #1

**Collectors And Arterial Lane Closures:**

	Price/Lane		Days		Work Zone		Taper Length		
<b>Peak Hours:</b> Parking Lane:	\$0.50	x	4	x	( 120	+	( )	=	\$240.00
1st Lane:	\$0.50	x	4	x	( 120	+	( )	=	\$240.00
2nd Lanes:	\$1.00	x	4	x	( )	+	( )	=	\$0.00
3rd Lanes:	\$2.00	x	4	x	( )	+	( )	=	\$0.00
(Distance from 1st cone to last cone)									
	Price/Lane		Days		Work Zone		Taper Length		
<b>Off Peak Hours:</b> Parking Lane:	\$0.45	x	4	x	( )	+	( )	=	\$0.00
1st Lane:	\$0.45	x	4	x	( )	+	( )	=	\$0.00
2nd Lanes:	\$0.90	x	4	x	( )	+	( )	=	\$0.00
3rd Lanes:	\$1.80	x	4	x	( )	+	( )	=	\$0.00
(Distance from 1st cone to last cone)									

**Detour Fees:**

<b>Peak Hours:</b>	Price/Lane		Days		Length of Detour, LF			=	
	\$0.50	x	4	x	( )			=	\$0.00
<b>Off Peak Hours:</b>	Price/Lane		Days		Length of Detour, LF			=	
	\$0.45	x	4	x	( )			=	\$0.00

**Residential:**

1 Lane:	Price/Lane		Days		Work Zone		Taper Length		
	\$0.15	x	4	x	( 0	+	( )	=	\$0.00
(Maintaining one lane of access)									
Full:	Price		Days		Entire length of Road			=	
	\$0.30	x	4	x	( )			=	\$0.00
(No Access)									

**Alley Closure:**

<b>Residential:</b>	Full	Price/Ft		Days		Length of Closure			
		\$0.30	x	4	x	( )		=	\$0.00
(Entire length of alley)									
	Partial	Price/Ft		Days		Length of Closure			
		\$0.15	x	4	x	( )		=	\$0.00
<b>CBD and Cherry Creek:</b>	Full	Price/Ft		Days		Length of Closure			
		\$0.50	x	4	x	( )		=	\$0.00
(Entire length of alley)									
	Partial	Price/Ft		Days		Length of Closure			
		\$0.25	x	4	x	( )		=	\$0.00

**Sidewalk Closure: (Will be charged for entire length of block)**

<b>Residential:</b>	Price/Ft		Days		Length of Closure			=	
	\$0.15	x	4	x	( )			=	\$0.00
<b>Collectors &amp; Arterials:</b>	\$0.25	x	4	x	120		Width	=	\$120.00
<b>CBD &amp; Cherry Creek:</b>	\$0.05	x	4	x	( )	x	( )	=	\$0.00

**Covered Walkways:**

<b>Residential:</b>	Price/Ft		Days		Length of Closure			x 10%	=	
	\$0.15	x	4	x	( )			=	\$0.00	
<b>Collectors &amp; Arterials:</b>	\$0.25	x	4	x	( )		Width	x 10%	=	\$0.00
<b>CBD &amp; Cherry Creek:</b>	\$0.05	x	4	x	( )	x	( )	x 10%	=	\$0.00

<b>Permit Issuance and Inspection Fee:</b>		=	\$50.00
<b>Re-Application Fee</b> (for any TCP that is denied for accuracy/compliance with MUTCD) <b>\$100</b>		=	\$0.00
<b>Unauthorized Closure Fee</b> (or reinstatement of revoked permit) <b>up to \$500 per day of non-compliance</b>		=	\$0.00
<b>Non-Standard Time Frame Fee</b> (any request outside of normal process) <b>\$500</b>		=	\$0.00

---

---

**Total** = \$650.00

**Non Standard Occupancy Fee:** Unauthorized sidewalk, street, or alley closure or reinstatement of revoked permit

= \$0.00

Fee is approved by:

**Total** = \$650.00

---

---

## STREET OCCUPANCY REQUEST FORM Denargo Market Metropolitan District No. 1

All requests received by the District must contain the following information, in the order described, to better accommodate your request for a Street Occupancy Permit. (If applicable, Street Cut Permit(s) will be issued only when the approved Street Occupancy Permit is picked up by the permittee, and not before). Submit one request form for each street occupancy location only! For multiple street cuts in a single area (one street block), use one request form only.

**Submit This Form & Traffic Plan to: Email—[afinn@sdmsi.com](mailto:afinn@sdmsi.com) or Fax—(303) 387-2032**

\*\*All Information is required and must be completed prior to submission of Request for Street Occupancy.\*\*  
(Please Print All Information).

Company Name: Ad Light Group Contractor License #: 246859  
 Company Address: 4150 Elati St, Denver, CO 80216  
 Contact's Name: Desiree' Nitsch Off Phone: 303-503-2322  
 Contact's Email: dnitsch@adlightgroup.com Cell Phone: 303-503-2322

Location: 2520 Wewatta Way  
 Purpose: Remove "The Gage" signage and install new "AMLI Art District" signage  
 Requested Dates: 11.2.2022 To 11.4.2022 Requested Time: Daily 8:30 AM to 3:30 PM

ROW Cut Request:	<input type="checkbox"/> Street	<input type="checkbox"/> Alley	<input type="checkbox"/> Sidewalks	<input type="checkbox"/> Tree Lawn
Cut Type:	<input type="checkbox"/> Sewer	<input type="checkbox"/> Gas	<input type="checkbox"/> Water	<input type="checkbox"/> Other
Cut Size/Quantity (Estimated Cost)	Length: _____	Width: _____	Total Area: _____	Est. Cost: _____
	Number of Potholes: _____		Total Area: _____	Est. Cost: _____
<i>Note: For additional Street Cut Locations submit second sheet.</i>				

Additional Comments: We would like to close approximately 120' of Denargo St, south of Wewatta Way. We would close sidewalk, parking lane, and northbound drive lane.

**\*\*Any modification after approval of original permit will require a resubmittal.**

For District Use Only: Do not write below line.

Status:  Approved  Denied  
 Assigned Dates: Start: 11/2/22 Finish: 11/4/22  
 Allowed Work Times: 5:30am AM/PM To 3:30pm AM/PM  
 Flagger Required: \_\_\_\_\_  
 Reason: \_\_\_\_\_

Price: \_\_\_\_\_

[Signature] 10/30/22 # 10302022  
 District Representative's Signature Date Permit Number

# Right-Of-Way Street Occupancy Permit

ROW Permit Fee at Denargo Market for Dates **11/2/2022** to **11/4/2022** Total Days **3**

Company Name: **CFC** Street Occupancy Permit#: \_\_\_\_\_  
 Street Occupancy Location: **Denargo Market - Wewatta Way** Work Hours Requested: \_\_\_\_\_  
 City Block Lengths: CBD - #Streets = 290 ft; Name Streets = 430 ft; East/West Streets = 310 ft; North/South Streets 640ft

**Traffic Lanes:** Peak Hours: (Weekdays 6am-8:30am, 3:30pm-6pm, & All 24hrs Closures)

**TCP #1**

**Collectors And Arterial Lane Closures:**

	Price/Lane		Days		Work Zone		Taper Length		
<b>Peak</b>	Parking Lane: \$0.50	x	3	x	( 120	+	( )	=	\$180.00
	1st Lane: \$0.50	x	3	x	( 120	+	( )	=	\$180.00
<b>Hours:</b>	2nd Lanes: \$1.00	x	3	x	( )	+	( )	=	\$0.00
	3rd Lanes: \$2.00	x	3	x	( )	+	( )	=	\$0.00
					(Distance from 1st cone to last cone)				
	Parking Lane: \$0.45	x	3	x	( )	+	( )	=	\$0.00
<b>Off Peak</b>	1st Lane: \$0.45	x	3	x	( )	+	( )	=	\$0.00
<b>Hours:</b>	2nd Lanes: \$0.90	x	3	x	( )	+	( )	=	\$0.00
	3rd Lanes: \$1.80	x	3	x	( )	+	( )	=	\$0.00
					(Distance from 1st cone to last cone)				

**Detour Fees:**

<b>Peak Hours:</b>	Price/Lane: \$0.50	x	Days: 3	x	Length of Detour, LF: ( )	=	\$0.00
<b>Off Peak Hours:</b>	Price/Lane: \$0.45	x	Days: 3	x	Length of Detour, LF: ( )	=	\$0.00

**Residential:**

1 Lane:	Price/Lane: \$0.15	x	Days: 3	x	Work Zone: ( 0	+	Taper Length: ( )	=	\$0.00
	(Maintaining one lane of access)								
Full:	Price: \$0.30	x	Days: 3	x	Entire length of Road: ( )	=	\$0.00		
	(No Access)								

**Alley Closure:**

<b>Residential:</b>	Full	Price/Ft: \$0.30	x	Days: 3	x	Length of Closure: ( )	=	\$0.00
		(Entire length of alley)						
	Partial	Price/Ft: \$0.15	x	Days: 3	x	Length of Closure: ( )	=	\$0.00
<b>CBD and Cherry Creek:</b>	Full	Price/Ft: \$0.50	x	Days: 3	x	Length of Closure: ( )	=	\$0.00
		(Entire length of alley)						
	Partial	Price/Ft: \$0.25	x	Days: 3	x	Length of Closure: ( )	=	\$0.00

**Sidewalk Closure:** (Will be charged for entire length of block)

<b>Residential:</b>	Price/Ft: \$0.15	x	Days: 3	x	Length of Closure: ( )	=	\$0.00		
<b>Collectors &amp; Arterials:</b>	Price/Ft: \$0.25	x	Days: 3	x	Length of Closure: 120	x	Width: ( )	=	\$90.00
<b>CBD &amp; Cherry Creek:</b>	Price/Ft: \$0.05	x	Days: 3	x	Length of Closure: ( )	x	Width: ( )	=	\$0.00

**Covered Walkways:**

<b>Residential:</b>	Price/Ft: \$0.15	x	Days: 3	x	Length of Closure: ( )	x 10%	=	\$0.00
<b>Collectors &amp; Arterials:</b>	Price/Ft: \$0.25	x	Days: 3	x	Length of Closure: ( )	x 10%	=	\$0.00
<b>CBD &amp; Cherry Creek:</b>	Price/Ft: \$0.05	x	Days: 3	x	Length of Closure: ( )	x 10%	=	\$0.00

Permit Issuance and Inspection Fee:	=	\$50.00
Re-Application Fee (for any TCP that is denied for accuracy/compliance with MUTCD) \$100	=	\$0.00
Unauthorized Closure Fee (or reinstatement of revoked permit) up to \$500 per day of non-compliance	=	\$0.00
Non-Standard Time Frame Fee (any request outside of normal process) \$500	=	\$0.00
<b>Total</b>	=	<b>\$500.00</b>

<b>Non Standard Occupancy Fee:</b> Unauthorized sidewalk, street, or alley closure or reinstatement of revoked permit	=	\$0.00
Fee is approved by:	<b>Total</b>	= <b>\$500.00</b>



Gametime Henderson  
Marketing

Denargo St

Wewatta Way

Wewatta Way

Wewatta Way



2520 Wewatta Way,  
Denver, CO 80216

2500

Anything Goes  
Hauling & Recycling  
temporarily closed

C & R Distributing

170

3215

3205

3224

01

Denargo St



## Proposal for Extra Work at Denargo Market Metro District

Property Name	Denargo Market Metro District	Contact	Robert Graham
Property Address	Denargo St Denver, CO 80217	To	Denargo Market Metro District
		Billing Address	c/o SDMSI 141 Union Ave Ste 150 Lakewood, CO 80228
Project Name	Breeze Path Erosion Repair 2022		
Project Description	Clean up and prevent erosion of breeze path on the SW corner of 28th St & Brighton Blvd.		

### Scope of Work

QTY	UoM/Size	Material/Description
<b>Breeze Path Erosion Repair</b>		
1.00	LUMP SUM	Clean up breeze that has washed onto the concrete sidewalk near wall.
1.00	LUMP SUM	Install 2- 4"x 4" timbers diagonally across the slope to help prevent erosion.
2.00	TON	Gray Breeze w Stabilizer - TON Rock/Gravel Installed
0.15	TON	1-1/2" Mountain Granite - TON Rock/Gravel Installed adjacent to sidewalk to allow water to flow out.
1.00	DAY	Plate Tamper / Vibratory Plate - Daily Rate

For internal use only

**SO#** 7948036  
**JOB#** 400400468  
**Service Line** 130

**Total Price** \$2,295.00

**THIS IS NOT AN INVOICE**

This proposal is valid for thirty (30) days unless otherwise approved by Contractor's Senior Vice President  
2333 W Oxford Ave, Sheridan, CO 80110-4340 ph. (303) 761-9262 fax (303) 761-9023

## TERMS & CONDITIONS

1. The Contractor shall recognize and perform in accordance with written terms, written specifications and drawings only contained or referred to herein. All materials shall conform to bid specifications.
2. **Work Force:** Contractor shall designate a qualified representative with experience in landscape maintenance/construction upgrades or when applicable in tree management. The workforce shall be competent and qualified, and shall be legally authorized to work in the U.S.
3. **License and Permits:** Contractor shall maintain a Landscape Contractor's license, if required by State or local law, and will comply with all other license requirements of the City, State and Federal Governments, as well as all other requirements of law. Unless otherwise agreed upon by the parties or prohibited by law, Customer shall be required to obtain all necessary and required permits to allow the commencement of the Services on the property.
4. **Taxes:** Contractor agrees to pay all applicable taxes, including sales or General Excise Tax (GET), where applicable.
5. **Insurance:** Contractor agrees to provide General Liability Insurance, Automotive Liability Insurance, Worker's Compensation Insurance, and any other insurance required by law or Customer, as specified in writing prior to commencement of work. If not specified, Contractor will furnish insurance with \$1,000,000 limit of liability.
6. **Liability:** Contractor shall not be liable for any damage that occurs from Acts of God defined as extreme weather conditions, fire, earthquake, etc. and rules, regulations or restrictions imposed by any government or governmental agency, national or regional emergency, epidemic, pandemic, health related outbreak or other medical events not caused by one or other delays or failure of performance beyond the commercially reasonable control of either party. Under these circumstances, Contractor shall have the right to renegotiate the terms and prices of this Contract within sixty (60) days.
7. Any illegal trespass, claims and/or damages resulting from work requested that is not on property owned by Customer or not under Customer management and control shall be the sole responsibility of the Customer.
8. **Subcontractors:** Contractor reserves the right to hire qualified subcontractors to perform specialized functions or work requiring specialized equipment.
9. **Additional Services:** Any additional work not shown in the above specifications involving extra costs will be executed only upon signed written orders, and will become an extra charge over and above the estimate.
10. **Access to Jobsite:** Customer shall provide all utilities to perform the work. Customer shall furnish access to all parts of jobsite where Contractor is to perform work as required by the Contract or other functions related thereto, during normal business hours and other reasonable periods of time. Contractor will perform the work as reasonably practical after the Customer makes the site available for performance of the work.
11. **Payment Terms:** Upon signing this Agreement, Customer shall pay Contractor 50% of the Proposed Price and the remaining balance shall be paid by Customer to Contractor upon completion of the project unless otherwise, agreed to in writing.
12. **Termination:** This Work Order may be terminated by the either party with or without cause, upon seven (7) workdays advance written notice. Customer will be required to pay for all materials purchased and work complete to the date of termination and reasonable charges incurred in demobilizing.
13. **Assignment:** The Customer and the Contractor respectively, bind themselves, their partners, successors, assignees and legal representative to the other party with respect to all covenants of this Agreement. Neither the Customer nor the Contractor shall assign or transfer any interest in this Agreement without the written consent of the other provided, however, that consent shall not be required to assign this Agreement to any company which controls, is controlled by, or is under common control with Contractor or in connection with assignment to an affiliate or pursuant to a merger, sale of all or substantially all of its assets or equity securities, consolidation, change of control or corporate reorganization.
14. **Disclaimer:** This proposal was estimated and priced based upon a site visit and visual inspection from ground level using ordinary means, at or about the time this proposal was prepared. The price quoted in this proposal for the work described, is the result of that ground level visual inspection and therefore our company will not be liable for any additional costs or damages for additional work not described herein, or liable for any incidents/accidents resulting from conditions, that were not ascertainable by said ground level visual inspection by ordinary means at the time said inspection was performed. Contractor cannot be held responsible for unknown or otherwise hidden defects. Any corrective work proposed herein cannot guarantee exact results. Professional engineering, architectural, and/or landscape design services ("Design Services") are not included in this Agreement and shall not be provided by the Contractor. Any design defects in the Contract Documents are the sole responsibility of the Customer. If the Customer must engage a licensed engineer, architect and/or landscape design professional, any costs concerning these Design Services are to be paid by the Customer directly to the designer involved.

15. **Cancellation:** Notice of Cancellation of work must be received in writing before the crew is dispatched to their location or Customer will be liable for a minimum travel charge of \$150.00 and billed to Customer.

The following sections shall apply where Contractor provides Customer with tree care services:

16. **Tree & Stump Removal:** Trees removed will be cut as close to the ground as possible based on conditions to or next to the bottom of the tree trunk. Additional charges will be levied for unseen hazards such as, but not limited to concrete brick filled trunks, metal rods, etc. If requested mechanical grinding of visible tree stump will be done to a defined width and depth below ground level at an additional charge to the Customer. Defined backfill and landscape material may be specified. Customer shall be responsible for contacting the appropriate underground utility locator company to locate and mark underground utility lines prior to start of work. Contractor is not responsible damage done to underground utilities such as but not limited to, cables, wires, pipes, and irrigation parts. Contractor will repair damaged irrigation lines at the Customer's expense.
17. **Waiver of Liability:** Requests for crown thinning in excess of twenty-five percent (25%) or work not in accordance with ISA (International Society of Arboricultural) standards will require a signed waiver of liability.

### Acceptance of this Contract

By executing this document, Customer agrees to the formation of a binding contract and to the terms and conditions set forth herein. Customer represents that Contractor is authorized to perform the work stated on the face of this Contract. If payment has not been received by Contractor per payment terms hereunder, Contractor shall be entitled to all costs of collection, including reasonable attorneys' fees and it shall be relieved of any obligation to continue performance under this or any other Contract with Customer. Interest at a per annum rate of 1.5% per month (18% per year), or the highest rate permitted by law, may be charged on unpaid balance 15 days after billing.

**NOTICE: FAILURE TO MAKE PAYMENT WHEN DUE FOR COMPLETED WORK ON CONSTRUCTION JOBS MAY RESULT IN A MECHANIC'S LIEN ON THE TITLE TO YOUR PROPERTY**

Customer

Signature	Title
	<b>Property Manager</b>
<b>Robert Graham</b>	Date
Printed Name	<b>October 11, 2022</b>

**BrightView Landscape Services, Inc. "Contractor"**  
**Enhancement Manager**

Signature	Title
	<b>October 11, 2022</b>
<b>Tyler Thompson</b>	Date
Printed Name	

<b>Job #:</b>	<b>400400468</b>	
<b>SO #:</b>	<b>7948036</b>	<b>Proposed Price: \$2,295.00</b>



# Exclusions And Qualifications

## Personnel/ Working Hours

- This Proposal is based upon personnel working normal daytime hours, 8 hour work day, 40 hour work week. Proposal excludes working in an ineffective manner (rain, unsafe working conditions, etc.)
- BrightView is an open shop contractor, non-signatory to any labor agreements.
- This Proposal is based on non-prevailing wage and non-union labor rates.
- This proposal is based on performing the work in one continuous operation and includes one mobilization of equipment, tools and resources to and from site.

## Utilities, Traffic Control, and Permitting

- BrightView excludes any permits or applicable fees in this proposal. Permits and fees, if required, are to be supplied and paid for by others including street closure and traffic control plans.
- Permanent or temporary Water meter fees, permits, installation and cost for water not included in proposal.
- BrightView Landscape Maintenance, Inc. is not responsible for underground or overhead utilities or their re-routing.
- BrightView is not responsible for unmarked private utilities.
- A minimum of (48) hour notice prior to mobilization must be provided for proper underground utility marking, etc. in public areas.
- The owner shall be responsible for identifying and marking all underground utilities within in the work site.
- BrightView shall accept no responsibility for damage to any unmarked underground utilities.

## Scope of Work/ Project Specifications

- No import or export soils are provided for in this proposal except as noted in the scope of work. All planting spoils to be used on-site.
- Equipment access roads and level crane pads are to be provided at the time of installation and approved by BrightView prior to mobilization.
- Any and all concrete or asphalt cutting, demolition, removal and replacement to be performed by others.
- Hardscape, electrical, surveying, metal work or waterproofing or any other scope not specified in this proposal are excluded.
- No demolition work is provided for in this proposal except as noted in the scope of work.
- BrightView will receive the site clean and free of weeds and construction debris and in finish graded condition (plus or minus 1/10th foot)
- Site is to be readily accessible by smooth bucket skip loader, forklift, and workmen with hand tools, semi-truck and trailer.
- Cutting, patching or penetration of planter walls is excluded. Coring of structures has not been included. All necessary penetrations into existing planters, sealing of these penetrations, etc. to be by others.
- Waterproofing, protection boards, and topping slabs shall be completed, in place and tested by others prior to mobilization.
- Specified plant materials are subject to availability at the time of construction.

## Irrigation

- BrightView shall be given sufficient notice to place irrigation sleeves prior to paving, curbing or wall footings being poured.
- No hardscape (asphalt, concrete, etc.) cutting for purposes of installing irrigation piping, wires, etc. is provided in this proposal.
- Irrigation to be taken from provided point of connection. Water meter installation excluded.
- Irrigation to be installed per plan. Any necessary irrigation modifications to be billed at time and materials.
- Power (110v) P.O.C. for irrigation controller will be provided by the others.
- BrightView will warranty the irrigation system, with regards to material and workmanship for (90) days post-installation.

## Warranty

- BrightView shall Warranty all shrubs, ground cover and vines for a period of (90) days. Specimen trees for a period of one (1) year.
- Warranty does not extend beyond the natural life cycle of the plant material. (E.G. annual color, perennials, biennials, etc.)



**Denargo Market Metropolitan District No. 1**

**August-22**

Vendor	Invoice #	Date	Due Date	Amount in USD	Expense Account	Account Number
Brightview Landscape Services	5244073	8/26/2022	9/10/2022	\$ 69.24	Landscape & irrigation repairs	107810
Brightview Landscape Services	5226680	8/15/2022	8/30/2022	\$ 483.69	Landscape & irrigation repairs	107810
Brightview Landscape Services	8055153	9/1/2022	9/16/2022	\$ 1,065.00	Landscape & options	107816
Brightview Landscape Services	8062901	8/26/2022	9/10/2022	\$ 748.24	Landscape & options	107816
CliftonLarsonAllen, LLP	3373971	7/31/2022	7/31/2022	\$ 2,722.91	Accounting	107000
Colorado Lighting Inc	NI109363	9/2/2022	10/2/2022	\$ 20.00	Site lighting	107803
Colorado Special District Property & Liability Pool	23WC-61095-0305	8/26/2022	8/26/2022	\$450.00	Prepaid insurance	101255
Colorado Special District Property & Liability Pool	23WC-61159-0133	8/26/2022	8/26/2022	\$ 450.00	Prepaid insurance	101255
Denver Metro Protective Services	22-090298	9/1/2022	10/1/2022	\$ 200.00	Security	107570
Denver Water	3250 August 2022	8/12/2022	9/2/2022	\$ 209.40	Utilities	107701
Diversified Underground	26213	8/31/2022	9/30/2022	\$ 722.00	Locates	107804
Dodge Data & Analytics	A40042482	8/16/2022	8/16/2022	\$ 61.20	Miscellaneous	107480
Mcgeady Becher P.C	1057W 7-2022	7/31/2022	7/31/2022	\$ 1,322.50	Legal services	107460
Mcgeady Becher P.C	1057W 7-2022	7/31/2022	7/31/2022	\$ 803.00	Legal	307460
Schedio GRoup LLC	220102-1443	9/6/2022	10/6/2022	\$ 14.00	Engineering	307584
Special District Management Services	D2 8-2022	8/31/2022	8/31/2022	\$ 311.40	District management	107440
Special District Management Services	D3 8-2022	8/31/2022	8/31/2022	\$ 251.60	District management	107440
Special District Management Services	D1 8-2022	8/31/2022	8/31/2022	\$ 2,780.68	District management	107440
Utility Notification Center	222080451	8/31/2022	8/31/2022	\$ 35.10	Locates	107804
Wastewater Management Division	0227400114000 Aug 22	8/24/2022	8/24/2022	\$ 813.86	Miscellaneous	107480
Wastewater Management Division	0227400120000 Aug 22	8/24/2022	10/7/2022	\$ 217.68	Miscellaneous	107480
Xcel Energy	792575748	8/17/2022	9/7/2022	\$ 145.77	Utilities	107701
				\$ 13,897.27		

Denargo Market Metropolitan District No. 1  
August-22

	General	Debt	Capital	Totals
Disbursements	\$ 13,897.27			\$ 13,897.27
Payroll		\$ -	\$ -	\$ -
<b>Total Disbursements from Checking Acct</b>	<b>\$ 13,897.27</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,897.27</b>

**Denargo Market Metropolitan District No. 1**  
**October-22**

<b>Vendor</b>	<b>Invoice #</b>	<b>Date</b>	<b>Due Date</b>	<b>Amount in USD</b>	<b>Expense Account</b>	<b>Account Number</b>
Brightview Landscape Services	8084742	9/21/2022	10/6/2022	\$ 748.24	Landscape & options	107816
Brightview Landscape Services	8102180	10/1/2022	10/16/2022	\$ 1,065.00	Landscape & options	107816
Brightview Landscape Services	5286282	9/29/2022	10/14/2022	\$ 156.80	Landscape & options	107816
CliftonLarsonAllen, LLP	3407975	9/19/2022	9/19/2022	\$ 2,738.14	Accounting	107000
Colorado Lighting Inc	NI110516	9/30/2022	10/30/2022	\$ 20.00	Site lighting	107803
Denver Water	3250 September 2022	9/13/2022	9/13/2022	\$ 248.84	Utilities	107701
Mcgeady Becher P.C	1057W 8-2022	8/31/2022	8/31/2022	\$ 2,272.50	Legal services	107460
Mcgeady Becher P.C	1057W 8-2022	8/31/2022	8/31/2022	\$ 931.00	Legal	307460
Special District Management Services	D1 9-2022	9/30/2022	9/30/2022	\$ 4,241.20	District management	107440
Special District Management Services	D3 9-2022	9/30/2022	9/30/2022	\$ 424.80	District management	107440
Special District Management Services	D2 9-2022	9/30/2022	9/30/2022	\$ 444.00	District management	107440
Triunity Engineering & Management	100517-25	8/1/2022	8/1/2022	\$ 5,519.25	Site inspection	107802
Triunity Engineering & Management	100517-26	9/16/2022	9/16/2022	\$ 3,692.00	Site inspection	107802
Utility Notification Center	222090450	9/30/2022	9/30/2022	\$ 29.90	Locates	107804
Xcel Energy	795605611	9/9/2022	9/9/2022	\$ -	Utilities	107701
Xcel Energy	796466806	9/15/2022	10/5/2022	\$ 159.49	Utilities	107701
				\$ 22,691.16		

**Denargo Market Metropolitan District No. 1**  
**October-22**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
<b>Disbursements</b>	\$ 21,760.16		\$ 931.00	\$ 22,691.16
<b>Payroll</b>	\$ 369.40	\$ -	\$ -	\$ 369.40
<b>Total Disbursements from Checking Acct</b>	<u>\$ 22,129.56</u>	<u>\$ -</u>	<u>\$ 931.00</u>	<u>\$ 23,060.56</u>

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2022**

DENARGO MARKET METROPOLITAN DISTRICT NO. 1  
BALANCE SHEET - GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022

	General	Capital Projects	Total
ASSETS			
Cash - Checking	\$ 6,439	\$ -	\$ 6,439
Colotrust	-	81,089	81,089
Due from District No. 2	288,882	-	288,882
Due from other funds	-	27,628	27,628
Prepaid expense	900	-	900
<b>TOTAL ASSETS</b>	<b>\$ 296,221</b>	<b>\$ 108,717</b>	<b>\$ 404,938</b>
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
Accounts payable	\$ 43,113	\$ 2,748	\$ 45,861
Payroll taxes payable	214	-	214
Due to other funds	27,628	-	27,628
<b>Total Liabilities</b>	<b>70,955</b>	<b>2,748</b>	<b>73,703</b>
FUND BALANCES			
<b>Total Fund Balances</b>	<b>225,266</b>	<b>105,969</b>	<b>331,235</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 296,221</b>	<b>\$ 108,717</b>	<b>\$ 404,938</b>

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.



DENARGO MARKET METROPOLITAN DISTRICT NO. 1  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

GENERAL FUND

	Annual Budget	Year to Date Actual	Variance
<b>REVENUES</b>			
Interest income	\$ 1,000	\$ 1,029	\$ 29
Permit fees	5,000	22,733	17,733
Transfer from District No. 2	328,738	327,278	(1,460)
<b>TOTAL REVENUES</b>	<u>334,738</u>	<u>351,040</u>	<u>16,302</u>
<b>EXPENDITURES</b>			
Accounting	35,000	26,275	8,725
Auditing	9,000	8,500	500
City of Denver annual fee	6,000	6,000	-
Contingency	12,400	-	12,400
Detention Pond Cleanup	10,000	-	10,000
Directors' fees	2,500	1,400	1,100
District management	57,000	33,574	23,426
Dues and licenses	1,300	1,297	3
Election expense	2,300	2,323	(23)
Insurance and bonds	11,800	12,890	(1,090)
Landscape & irrigation repairs	35,000	2,965	32,035
Landscape & options	55,000	15,450	39,550
Legal services	35,000	31,965	3,035
Locates	3,500	6,069	(2,569)
Miscellaneous	2,500	2,149	351
Payroll taxes	200	107	93
Repairs and maintenance	25,000	-	25,000
Security	7,500	1,220	6,280
Sight lighting	5,000	880	4,120
Site inspection	24,000	48,913	(24,913)
Snow removal	25,000	49,204	(24,204)
Street sweeping	1,000	-	1,000
Streets and sidewalk	27,000	-	27,000
Utilities	15,000	3,206	11,794
<b>TOTAL EXPENDITURES</b>	<u>408,000</u>	<u>254,387</u>	<u>153,613</u>
<b>NET CHANGE IN FUND BALANCES</b>	(73,262)	96,653	169,915
<b>FUND BALANCES - BEGINNING</b>	<u>88,195</u>	<u>128,613</u>	<u>40,418</u>
<b>FUND BALANCES - ENDING</b>	<u>\$ 14,933</u>	<u>\$ 225,266</u>	<u>\$ 210,333</u>

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

## **SUPPLEMENTARY INFORMATION**

DENARGO MARKET METROPOLITAN DISTRICT NO. 1  
 SCHEDULE OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
 FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022

CAPITAL PROJECTS FUND

	<u>Annual Budget</u>	<u>Year to Date Actual</u>	<u>Variance</u>
REVENUES			
Impact Fees	\$ -	\$ 134,400	\$ 134,400
TOTAL REVENUES	<u>-</u>	<u>134,400</u>	<u>134,400</u>
EXPENDITURES			
Engineering	-	674	(674)
Legal services	-	12,757	(12,757)
Miscellaneous	-	15,000	(15,000)
TOTAL EXPENDITURES	<u>-</u>	<u>28,431</u>	<u>(28,431)</u>
NET CHANGE IN FUND BALANCES	-	105,969	105,969
FUND BALANCES - BEGINNING	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - ENDING	<u>\$ -</u>	<u>\$ 105,969</u>	<u>\$ 105,969</u>

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

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1**  
**2022 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation, was formed in June 2010, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Denver, Colorado.

The District was established to provide for acquisition, construction, and installation of water, sanitation, drainage, street improvements, parks and recreational facilities, television relay and translation, and mosquito control.

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, if 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.

**Interest Income**

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

**Developer Advance**

The District is in the development stage. As such, the portion of the capital expenditures is expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, and meeting expense.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases**

The District doesn't have any debt or leases.

**Reserve Fund**

**Emergency Reserve**

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

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1**  
**Schedule of Cash Position**  
**September 30, 2022**  
**Updated as of October 24, 2022**

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b><u>First Bank - Checking Account</u></b>			
Balance as of 09/30/22	\$ 6,439.16	\$ -	\$ 6,439.16
Subsequent activities:			
10/04/22 Vouchers Payable	(2,722.91)	-	(2,722.91)
10/04/22 Transfer from ColoTrust	19,069.00	931.00	20,000.00
10/05/22 Denver Water	(248.84)	-	(248.84)
10/05/22 Denver Water	(24.20)	-	(24.20)
10/06/22 Xcel	(159.49)	-	(159.49)
10/07/22 Vouchers Payable	(2,366.17)	-	(2,366.17)
10/11/22 Vouchers Payable	(8,453.02)	-	(8,453.02)
Anticipated Activities:			
<i>Anticipated Oct Payroll (#9222-#9225)</i>	(369.40)	-	(369.40)
<i>Anticipated Vouchers Payable</i>	(21,351.83)	(931.00)	(22,282.83)
<i>Anticipated Transfer from Colotrust</i>	25,000.00	-	25,000.00
<i>Anticipated Balance</i>	<u>14,812.30</u>	<u>-</u>	<u>14,812.30</u>
<b><u>ColoTrust</u></b>			
Balance as of 09/30/22	-	81,088.93	81,088.93
Subsequent activities:			
10/04/22 Transfer to First Bank	(19,069.00)	(931.00)	(20,000.00)
10/25/22 Transfer from Denargo No. 2	288,882.02	-	288,882.02
Anticipated Activities:			
<i>Anticipated Transfer to First Bank</i>	(25,000.00)	-	(25,000.00)
<i>Anticipated Balance</i>	<u>244,813.02</u>	<u>80,157.93</u>	<u>324,970.95</u>
<i>Total Anticipated Balance</i>	<u>\$ 259,625.32</u>	<u>\$ 80,157.93</u>	<u>\$ 339,783.25</u>

**Yield information:**

ColoTrust - 2.6205% (09/30/22)

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**

**FINANCIAL STATEMENTS**

**SEPTEMBER 30, 2022**

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2022**

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>
<b>ASSETS</b>				
Zion - 2016B Loan Payment Account	\$ -	\$ 27,533	\$ -	\$ 27,533
Colotrust	287,540	525,766	-	813,306
Zion - Capitalized Interest Fund	-	1	-	1
Zion - 2016B Project Fund	-	-	255,784	255,784
Zion - Loan Payment Account	-	277,358	-	277,358
Zion - Pledged Revenue Account	-	6	-	6
Zion - Loan Fees Fund	-	2,666	-	2,666
Zion - Surplus Fund	-	4,396	-	4,396
Receivable from County Treasurer	1,342	4,058	-	5,400
<b>TOTAL ASSETS</b>	<b>\$ 288,882</b>	<b>\$ 841,784</b>	<b>\$ 255,784</b>	<b>\$ 1,386,450</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>CURRENT LIABILITIES</b>				
Due to District No. 1	\$ 288,882	\$ -	\$ -	\$ 288,882
Total Liabilities	288,882	-	-	288,882
<b>FUND BALANCES</b>				
Total Fund Balances	-	841,784	255,784	1,097,568
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 288,882</b>	<b>\$ 841,784</b>	<b>\$ 255,784</b>	<b>\$ 1,386,450</b>

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.



**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

**GENERAL FUND**

	Annual Budget	Year to Date Actual	Variance
<b>REVENUES</b>			
Property taxes	\$ 316,094	\$ 316,094	\$ -
Specific ownership tax	15,805	12,702	(3,103)
Interest income	-	1,646	1,646
<b>TOTAL REVENUES</b>	<b>331,899</b>	<b>330,442</b>	<b>(1,457)</b>
<b>EXPENDITURES</b>			
Transfers to District No. 1	328,738	327,278	1,460
County Treasurer's fee	3,161	3,164	(3)
<b>TOTAL EXPENDITURES</b>	<b>331,899</b>	<b>330,442</b>	<b>1,457</b>
<b>NET CHANGE IN FUND BALANCES</b>	-	-	-
<b>FUND BALANCES - BEGINNING</b>	-	-	-
<b>FUND BALANCES - ENDING</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

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

## **SUPPLEMENTARY INFORMATION**

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

**DEBT SERVICE FUND**

	Annual Budget	Year to Date Actual	Variance
<b>REVENUES</b>			
Property taxes	\$ 955,667	\$ 955,667	\$ -
Specific ownership tax	47,783	38,403	(9,380)
Interest income	500	5,995	5,495
<b>TOTAL REVENUES</b>	<b>1,003,950</b>	<b>1,000,065</b>	<b>(3,885)</b>
<b>EXPENDITURES</b>			
Paying Agent Fees	4,500	4,500	-
Bond Interest - 2016A	328,089	163,239	164,850
Bond Interest - 2016B	41,098	12,459	28,639
Contingency	4,429	-	4,429
County Treasurer's fee	9,557	9,567	(10)
Bond principal 2016A	150,000	-	150,000
Bond principal 2016B	18,327	-	18,327
<b>TOTAL EXPENDITURES</b>	<b>556,000</b>	<b>189,765</b>	<b>366,235</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>447,950</b>	<b>810,300</b>	<b>362,350</b>
<b>FUND BALANCES - BEGINNING</b>	<b>533,664</b>	<b>286,484</b>	<b>(247,180)</b>
<b>FUND BALANCES - ENDING</b>	<b>\$ 981,614</b>	<b>\$ 1,096,784</b>	<b>\$ 115,170</b>

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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**SCHEDULE OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022**

**CAPITAL PROJECTS FUND**

	<b>Annual Budget</b>	<b>Year to Date Actual</b>	<b>Variance</b>
<b>REVENUES</b>			
Interest income	\$ -	\$ 784	\$ 784
<b>TOTAL REVENUES</b>	-	784	784
<b>EXPENDITURES</b>			
<b>TOTAL EXPENDITURES</b>			
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	784	784
<b>OTHER FINANCING SOURCES (USES)</b>			
Transfers from other funds	-	255,000	255,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	255,000	255,000
<b>NET CHANGE IN FUND BALANCES</b>	-	255,784	255,784
<b>FUND BALANCES - BEGINNING</b>	-	-	-
<b>FUND BALANCES - ENDING</b>	\$ -	\$ 255,784	\$ 255,784

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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**2022 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation, was formed in June 2010, and is governed pursuant to provisions of the Colorado Special District Act. The District's service area is located in Denver, Colorado.

The District was established to provide for acquisition, construction, and installation of water, sanitation, drainage, street improvements, parks and recreational facilities, television relay and translation, and mosquito control.

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, if 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.

**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 5% of the property taxes collected.

**Interest Income**

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

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, and meeting expense.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (Continued)**

**Debt Service**

Principal and interest payments in 2022 are provided based on the debt amortization schedule from the Series 2016A and 2016B Bonds (discussed under Debts and Leases).

**Debt and Leases**

**Series 2016 Bonds**

**\$10,000,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Improvement Loan, Series 2016A**, dated September 29, 2016 {the Series 2016A Loan} as evidenced by a Loan Agreement between the District and ZB, N.A. dba Vectra Bank, Colorado {the Bank}.

Proceeds from the sale of the Series 2016A Loan were used for the purposes of (i) reimbursing a portion of the costs of certain public infrastructure incurred by District No. 1; (ii) paying the costs of issuance of the Series 2016A Loan and (iii) funding a portion of interest to accrue on the Series 2016A Loan.

Interest is payable on each June 1 and December 1 beginning on June 1, 2017 and continuing through December 1, 2046, based on a 360-day year and actual number of days elapsed in any applicable period.

The Series 2016A Loan is a variable rate loan in which the rate resets as follows:

(a) From September 29, 2016 to the First Rate Reset Date, being December 1, 2021, interest is at the rate of 3.4425% per annum.

(b) Thereafter, on each five-year anniversary being, December 1, 2026; December 1, 2031; December 1, 2036; and December 1, 2041, interest is equal to the Bank Qualified Tax-Exempt Rate, as defined in the Loan Agreement, computed by the Bank, on each such Rate Reset Date.

The Series 2016A Loan is secured by and payable solely from Pledged Revenues, which include: the (a) Required Mill Levy; (b) Specific Ownership Taxes; (c) System Development Fees; (d) Additional Revenue, if any; and (e) any other legally available moneys.

The Required Mill Levy is equal to an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal of and interest on the Series 2016A Loan as the same become due and payable in the succeeding collection year but not greater than 40 mills and not less than the Minimum Mill Levy, defined as the lesser of (a) 30 mills or (b) the number of mills necessary to produce tax revenue in the applicable loan year in an amount which, when combined with the other net revenue budgeted to be received in such loan year, will cause the Debt Service Ratio, as defined in the Loan Agreement, to equal 1.25 times, provided that the foregoing maximum mill levy and Minimum Mill Levy may be adjusted to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation occurring after March 8, 2010 (being the date of the Service Plan) so that to the extent possible, the actual revenues generated by such minimum and maximum mill levies are neither diminished nor enhanced as a result of such changes.

Among other adjustments, a change in the ratio of actual valuation of assessable property shall be deemed a change in the method of calculating assessed valuation.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**2022 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

The Series 2016A Loan is subject to prepayment on the following dates and under the following conditions:

(a) No Prepayment. During the first and second years after the closing date and during the first and second years of each five-year period occurring between Rate Reset Dates, the Series 2016A Loan shall not be prepaid. Specifically, the 2016A Loan may not be prepaid during the following periods:

- (i) from the Closing Date to but not including September 29, 2018;
- (ii) December 1, 2021 to but not including December 1, 2023;
- (iii) December 1, 2026 to but not including December 1, 2028;
- (iv) December 1, 2031 to but not including December 1, 2033;
- (v) December 1, 2036 to but not including December 1, 2038; and
- (vi) December 1, 2041 to but not including December 1, 2043.

(b) Prepayment with 1% Prepayment Fee. During the third year after the closing date and during the third year of each five-year period occurring between Rate Reset Dates, the Series 2016A Loan may be prepaid in whole, but not in part, upon payment of the then current loan balance plus accrued and unpaid interest thereon to the date of such prepayment, together with a prepayment fee equal to 1.0% of the loan balance during the following periods:

- (i) September 29, 2018 to but not including September 29, 2019;
- (ii) December 1, 2023 to but not including, December 1, 2024;
- (iii) December 1, 2028 to but not including December 1, 2029;
- (iv) December 1, 2033 to but not including December 1, 2034;
- (v) December 1, 2038 to but not including December 1, 2039; and
- (vi) December 1, 2043 to but not including December 1, 2044.

(c) Prepayment at Par. During the fourth and fifth years after the closing date and during the fourth and fifth years occurring between Rate Reset Dates, the Series 2016A Loan may be prepaid in whole, but not in part, upon payment of the then current Loan Balance plus accrued and unpaid interest thereon to the date of such prepayment, without prepayment fee, premium or penalty; provided, during the following periods:

- (i) September 29, 2019 to but not including December 1, 2021;
- (ii) December 1, 2024 to but not including December 2026;
- (iii) December 1, 2029 to but not including December 1, 2031;
- (iv) December 1, 2034 to but not including December 1, 2036;
- (v) December 1, 2039 to but not including December 1, 2041; and
- (vi) December 1, 2044 through and including the Maturity Date.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**2022 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

**\$8,000,000 Limited Tax {Convertible to Unlimited Tax} Taxable General Obligation Advancing Improvement Loan, Series 2016B**, dated September 29, 2016 (the Series 2016B Loan) as evidenced by a Loan Agreement with the Bank, with a maturity date of December 1, 2046. The 2016B Loan is further evidenced by the 2016B-1 and 2016B-2 Notes.

The District is authorized to request advances from the Bank on the Series 2016B Loan only under the following circumstances:

1. Inclusion of additional property into the District - Real property has been legally included within the boundaries of the District after September 29, 2016. Additional property included in the District after September 29, 2016 will be eligible for Advances based on (1) Contributed Land; (2) Construction Buildings; and (3) Completed Buildings.
2. True-Up of Assessed Valuation - After receipt of the final certified assessed valuation for 2017 from the Denver County Assessor, if the Assessed Value of the District No. 2 Property has increased from the projected assessed valuation of \$14,315,606 for 2017 that was the basis for the funding of the 2016A Loan on September 29, 2016.
3. Real property has been legally included within the boundaries of District No. 1 or District No. 3 after September 29, 2016 and there exists a pledge to the Bank of additional revenue. Property included in the boundaries of District No. 1 and/or District No. 3 after September 29, 2016 will be eligible for Advances based on (1) Contributed Land; (2) Construction Buildings; and (3) Completed Buildings.

The District may make advance requests once each calendar quarter in amounts not less than \$250,000 for Construction Buildings and Completed Buildings. There shall be no minimum amount for Advance Requests relating to Contributed Land or to True-Up of Assessed Valuations.

The Series 2016B Loan is a variable rate loan with interest accruing at the taxable rate as follows: For advances made:

Prior to December 1, 2017 - 3.00% plus the five-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.

On or after December 1, 2017 and November 30, 2018 - 3.00% plus the four-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.

On or after December 1, 2018 and November 30, 2019 - 3.00% plus the three-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.

On or after December 1, 2019 and November 30, 2020 - 3.00% plus the two-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.



**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**2022 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

On or after December 1, 2020 and November 30, 2021 - 3.00% plus the one-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.

Thereafter, on each rate reset on December 1, 2021, and each 5-year anniversary of such date until maturity, interest is 3.00% plus the five-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance

On December 9, 2016, the District entered into a Loan Pricing and Purchase Agreement whereby the interest rate on the 20168-1 Note was changed to the Bank Qualified Tax Exempt Rate, which is equal to the taxable rate, as defined above, multiplied by 75%.

The Series 2016B Loan is secured by and payable solely from the same Pledged Revenues as the Series 2016A Loan and follow the same prepayment conditions as the Series 2016A Loan. The Series 2016B Loan is parity debt to the Series 2016A Loan.

On December 27, 2017, the District received advances amounting to \$440,147. The advances are evidenced by the 2016B-1 and 2016B-2 Notes amounting to \$50,001 and \$390,146, respectively. Proceeds from the advances were used for the purposes of (i) reimbursing a portion of the costs of certain public infrastructure and operating costs incurred by District No. 1; (ii) paying the costs of issuance of the Series 2016B advances and (iii) funding a portion of interest to accrue on the Series 2016B-1 and 2016B-2 Notes.

On June 21, 2019, the District received advances amounting to \$489,456. The advances are evidenced by the 2016B-2 Notes amounting to \$319,009 and \$170,447, respectively. Proceeds from the advances were used for the purposes of (i) reimbursing a portion of the District formation costs; (ii) reimbursing District operating costs and (iii) paying the costs of issuance of the Series 2016B-2 advances.

**Reserve Fund**

**Emergency Reserve**

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of fiscal year spending. Since substantially all operating funds received by the District are transferred to District No. 1, which pays for all Districts' operations and maintenance costs, an emergency reserve is not reflected in the District's Budget.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2022**

**\$10,000,000  
General Obligation Limited Tax Convertible to  
Unlimited Tax Bonds Dated September 29, 2016  
Series 2016A  
Interest Rate of 3.4425%  
Payable June 1 and December 1  
Principal Payable December 1**

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 150,000	\$ 328,089	\$ 478,089
2023	175,000	322,853	497,853
2024	175,000	317,614	492,614
2025	200,000	310,638	510,638
2026	150,000	303,657	453,657
2027	175,000	298,422	473,422
2028	200,000	293,114	493,114
2029	225,000	285,333	510,333
2030	225,000	277,480	502,480
2031	250,000	269,627	519,627
2032	300,000	261,616	561,616
2033	300,000	250,431	550,431
2034	325,000	239,959	564,959
2035	350,000	228,615	578,615
2036	400,000	216,992	616,992
2037	425,000	202,438	627,438
2038	450,000	187,604	637,604
2039	475,000	171,898	646,898
2040	525,000	155,744	680,744
2041	550,000	136,995	686,995
2042	600,000	117,798	717,798
2043	625,000	96,856	721,856
2044	700,000	75,247	775,247
2045	725,000	50,610	775,610
2046	725,000	25,305	750,305
	<b>\$ 9,400,000</b>	<b>\$ 5,424,935</b>	<b>\$ 14,824,935</b>

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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2022**

**\$50,001  
General Obligation Limited Tax Convertible to  
Unlimited Tax Bonds Dated September 29, 2016  
Series 2016B-1  
Interest Rate of 4.0875%  
Payable June 1 and December 1  
Principal Payable December 1**

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 750	\$ 1,948	\$ 2,698
2023	875	1,917	2,792
2024	875	1,886	2,761
2025	1,000	1,844	2,844
2026	750	1,803	2,553
2027	875	1,772	2,647
2028	1,000	1,740	2,740
2029	1,125	1,694	2,819
2030	1,125	1,647	2,772
2031	1,250	1,601	2,851
2032	1,500	1,553	3,053
2033	1,500	1,487	2,987
2034	1,625	1,425	3,050
2035	1,750	1,357	3,107
2036	2,000	1,288	3,288
2037	2,125	1,202	3,327
2038	2,250	1,114	3,364
2039	2,375	1,021	3,396
2040	2,625	925	3,550
2041	2,750	813	3,563
2042	3,000	699	3,699
2043	3,125	575	3,700
2044	3,500	447	3,947
2045	3,625	300	3,925
2046	3,626	150	3,776
	<b>\$ 47,001</b>	<b>\$ 32,208</b>	<b>\$ 79,209</b>

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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2022**

**\$879,602  
General Obligation Limited Tax Convertible to  
Unlimited Tax Bonds Dated September 29, 2016  
Series 2016B-2  
Interest Rate from 3.8875 to 5.45%  
Payable June 1 and December 1  
Principal Payable December 1**

<b>Year Ending December 31,</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2022	\$ 17,577	\$ 39,150	\$ 56,727
2023	19,065	38,313	57,378
2024	19,549	37,501	57,050
2025	21,136	36,464	57,600
2026	19,770	35,448	55,218
2027	21,357	34,513	55,870
2028	22,926	33,588	56,514
2029	24,612	32,400	57,012
2030	25,308	31,218	56,526
2031	27,014	30,004	57,018
2032	29,688	28,782	58,470
2033	30,519	27,262	57,781
2034	32,327	25,784	58,111
2035	34,171	24,215	58,386
2036	37,002	22,612	59,614
2037	38,953	20,742	59,695
2038	40,922	18,832	59,754
2039	42,933	16,825	59,758
2040	45,952	14,756	60,708
2041	48,076	12,453	60,529
2042	51,212	10,082	61,294
2043	48,933	7,550	56,483
2044	45,341	5,157	50,498
2045	47,031	2,925	49,956
2046	12,878	626	13,504
	<b>\$ 804,252</b>	<b>\$ 587,202</b>	<b>\$ 1,391,454</b>

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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**Schedule of Cash Position**  
**September 30, 2022**  
**Updated as of October 24, 2022**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
<b><u>Colotrust</u></b>				
Balance as of 09/30/22	\$ 287,539.95	\$ 525,765.95	\$ -	\$ 813,305.90
Subsequent activities:				
10/11/22 - Ptax distribution	1,342.07	4,057.58	-	5,399.65
<i>Anticipated Transfer to Denargo No. 1</i>	(288,882.02)	-	-	(288,882.02)
<i>Anticipated Transfer to Pledged Revenue Fund</i>	-	(529,823.53)	-	(529,823.53)
<i>Anticipated Balance</i>	-	-	-	-
<b><u>Zions Bank - Pledged Revenue Account</u></b>				
Balance as of 09/30/22	-	6.62	-	6.62
Subsequent activities:				
<i>Anticipated transfer from CT</i>	-	529,823.53	-	529,823.53
<i>Anticipated Balance</i>	-	529,830.15	-	529,830.15
<b><u>Zions - Loan Payment Account</u></b>				
Balance as of 09/30/22	-	277,357.68	-	277,357.68
<i>Anticipated Balance</i>	-	277,357.68	-	277,357.68
<b><u>Zions Bank - 2016 Surplus Fund</u></b>				
Balance as of 09/30/22	-	4,395.52	-	4,395.52
<i>Anticipated Balance</i>	-	4,395.52	-	4,395.52
<b><u>Zions Bank - 2016 Loan Fees Fund</u></b>				
Balance as of 09/30/22	-	2,666.43	-	2,666.43
<i>Anticipated Balance</i>	-	2,666.43	-	2,666.43
<b><u>Zions Bank - 2016B Cap Interest Account</u></b>				
Balance as of 09/30/22	-	0.60	-	0.60
<i>Anticipated Balance</i>	-	0.60	-	0.60
<b><u>Zions Bank - 2016B Project Fund</u></b>				
Balance as of 09/30/22	-	-	255,783.85	255,783.85
<i>Anticipated Balance</i>	-	-	255,783.85	255,783.85
<b><u>Zions Bank - 2016B Loan Payment Account</u></b>				
Balance as of 09/30/22	-	27,532.70	-	27,532.70
Subsequent activities:				
<i>Anticipated Balance</i>	-	27,532.70	-	27,532.70
<b><i>Anticipated Balance</i></b>	<b>\$ -</b>	<b>\$ 841,783.08</b>	<b>\$ 255,783.85</b>	<b>\$ 1,097,566.93</b>

**Yield information:**

ColoTrust - 2.6205% (9/30/22)

**DENARGO MARKET METROPOLITAN DISTRICT #2**  
**Property Taxes Reconciliation**  
**2022**

	Current Year						Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
							Monthly	Y-T-D		Monthly	Y-T-D
January	\$ -	\$ -	\$ 6,235.47	\$ -	\$ -	6,235.47	0.00%	0.00%	4,515.50	0.00%	0.00%
February	144,089.75	-	5,594.48	-	(1,440.89)	148,243.34	11.33%	11.33%	147,782.83	13.29%	13.29%
March	454,884.76	-	6,834.24	-	(4,548.84)	457,170.16	35.77%	47.10%	329,810.99	30.14%	43.43%
April	319,126.18	-	5,649.08	-	(3,191.26)	321,584.00	25.09%	72.19%	313,163.06	28.57%	72.00%
May	20,301.16	-	5,053.04	0.40	(203.00)	25,151.60	1.60%	73.79%	24,212.79	1.83%	73.83%
June	333,359.01	-	4,267.21	1,442.52	(3,348.01)	335,720.73	26.21%	100.00%	286,698.07	26.17%	100.00%
July	-	-	5,535.59	-	-	5,535.59	0.00%	100.00%	5,338.79	0.00%	100.00%
August	-	-	6,536.82	-	-	6,536.82	0.00%	100.00%	6,153.22	0.00%	100.00%
September	-	-	5,399.65	-	-	5,399.65	0.00%	100.00%	4,933.09	0.00%	100.00%
October	-	-	-	-	-	-	0.00%	100.00%	5,055.38	0.00%	100.00%
November	-	-	-	-	-	-	0.00%	100.00%	5,634.53	0.00%	100.00%
December	-	-	-	-	-	-	0.00%	100.00%	4,102.66	0.00%	100.00%
	<b>\$ 1,271,760.86</b>	<b>\$ -</b>	<b>\$ 51,105.58</b>	<b>\$ 1,442.92</b>	<b>\$ (12,732.00)</b>	<b>\$ 1,311,577.36</b>	<b>100.00%</b>	<b>100.00%</b>	<b>\$ 1,137,400.91</b>	<b>100.00%</b>	<b>100.00%</b>

	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
<b>Property Tax</b>				
General Fund	\$ 316,094.00	24.85%	\$ 316,093.97	100.00%
Debt Service	955,667.00	75.15%	955,666.89	100.00%
	<b>\$ 1,271,761.00</b>	<b>100.00%</b>	<b>\$ 1,271,760.86</b>	<b>100.00%</b>

**Specific Ownership Tax**

General Fund	\$ 15,805.00	24.85%	\$ 12,702.20	80.37%
Debt Service	47,783.00	75.15%	38,403.38	80.37%
	<b>\$ 63,588.00</b>	<b>100.00%</b>	<b>\$ 51,105.58</b>	<b>80.37%</b>

**Treasurer's Fees**

General Fund	\$ 3,161.00	24.85%	\$ 3,164.52	100.11%
Debt Service	9,557.00	75.15%	9,567.48	100.11%
	<b>\$ 12,718.00</b>	<b>100.00%</b>	<b>\$ 12,732.00</b>	<b>100.11%</b>

# CERTIFICATION OF VALUATION BY COUNTY ASSESSOR

Name of Jurisdiction DENARGO MARKET METROPOLITAN DISTRICT NO. 1 New Entity?  Yes  No  
 IN Denver COUNTY, COLORADO on August 22, 2022

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

In accordance with 39-5-121(2)(a) and 39-5-128(1), C.R.S., and no later than August 25, the Assessor certifies the TOTAL VALUATION FOR ASSESSMENT for the taxable year 2022:

- |   |     |       |
|---|-----|-------|
| 1. Previous year's NET TOTAL TAXABLE assessed valuation:  | 1.  | \$560 |
| 2. Current year's GROSS TOTAL TAXABLE assessed valuation:<br><small>This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art, X, Sec. 20(8)(b), Colo. Constitution.</small>   | 2.  | \$480 |
| 3. LESS TIF District Increment, If any:   | 3.  | \$0   |
| 4. Current year's NET TOTAL TAXABLE assessed valuation:   | 4.  | \$480 |
| 5. New Construction*:<br><small>New Construction is defined as: Taxable real property structures and the personal property connected with the structure.</small>  | 5.  | \$0   |
| 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.):<br><small>Jurisdiction must apply (Form DLG 52B) to the division of Local Government before the value can be treated as growth in the limit calculation.</small>                                      | 9.  | \$0   |
| 10. Taxes collected last year on omitted property as of August 1 (29-1-301(1)(a), C.R.S.):  | 10. | \$0   |
| 11. Taxes abated and refunded as of August 1 (29-1-301(1)(a), C.R.S. and (39-10-114(1)(a)(I)(B), C.R.S.):<br><small>*Jurisdiction must submit respective certifications (Form DLG 52 &amp; 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.</small> | 11. | \$0   |

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

In accordance with the provisions of Art. X, Sec. 20, Colo. Cons., 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:<br><small>This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.</small>                              | 1.  | \$100 |
| <b>ADDITIONS</b> to taxable real property   |     |       |
| 2. Construction of taxable real property improvements:<br><small>Construction is defined as newly constructed taxable real property structures.</small>   | 2.  | \$0   |
| 3. Annexation/Inclusions:   | 3.  | \$0   |
| 4. Increased mining production:<br><small>Includes production from new mines and increases in production of existing producing mines.</small>   | 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:<br><small>If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.</small> | 7.  | \$0   |
| <b>DELETIONS</b> from taxable real property:  |     |       |
| 8. Destruction of taxable real property improvements:   | 8.  | \$0   |
| 9. Disconnections/Exclusions:   | 9.  | \$0   |
| 10. Previously taxable property:  | 10. | \$0   |

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.	
--	----	--

IN ACCORDANCE WITH 39-5-128(1.5), C.R.S., THE ASSESSOR PROVIDES:  
 HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): \*\* \_\_\_\_\_  
 \*\* 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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1**

**ANNUAL BUDGET**

**FOR THE YEAR ENDING DECEMBER 31, 2023**



**DENARGO MARKET METROPOLITAN DISTRICT NO. 1  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

11/8/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 189,905	\$ 88,195	\$ 128,614	\$ 128,614	\$ 179,269
REVENUES					
Interest income	96	1,000	464	1,000	2,000
Permit fees	26,387	5,000	18,603	25,000	25,000
Transfer from District No. 2	283,095	328,738	321,876	330,234	879,542
Transfer from District No. 3	-	-	-	-	161,708
Impact Fees	-	-	134,400	134,400	-
Total revenues	<u>309,578</u>	<u>334,738</u>	<u>475,343</u>	<u>490,634</u>	<u>1,068,250</u>
Total funds available	<u>499,483</u>	<u>422,933</u>	<u>603,957</u>	<u>619,248</u>	<u>1,247,519</u>
EXPENDITURES					
General Fund	370,869	408,000	198,947	389,979	536,000
Capital Projects Fund	-	-	6,227	50,000	604,400
Total expenditures	<u>370,869</u>	<u>408,000</u>	<u>205,174</u>	<u>439,979</u>	<u>1,140,400</u>
Total expenditures and transfers out requiring appropriation	<u>370,869</u>	<u>408,000</u>	<u>205,174</u>	<u>439,979</u>	<u>1,140,400</u>
ENDING FUND BALANCES	<u>\$ 128,614</u>	<u>\$ 14,933</u>	<u>\$ 398,783</u>	<u>\$ 179,269</u>	<u>\$ 107,119</u>
EMERGENCY RESERVE	\$ 10,400	\$ 10,100	\$ 10,300	\$ 10,800	\$ 16,500
CAPITAL RESERVE	-	-	-	-	80,000
TOTAL RESERVE	<u>\$ 10,400</u>	<u>\$ 10,100</u>	<u>\$ 10,300</u>	<u>\$ 10,800</u>	<u>\$ 96,500</u>

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

11/8/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>					
Vacant land	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30
Personal property	-	530	530	530	450
Certified Assessed Value	<u>\$ 30</u>	<u>\$ 560</u>	<u>\$ 560</u>	<u>\$ 560</u>	<u>\$ 480</u>
<b>MILL LEVY</b>					
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>
<b>PROPERTY TAXES</b>					
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<b>BUDGETED PROPERTY TAXES</b>					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1**  
**GENERAL FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

11/8/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 189,905	\$ 88,195	\$ 128,614	128,614	94,869
REVENUES					
Interest income	96	1,000	464	1,000	2,000
Permit fees	26,387	5,000	18,603	25,000	25,000
Transfer from District No. 2	283,095	328,738	321,876	330,234	359,542
Transfer from District No. 3	-	-	-	-	161,708
Total revenues	<u>309,578</u>	<u>334,738</u>	<u>340,943</u>	<u>356,234</u>	<u>548,250</u>
Total funds available	<u>499,483</u>	<u>422,933</u>	<u>469,557</u>	<u>484,848</u>	<u>643,119</u>
EXPENDITURES					
General and administrative					
Accounting	32,095	35,000	17,824	35,000	40,250
Auditing	8,500	9,000	8,500	8,500	9,000
City of Denver Annual Fee	6,000	6,000	6,000	9,000	9,000
Directors' fees	2,700	2,500	1,400	2,500	2,500
District management	52,544	57,000	22,589	45,000	49,000
Dues and licenses	1,140	1,300	1,147	1,296	2,000
Election expense	-	2,300	2,323	2,323	3,000
Insurance and bonds	10,517	11,800	11,360	12,890	14,500
Legal services	30,753	35,000	30,326	46,000	50,000
Miscellaneous	2,315	2,500	1,056	2,500	2,500
Payroll taxes	237	200	153	200	200
Contingency	-	12,400	-	12,270	11,550
Operations and maintenance					
Detention pond cleanup	9,000	10,000	-	-	10,000
Landscape & irrigation repairs	44,237	35,000	2,256	10,000	35,000
Landscape Contract	40,030	55,000	9,823	25,000	55,000
Locates	3,516	3,500	5,103	11,000	11,000
Repairs and maintenance	27,704	25,000	-	2,300	25,000
Security	3,965	7,500	600	5,000	7,500
Site Inspection & Plan Review	48,062	24,000	35,702	80,700	118,000
Site lighting	1,678	5,000	358	2,500	5,000
Snow removal	22,135	25,000	40,692	55,000	50,000
Street sweeping	-	1,000	-	1,000	1,000
Streets and sidewalk	15,334	27,000	-	10,000	10,000
Utilities	8,407	15,000	1,735	10,000	15,000
Total expenditures	<u>370,869</u>	<u>408,000</u>	<u>198,947</u>	<u>389,979</u>	<u>536,000</u>
Total expenditures and transfers out requiring appropriation	<u>370,869</u>	<u>408,000</u>	<u>198,947</u>	<u>389,979</u>	<u>536,000</u>
ENDING FUND BALANCE	<u>\$ 128,614</u>	<u>\$ 14,933</u>	<u>\$ 270,610</u>	<u>94,869</u>	<u>107,119</u>
EMERGENCY RESERVE	\$ 10,400	10,100	10,300	10,800	16,500
CAPITAL RESERVE	-	-	-	-	80,000
TOTAL RESERVE	<u>\$ 10,400</u>	<u>\$ 10,100</u>	<u>\$ 10,300</u>	<u>\$ 10,800</u>	<u>\$ 96,500</u>

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1**  
**CAPITAL PROJECTS FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

11/8/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ 84,400
REVENUES					
Impact Fees	-	-	134,400	134,400	-
Transfer from District No. 2	-	-	-	-	520,000
Total revenues	<u>-</u>	<u>-</u>	<u>134,400</u>	<u>134,400</u>	<u>520,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>134,400</u>	<u>134,400</u>	<u>604,400</u>
EXPENDITURES					
Legal services	-	-	5,567	10,000	-
Capital Outlay	-	-	-	-	604,400
Engineering	-	-	660	1,500	-
Contingency	-	-	-	38,500	-
Total expenditures	<u>-</u>	<u>-</u>	<u>6,227</u>	<u>50,000</u>	<u>604,400</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>6,227</u>	<u>50,000</u>	<u>604,400</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 128,173</u>	<u>\$ 84,400</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1  
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 the City and County of Denver, on June 30, 2010, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on March 8, 2010. The District's service area is located in Denver, Colorado.

The District was established to provide for acquisition, construction, and installation of water, sanitation, drainage, street improvements, parks and recreational facilities, traffic, safety, transportation, and mosquito control.

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.

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

**Revenues**

**Transfers from Other Districts**

The District anticipates the collection of taxes in Districts Nos. 2 and 3 which will be transferred to fund operations of District No. 1.

**Interest Income**

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

**Expenditures**

**Administrative and Operating Expenditures**

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, banking, and meeting expense.

**Debt and Leases**

The District doesn't have any debt or leases.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 1  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Reserve Fund**

**Emergency Reserve**

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

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

**RESOLUTION NO. 2022-11-\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 1**  
**TO ADOPT THE 2023 BUDGET AND APPROPRIATE SUMS OF MONEY**

WHEREAS, the Board of Directors of the Denargo Market Metropolitan District No. 1 (“District”) has appointed the District Accountant to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2022, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 15, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Denargo Market Metropolitan District No. 1:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Denargo Market Metropolitan District No. 1 for the 2023 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

ADOPTED this 15th day of November, 2022.

---

Secretary



EXHIBIT A  
(Budget)

I, Matt Cohrs, hereby certify that I am the duly appointed Secretary of the Denargo Market Metropolitan District No. 1, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Denargo Market Metropolitan District No. 1 held on November 15, 2022.

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

**RESOLUTION NO. 2022-11-\_\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 1**  
**TO SET MILL LEVIES**

WHEREAS, the Board of Directors of the Denargo Market Metropolitan District No. 1 (“District”) has adopted the 2023 annual budget in accordance with the Local Government Budget Law on November 15, 2022; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2023 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Denargo Market Metropolitan District No. 1:

1. That for the purposes of meeting all general fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of the City and County of Denver, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 15th day of November, 2022.

---

Secretary

**EXHIBIT A**  
(Certification of Tax Levies)

# CERTIFICATION OF VALUATION BY COUNTY ASSESSOR

Name of Jurisdiction DENARGO MARKET METROPOLITAN DISTRICT NO 2 New Entity?  Yes  No  
 IN Denver COUNTY, COLORADO on August 22, 2022

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

In accordance with 39-5-121(2)(a) and 39-5-128(1), C.R.S., and no later than August 25, the Assessor certifies the TOTAL VALUATION FOR ASSESSMENT for the taxable year 2022:

- |   |     |              |
|---|-----|--------------|
| 1. Previous year's NET TOTAL TAXABLE assessed valuation:  | 1.  | \$28,735,810 |
| 2. Current year's GROSS TOTAL TAXABLE assessed valuation:<br><small>This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art. X, Sec. 20(8)(b), Colo. Constitution.</small>   | 2.  | \$29,756,640 |
| 3. LESS TIF District Increment, If any:   | 3.  | \$0          |
| 4. Current year's NET TOTAL TAXABLE assessed valuation:   | 4.  | \$29,756,640 |
| 5. New Construction*:<br><small>New Construction is defined as: Taxable real property structures and the personal property connected with the structure.</small>  | 5.  | \$1,823,320  |
| 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<br>(29-1-301(1)(b), C.R.S.):<br><small>Jurisdiction must apply (Form DLG 52B) to the division of Local Government before the value can be treated as growth in the limit calculation.</small>                                   | 9.  | \$0          |
| 10. Taxes collected last year on omitted property as of August 1 (29-1-301(1)(a), C.R.S.):  | 10. | \$0          |
| 11. Taxes abated and refunded as of August 1 (29-1-301(1)(a), C.R.S. and (39-10-114(1)(a)(I)(B), C.R.S.):<br><small>*Jurisdiction must submit respective certifications (Form DLG 52 &amp; 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.</small> | 11. | \$0          |

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

In accordance with the provisions of Art. X, Sec. 20, Colo. Cons., 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:<br><small>This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.</small>                              | 1.  | \$413,339,800 |
| <b>ADDITIONS to taxable real property</b>   |     |               |
| 2. Construction of taxable real property improvements:<br><small>Construction is defined as newly constructed taxable real property structures.</small>   | 2.  | \$527,800     |
| 3. Annexation/Inclusions:   | 3.  | \$0           |
| 4. Increased mining production:<br><small>Includes production from new mines and increases in production of existing producing mines.</small>   | 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:<br><small>If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.</small> | 7.  | \$0           |
| <b>DELETIONS from taxable real property:</b>  |     |               |
| 8. Destruction of taxable real property improvements:   | 8.  | \$0           |
| 9. Disconnections/Exclusions:   | 9.  | \$0           |
| 10. Previously taxable property:  | 10. | \$0           |

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.	
--	----	--

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

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): \*\*

\*\* 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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**SUMMARY**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCES	\$ 202,129	\$ 533,664	\$ 286,485	\$ 286,485	\$ 515,518
REVENUES					
Property taxes	1,089,038	1,271,761	1,271,761	1,271,761	1,384,190
Specific ownership tax	59,254	63,588	33,634	63,588	69,210
Interest income	138	500	7,684	17,000	17,500
Other revenue	-	-	-	11,601	16,127
Total revenues	<u>1,148,430</u>	<u>1,335,849</u>	<u>1,313,079</u>	<u>1,363,950</u>	<u>1,487,027</u>
TRANSFERS IN	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>500,000</u>	<u>-</u>
Total funds available	<u>1,350,559</u>	<u>1,869,513</u>	<u>1,849,564</u>	<u>2,150,435</u>	<u>2,002,545</u>
EXPENDITURES					
General Fund	285,806	331,899	325,041	345,000	379,126
Debt Service Fund	778,268	556,000	186,765	789,917	575,000
Capital Projects Fund	-	-	-	-	520,000
Total expenditures	<u>1,064,074</u>	<u>887,899</u>	<u>511,806</u>	<u>1,134,917</u>	<u>1,474,126</u>
TRANSFERS OUT	<u>-</u>	<u>-</u>	<u>250,000</u>	<u>500,000</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>1,064,074</u>	<u>887,899</u>	<u>761,806</u>	<u>1,634,917</u>	<u>1,474,126</u>
ENDING FUND BALANCES	<u>\$ 286,485</u>	<u>\$ 981,614</u>	<u>\$ 1,087,757</u>	<u>\$ 515,518</u>	<u>\$ 528,419</u>

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**PROPERTY TAX SUMMARY INFORMATION**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>					
Residential - MultiFamily	\$ 23,164,200	\$ 27,204,790	\$ 27,204,790	\$ 27,204,790	\$ 28,558,850
State assessed	451,940	457,300	457,300	457,300	457,300
Vacant land	151,730	435,790	435,790	435,790	-
Personal property	873,780	637,930	637,930	637,930	740,490
Certified Assessed Value	<u>\$ 24,641,650</u>	<u>\$ 28,735,810</u>	<u>\$ 28,735,810</u>	<u>\$ 28,735,810</u>	<u>\$ 29,756,640</u>
<b>MILL LEVY</b>					
General	11.000	11.000	11.000	11.000	11.618
Debt Service	33.195	33.257	33.257	33.257	34.899
Total mill levy	<u>44.195</u>	<u>44.257</u>	<u>44.257</u>	<u>44.257</u>	<u>46.517</u>
<b>PROPERTY TAXES</b>					
General	\$ 271,058	\$ 316,094	\$ 316,094	\$ 316,094	\$ 345,713
Debt Service	817,980	955,667	955,667	955,667	1,038,477
Levied property taxes	<u>1,089,038</u>	<u>1,271,761</u>	<u>1,271,761</u>	<u>1,271,761</u>	<u>1,384,190</u>
Budgeted property taxes	<u>\$ 1,089,038</u>	<u>\$ 1,271,761</u>	<u>\$ 1,271,761</u>	<u>\$ 1,271,761</u>	<u>\$ 1,384,190</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	<u>\$ 271,058</u>	<u>\$ 316,094</u>	<u>\$ 316,094</u>	<u>\$ 316,094</u>	<u>\$ 345,713</u>
Debt Service	<u>817,980</u>	<u>955,667</u>	<u>955,667</u>	<u>955,667</u>	<u>1,038,477</u>
	<u>\$ 1,089,038</u>	<u>\$ 1,271,761</u>	<u>\$ 1,271,761</u>	<u>\$ 1,271,761</u>	<u>\$ 1,384,190</u>

No assurance provided. See summary of significant assumptions.



**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**GENERAL FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	-
REVENUES					
Property taxes	271,058	316,094	316,094	316,094	345,713
Specific ownership tax	14,748	15,805	8,360	15,805	17,286
Interest Income	-	-	587	1,500	-
Other Revenue	-	-	-	11,601	16,127
Total revenues	<u>285,806</u>	<u>331,899</u>	<u>325,041</u>	<u>345,000</u>	<u>379,126</u>
Total funds available	<u>285,806</u>	<u>331,899</u>	<u>325,041</u>	<u>345,000</u>	<u>379,126</u>
EXPENDITURES					
General and administrative					
County Treasurer's fee	2,711	3,161	3,165	3,165	3,457
Transfers to District No. 1	283,095	328,738	321,876	330,234	359,542
Contingency	-	-	-	11,601	16,127
Total expenditures	<u>285,806</u>	<u>331,899</u>	<u>325,041</u>	<u>345,000</u>	<u>379,126</u>
Total expenditures and transfers out requiring appropriation	<u>285,806</u>	<u>331,899</u>	<u>325,041</u>	<u>345,000</u>	<u>379,126</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**DEBT SERVICE FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ 202,129	\$ 533,664	\$ 286,485	\$ 286,485	\$ 5,518
REVENUES					
206320 Property taxes	817,980	955,667	955,667	955,667	1,038,477
206340 Specific ownership tax	44,506	47,783	25,274	47,783	51,924
206360 Interest income	138	500	2,014	5,500	7,500
Total revenues	<u>862,624</u>	<u>1,003,950</u>	<u>982,955</u>	<u>1,008,950</u>	<u>1,097,901</u>
Total funds available	<u>1,064,753</u>	<u>1,537,614</u>	<u>1,269,440</u>	<u>1,295,435</u>	<u>1,103,419</u>
EXPENDITURES					
General and administrative					
207200 County Treasurer's fee	8,180	9,557	9,567	9,567	10,385
207587 Paying Agent Fees	4,500	4,500	1,500	4,500	4,500
207890 Contingency	-	4,429	-	4,434	18,763
Debt Service					
207830 Bond principal 2016A	125,000	150,000	-	150,000	175,000
207831 Bond principal 2016B	266,228	18,327	-	268,327	19,940
207825 Bond interest 2016A	332,452	328,089	163,239	328,089	322,151
207826 Bond interest 2016B	41,908	41,098	12,459	25,000	24,261
Total expenditures	<u>778,268</u>	<u>556,000</u>	<u>186,765</u>	<u>789,917</u>	<u>575,000</u>
TRANSFERS OUT					
207 Transfers to Capital Projects	-	-	250,000	500,000	-
Total expenditures and transfers out requiring appropriation	<u>778,268</u>	<u>556,000</u>	<u>436,765</u>	<u>1,289,917</u>	<u>575,000</u>
ENDING FUND BALANCE	<u>\$ 286,485</u>	<u>\$ 981,614</u>	<u>\$ 832,674</u>	<u>\$ 5,518</u>	<u>\$ 528,419</u>

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**CAPITAL PROJECTS FUND**  
**2023 BUDGET**  
**WITH 2021 ACTUAL AND 2022 ESTIMATED**  
**For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ 510,000
REVENUES					
Interest	-	-	5,083	10,000	10,000
Total revenues	-	-	5,083	10,000	10,000
TRANSFERS IN					
Transfers from Debt Service	-	-	250,000	500,000	-
Total funds available	-	-	255,083	510,000	520,000
EXPENDITURES					
Transfer to District 1	-	-	-	-	520,000
Total expenditures	-	-	-	-	520,000
Total expenditures and transfers out requiring appropriation	-	-	-	-	520,000
ENDING FUND BALANCE	\$ -	\$ -	\$ 255,083	\$ 510,000	\$ -

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**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 the City and County of Denver, on June 30, 2010, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on March 8, 2010. The District's service area is located in Denver, Colorado.

The District was established to provide for acquisition, construction, and installation of water, sanitation, drainage, street improvements, parks and recreational facilities, traffic, safety, transportation, and mosquito control.

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.

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

**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, if 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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (Continued)**

**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 5% of the property taxes collected.

**Interest Income**

Interest earned on the District's available funds has been estimated based on average projected fund balance with a 2% rate of return.

**Expenditures**

**County Treasurer Fees**

County Treasurer's fees have been computed at 1% of property tax collections.

**Transfer to Other Districts**

Pursuant to a Memorandum of Understanding entered into on October 29, 2010, and amended on August 22, 2016 by and among the District, District No. 1 and District No. 3, the Districts are obligated to impose an operations mill levy and remit property taxes derived from such mill levy, to District No. 1 to fund the Districts' services provided by District No. 1.

**Expenditures (Continued)**

**Debt Service**

Principal and interest payments in 2023 are provided based on the debt amortization schedule from the Series 2016A and 2016B Bonds (discussed under Debts and Leases).

**Debt and Leases**

**Series 2016 Bonds**

**\$10,000,000 Limited Tax (Convertible to Unlimited Tax) General Obligation Improvement Loan, Series 2016A**, dated September 29, 2016 (the Series 2016A Loan) as evidenced by a Loan Agreement between the District and ZB, N.A. dba Vectra Bank, Colorado (the Bank).

Proceeds from the sale of the Series 2016A Loan were used for the purposes of (i) reimbursing a portion of the costs of certain public infrastructure incurred by District No. 1; (ii) paying the costs of issuance of the Series 2016A Loan and (iii) funding a portion of interest to accrue on the Series 2016A Loan.

Interest is payable on each June 1 and December 1 beginning on June 1, 2017 and continuing through December 1, 2046, based on a 360-day year and actual number of days elapsed in any applicable period.

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**2023 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

**Series 2016 Bonds (Continued)**

The Series 2016A Loan is a variable rate loan in which the rate resets as follows:

(a) From September 29, 2016 to the First Rate Reset Date, being December 1, 2021, interest is at the rate of 3.4425% per annum.

(b) Thereafter, on each five-year anniversary being, December 1, 2026; December 1, 2031; December 1, 2036; and December 1, 2041, interest is equal to the Bank Qualified Tax-Exempt Rate, as defined in the Loan Agreement, computed by the Bank, on each such Rate Reset Date.

The Series 2016A Loan is secured by and payable solely from Pledged Revenues, which include: the (a) Required Mill Levy; (b) Specific Ownership Taxes; (c) System Development Fees; (d) Additional Revenue, if any; and (e) any other legally available moneys.

The Required Mill Levy is equal to an ad valorem mill levy imposed upon all taxable property of the District each year in an amount sufficient to pay the principal of and interest on the Series 2016A Loan as the same become due and payable in the succeeding collection year but not greater than 40 mills and not less than the Minimum Mill Levy, defined as the lesser of (a) 30 mills or (b) the number of mills necessary to produce tax revenue in the applicable loan year in an amount which, when combined with the other net revenue budgeted to be received in such loan year, will cause the Debt Service Ratio, as defined in the Loan Agreement, to equal 1.25 times, provided that the foregoing maximum mill levy and Minimum Mill Levy may be adjusted to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation occurring after March 8, 2010 (being the date of the Service Plan) so that to the extent possible, the actual revenues generated by such minimum and maximum mill levies are neither diminished nor enhanced as a result of such changes.

Among other adjustments, a change in the ratio of actual valuation of assessable property shall be deemed a change in the method of calculating assessed valuation.

The Series 2016A Loan is subject to prepayment on the following dates and under the following conditions:

(a) No Prepayment. During the first and second years after the closing date and during the first and second years of each five-year period occurring between Rate Reset Dates, the Series 2016A Loan shall not be prepaid. Specifically, the 2016A Loan may not be prepaid during the following periods:

- (i) from the Closing Date to but not including September 29, 2018;
- (ii) December 1, 2021 to but not including December 1, 2023;
- (iii) December 1, 2026 to but not including December 1, 2028;
- (iv) December 1, 2031 to but not including December 1, 2033;
- (v) December 1, 2036 to but not including December 1, 2038; and
- (vi) December 1, 2041 to but not including December 1, 2043.

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**2023 BUDGET**  
**SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

**Series 2016 Bonds (Continued)**

(b) Prepayment with 1% Prepayment Fee. During the third year after the closing date and during the third year of each five-year period occurring between Rate Reset Dates, the Series 2016A Loan may be prepaid in whole, but not in part, upon payment of the then current loan balance plus accrued and unpaid interest thereon to the date of such prepayment, together with a prepayment fee equal to 1.0% of the loan balance during the following periods:

- (i) September 29, 2018 to but not including September 29, 2019;
- (ii) December 1, 2023 to but not including, December 1, 2024;
- (iii) December 1, 2028 to but not including December 1, 2029;
- (iv) December 1, 2033 to but not including December 1, 2034;
- (v) December 1, 2038 to but not including December 1, 2039; and
- (vi) December 1, 2043 to but not including December 1, 2044.

(c) Prepayment at Par. During the fourth and fifth years after the closing date and during the fourth and fifth years occurring between Rate Reset Dates, the Series 2016A Loan may be prepaid in whole, but not in part, upon payment of the then current Loan Balance plus accrued and unpaid interest thereon to the date of such prepayment, without prepayment fee, premium or penalty; provided, during the following periods:

- (i) September 29, 2019 to but not including December 1, 2021;
- (ii) December 1, 2024 to but not including December 2026;
- (iii) December 1, 2029 to but not including December 1, 2031;
- (iv) December 1, 2034 to but not including December 1, 2036;
- (v) December 1, 2039 to but not including December 1, 2041; and
- (vi) December 1, 2044 through and including the Maturity Date.

**\$8,000,000 Limited Tax (Convertible to Unlimited Tax) Taxable General Obligation Advancing Improvement Loan, Series 2016B**, dated September 29, 2016 (the Series 2016B Loan) as evidenced by a Loan Agreement with the Bank, with a maturity date of December 1, 2046. The 2016B Loan is further evidenced by the 2016B-1 and 2016B-2 Notes.

The District is authorized to request advances from the Bank on the Series 2016B Loan only under the following circumstances:

1. Inclusion of additional property into the District - Real property has been legally included within the boundaries of the District after September 29, 2016. Additional property included in the District after September 29, 2016 will be eligible for Advances based on (1) Contributed Land; (2) Construction Buildings; and (3) Completed Buildings.

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

**Series 2016 Bonds (Continued)**

2. True-Up of Assessed Valuation - After receipt of the final certified assessed valuation for 2017 from the Denver County Assessor, if the Assessed Value of the District No. 2 Property has increased from the projected assessed valuation of \$14,315,606 for 2017 that was the basis for the funding of the 2016A Loan on September 29, 2016.
3. Real property has been legally included within the boundaries of District No. 1 or District No. 3 after September 29, 2016 and there exists a pledge to the Bank of additional revenue. Property included in the boundaries of District No. 1 and/or District No. 3 after September 29, 2016 will be eligible for Advances based on (1) Contributed Land; (2) Construction Buildings; and (3) Completed Buildings.

The District may make advance requests once each calendar quarter in amounts not less than \$250,000 for Construction Buildings and Completed Buildings. There shall be no minimum amount for Advance Requests relating to Contributed Land or to True-Up of Assessed Valuations.

The Series 2016B Loan is a variable rate loan with interest accruing at the taxable rate as follows: For advances made:

Prior to December 1, 2017 - 3.00% plus the five-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.

On or after December 1, 2017 and November 30, 2018 - 3.00% plus the four-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.

On or after December 1, 2018 and November 30, 2019 - 3.00% plus the three-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.

On or after December 1, 2019 and November 30, 2020 - 3.00% plus the two-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.

On or after December 1, 2020 and November 30, 2021 - 3.00% plus the one-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance.

Thereafter, on each rate reset on December 1, 2021, and each 5-year anniversary of such date until maturity, interest is 3.00% plus the five-year Federal Home Loan Bank Des Moines Fixed Rate on the day of the advance

On December 9, 2016, the District entered into a Loan Pricing and Purchase Agreement whereby the interest rate on the 20168-1 Note was changed to the Bank Qualified Tax Exempt Rate, which is equal to the taxable rate, as defined above, multiplied by 75%.



**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (continued)**

**Series 2016 Bonds (Continued)**

The Series 2016B Loan is secured by and payable solely from the same Pledged Revenues as the Series 2016A Loan and follow the same prepayment conditions as the Series 2016A Loan. The Series 2016B Loan is parity debt to the Series 2016A Loan.

On December 27, 2017, the District received advances amounting to \$440,147. The advances are evidenced by the 2016B-1 and 2016B-2 Notes amounting to \$50,001 and \$390,146, respectively. Proceeds from the advances were used for the purposes of (i) reimbursing a portion of the costs of certain public infrastructure and operating costs incurred by District No. 1; (ii) paying the costs of issuance of the Series 2016B advances and (iii) funding a portion of interest to accrue on the Series 2016B-1 and 2016B-2 Notes.

On June 21, 2019, the District received advances amounting to \$489,456. The advances are evidenced by the 2016B-2 Notes amounting to \$319,009 and \$170,447, respectively. Proceeds from the advances were used for the purposes of (i) reimbursing a portion of the District formation costs; (ii) reimbursing District operating costs and (iii) paying the costs of issuance of the Series 2016B-2 advances.

**Reserve Fund**

**Emergency Reserve**

Pursuant to the MOU, District No. 1 has provided for Emergency Reserves for District No. 1-3; therefore, and Emergency Reserve is not reflected in the District's Budget.

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

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$10,000,000 General Obligation Limited Tax Convertible to Unlimited Tax Bonds Dated September 29, 2016 Series 2016A Interest Rate of 3.4425% Payable June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
2023	\$ 175,000	\$ 322,151	\$ 497,151
2024	175,000	316,922	491,922
2025	200,000	309,961	509,961
2026	150,000	302,996	452,996
2027	175,000	297,772	472,772
2028	200,000	292,476	492,476
2029	225,000	284,711	509,711
2030	225,000	276,875	501,875
2031	250,000	269,039	519,039
2032	300,000	261,046	561,046
2033	300,000	249,884	549,884
2034	325,000	239,436	564,436
2035	350,000	228,117	578,117
2036	400,000	216,520	616,520
2037	425,000	201,997	626,997
2038	450,000	187,196	637,196
2039	475,000	171,523	646,523
2040	525,000	155,405	680,405
2041	550,000	136,696	686,696
2042	600,000	117,541	717,541
2043	625,000	96,645	721,645
2044	700,000	75,083	775,083
2045	725,000	50,499	775,499
2046	725,000	25,250	750,250
	\$ 9,250,000	\$ 5,085,742	\$ 14,335,742

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$50,001 General Obligation Limited Tax Convertible to Unlimited Tax Bonds Dated September 29, 2016 Series 2016B-1 Interest Rate of 4.0875% Payable June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
2023	\$ 875	\$ 1,611	\$ 2,486
2024	875	1,585	2,460
2025	1,000	1,550	2,550
2026	750	1,515	2,265
2027	875	1,489	2,364
2028	1,000	1,462	2,462
2029	1,125	1,424	2,549
2030	1,125	1,384	2,509
2031	1,250	1,345	2,595
2032	1,500	1,305	2,805
2033	1,500	1,249	2,749
2034	1,625	1,197	2,822
2035	1,750	1,141	2,891
2036	2,000	1,083	3,083
2037	2,125	1,010	3,135
2038	2,250	936	3,186
2039	2,375	858	3,233
2040	2,625	777	3,402
2041	2,750	683	3,433
2042	3,000	588	3,588
2043	3,125	483	3,608
2044	3,500	375	3,875
2045	3,625	253	3,878
2046	3,626	126	3,752
	\$ 46,251	\$ 25,429	\$ 71,680

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

Bonds and Interest Maturing in the Year Ending December 31,	\$879,602 General Obligation Limited Tax Convertible to Unlimited Tax Bonds Dated September 29, 2016 Series 2016B-2 Interest Rate of 5.45% Payable June 1 and December 1 Principal Due December 1		
	Principal	Interest	Total
2023	\$ 18,503	\$ 22,650	\$ 41,153
2024	18,957	21,944	40,901
2025	20,514	21,100	41,614
2026	19,116	20,248	39,364
2027	20,668	19,465	40,133
2028	22,199	18,665	40,864
2029	23,849	17,696	41,545
2030	24,505	16,706	41,211
2031	26,169	15,690	41,859
2032	28,796	14,642	43,438
2033	29,583	13,396	42,979
2034	31,342	12,159	43,501
2035	33,134	10,846	43,980
2036	35,908	9,482	45,390
2037	37,805	7,942	45,746
2038	39,713	6,346	46,059
2039	41,661	4,668	46,330
2040	40,298	2,914	43,212
2041	21,458	1,183	22,641
2042	4,019	187	4,205
	\$ 538,197	\$ 257,927	\$ 796,125

No assurance provided. See summary of significant assumptions.

**RESOLUTION NO. 2022-11-\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**TO ADOPT THE 2023 BUDGET AND APPROPRIATE SUMS OF MONEY**

WHEREAS, the Board of Directors of the Denargo Market Metropolitan District No. 2 (“District”) has appointed the District Accountant to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2022, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 15, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Denargo Market Metropolitan District No. 2:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Denargo Market Metropolitan District No. 2 for the 2023 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

ADOPTED this 15th day of November, 2022.

---

Secretary

EXHIBIT A  
(Budget)

I, Matt Cohrs, hereby certify that I am the duly appointed Secretary of the Denargo Market Metropolitan District No. 2, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Denargo Market Metropolitan District No. 2 held on November 15, 2022.

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



**RESOLUTION NO. 2022-11-\_\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2**  
**TO SET MILL LEVIES**

WHEREAS, the Board of Directors of the Denargo Market Metropolitan District No. 2 (“District”) has adopted the 2023 annual budget in accordance with the Local Government Budget Law on November 15, 2022; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2023 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Denargo Market Metropolitan District No. 2:

1. That for the purposes of meeting all general fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of City and County of Denver, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 15th day of November, 2022.

---

Secretary

**EXHIBIT A**  
(Certification of Tax Levies)

# CERTIFICATION OF VALUATION BY COUNTY ASSESSOR

Name of Jurisdiction DENARGO MARKET METROPOLITAN DISTRICT NO 3 New Entity?  Yes  No  
 IN Denver COUNTY, COLORADO on August 22, 2022

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

In accordance with 39-5-121(2)(a) and 39-5-128(1), C.R.S., and no later than August 25, the Assessor certifies the TOTAL VALUATION FOR ASSESSMENT for the taxable year 2022:

1. Previous year's NET TOTAL TAXABLE assessed valuation:	1.	\$30
2. Current year's GROSS TOTAL TAXABLE assessed valuation: <small>This value reflects personal property exemptions IF enacted by the jurisdiction as authorized by Art, X, Sec. 20(8)(b), Colo. Constitution.</small>	2.	\$14,135,330
3. LESS TIF District Increment, If any:	3.	\$0
4. Current year's NET TOTAL TAXABLE assessed valuation:	4.	\$14,135,330
5. New Construction*: <small>New Construction is defined as: Taxable real property structures and the personal property connected with the structure.</small>	5.	\$0
6. Increased production of producing mine*:	6.	\$0
7. Annexations/Inclusions:	7.	\$14,135,300
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.): <small>Jurisdiction must apply (Form DLG 52B) to the division of Local Government before the value can be treated as growth in the limit calculation.</small>	9.	\$0
10. Taxes collected last year on omitted property as of August 1 (29-1-301(1)(a), C.R.S.):	10.	\$0
11. Taxes abated and refunded as of August 1 (29-1-301(1)(a), C.R.S. and (39-10-114(1)(a)(I)(B), C.R.S.): <small>*Jurisdiction must submit respective certifications (Form DLG 52 &amp; 52A) to the Division of Local Government in order for the values to be treated as growth in the limit calculation.</small>	11.	\$0

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

In accordance with the provisions of Art. X, Sec. 20, Colo. Cons., 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: <small>This includes the actual value of all taxable real property plus the actual value of religious, private school, and charitable real property.</small>	1.	\$48,742,500
<b>ADDITIONS</b> to taxable real property		
2. Construction of taxable real property improvements: <small>Construction is defined as newly constructed taxable real property structures.</small>	2.	\$0
3. Annexation/Inclusions:	3.	\$48,742,400
4. Increased mining production: <small>Includes production from new mines and increases in production of existing producing mines.</small>	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: <small>If land and/or a structure is picked up as omitted property for multiple years, only the most current year's actual value can be reported as omitted property.</small>	7.	\$0
<b>DELETIONS</b> from taxable real property:		
8. Destruction of taxable real property improvements:	8.	\$0
9. Disconnections/Exclusions:	9.	\$0
10. Previously taxable property:	10.	\$0

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.	
--	----	--

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

HB21-1312 VALUE OF EXEMPT BUSINESS PERSONAL PROPERTY (ESTIMATED): \*\* \_\_\_\_\_

\*\* 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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
REVENUES					
Property Tax	-	-	-	-	155,489
Specific Ownership Tax	-	-	-	-	7,774
Other	-	-	-	-	6,737
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,000</u>
Total funds available	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,000</u>
EXPENDITURES					
General and administrative					
County Treasurers Fees	-	-	-	-	1,555
Transfer to District 1	-	-	-	-	161,708
Contingency	-	-	-	-	6,737
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,000</u>
Total expenditures and transfers out requiring appropriation	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>170,000</u>
ENDING FUND BALANCE	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

No assurance provided. See summary of significant assumptions.

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

10/12/22

	ACTUAL 2021	BUDGET 2022	ACTUAL 6/30/2022	ESTIMATED 2022	BUDGET 2023
<b>ASSESSED VALUATION</b>					
Vacant land	\$ 30	\$ 30	\$ 30	\$ 30	\$ 14,135,330
Certified Assessed Value	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 30</u>	<u>\$ 14,135,330</u>
<b>MILL LEVY</b>					
General	0.000	0.000	0.000	0.000	11.000
Total mill levy	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>0.000</u>	<u>11.000</u>
<b>PROPERTY TAXES</b>					
General	\$ -	\$ -	\$ -	\$ -	\$ 155,489
Budgeted property taxes	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,489</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,489</u>
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 155,489</u>

No assurance provided. See summary of significant assumptions.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3  
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 the City and County of Denver, on June 30, 2010, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Service Plan approved by the City on March 8, 2010. The District's service area is located in Denver, Colorado.

The District was established to provide for acquisition, construction, and installation of water, sanitation, drainage, street improvements, parks and recreational facilities, traffic, safety, transportation, and mosquito control.

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.

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

**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, if 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.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**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 5% of the property taxes collected.

**Expenditures**

**County Treasurer Fees**

County Treasurer's fees have been computed at 1% of property tax collections.

**Transfer to Other Districts**

Pursuant to a Memorandum of Understanding entered into on October 29, 2010, and amended on August 22, 2016 by and among the District, District No. 1 and District No. 2, the Districts are obligated to impose an operations mill levy and remit property taxes derived from such mill levy, to District No. 1 to fund the Districts' services provided by District No. 1.

**Debt and Leases**

The District doesn't have any debt or leases.

**Reserve Fund**

**Emergency Reserve**

Pursuant to the MOU, District No. 1 has provided for Emergency Reserves for District No. 1-3; therefore, and Emergency Reserve is not reflected in the District's Budget.

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



**RESOLUTION NO. 2022-11-\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 3**  
**TO ADOPT THE 2023 BUDGET AND APPROPRIATE SUMS OF MONEY**

WHEREAS, the Board of Directors of the Denargo Market Metropolitan District No. 3 (“District”) has appointed the District Accountant to prepare and submit a proposed 2023 budget to the Board at the proper time; and

WHEREAS, the District Accountant has submitted a proposed budget to this Board on or before October 15, 2022, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 15, 2022, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

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

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

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

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

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

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Denargo Market Metropolitan District No. 3 for the 2023 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the District to all appropriate agencies and is made a part of the public records of the District.

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

ADOPTED this 15th day of November, 2022.

---

Secretary

EXHIBIT A  
(Budget)

I, Matt Cohrs, hereby certify that I am the duly appointed Secretary of the Denargo Market Metropolitan District No. 3, and that the foregoing is a true and correct copy of the budget for the budget year 2023, duly adopted at a meeting of the Board of Directors of the Denargo Market Metropolitan District No. 3 held on November 15, 2022.

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

**RESOLUTION NO. 2022-11-\_\_\_**  
**A RESOLUTION OF THE BOARD OF DIRECTORS**  
**OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 3**  
**TO SET MILL LEVIES**

WHEREAS, the Board of Directors of the Denargo Market Metropolitan District No. 3 (“District”) has adopted the 2023 annual budget in accordance with the Local Government Budget Law on November 15, 2022; and

WHEREAS, the adopted budget is attached to the Resolution of the Board of Directors to Adopt the 2023 Budget and Appropriate Sums of Money, and such budget is incorporated herein by this reference; and

WHEREAS, the amount of money necessary to balance the budget for general fund expenses from property tax revenue is identified in the budget; and

WHEREAS, the amount of money necessary to balance the budget for debt service fund expenses from property tax revenue is identified in the budget; and

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

1. That for the purposes of meeting all general fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

2. That for the purposes of meeting all debt service fund expenses of the District during the 2023 budget year, the District determined to levy mills upon each dollar of the total valuation for assessment of all taxable property within the District, as set forth in the budget, to raise the required revenue.

3. That the District Accountant of the District is hereby authorized and directed to immediately certify to the County Commissioners of the City and County of Denver, Colorado, the mill levies for the District as set forth in the District’s Certification of Tax Levies (attached hereto as **EXHIBIT A** and incorporated herein by reference), recalculated as needed upon receipt of the final certification of valuation from the County Assessor in order to comply with any applicable revenue and other budgetary limits.

ADOPTED this 15th day of November, 2022.

---

Secretary

**EXHIBIT A**  
(Certification of Tax Levies)

**RESOLUTION NO. 2022-11-\_\_\_\_**

**RESOLUTION OF THE BOARD OF DIRECTORS OF DENARGO MARKET  
METROPOLITAN DISTRICT NO. 2 AUTHORIZING ADJUSTMENT OF THE  
DISTRICT MILL LEVY IN ACCORDANCE WITH THE SERVICE PLAN**

A. Denargo Market Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado pursuant to Title 32, Colorado Revised Statutes.

B. The District operates pursuant to its Service Plan approved by the City Council of the City and County of Denver, Colorado, on March 8, 2010, (the “**Service Plan**”), which provides the District with the authority to impose mill levies on taxable property. Such mill levies will be the primary source of revenue for repayment of debt service, public improvements, and operations and maintenance costs of the District.

C. The Service Plan authorizes a maximum mill levy of ten (10) mills for Operations and Maintenance (“**Limited Operating Levy**”).

D. Section VIII.F.11. of the Service Plan authorizes adjustment of the Limited Operating Levy in the event that the method of calculating assessed valuation is changed after March 8, 2010 (the “**Baseline Year**”), to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation, so that to the extent possible, the actual revenues generated by the Limited Operating Levy is neither diminished nor enhanced as a result of such changes. The Limited Operating Levy may be increased or decreased to reflect such changes. On or before December 1 of the year before any fiscal year in which an adjustment is made to the Limited Operating Levy, the District shall provide the calculation of any such adjustment to the Limited Operating Levy to the Manager of Finance for the City and County of Denver.

E. The Service Plan provides that, for purposes of the foregoing, a change in the ratio of actual valuation to assessed valuation shall be deemed to be a change in the method of calculating assessed valuation.

F. At the time of the Baseline Year, the residential assessment ratio set by the Colorado General Assembly was 7.96%.

G. In 2017, the Colorado General Assembly (the “**General Assembly**”) passed House Bill 17-1349, which amended Section 39-1-104.2, C.R.S. by setting the ratio of valuation for assessment for real residential property at 7.2% (decreased from 7.96%) for property tax years commencing on and after January 1, 2017, until the next property tax year that the General Assembly determined to adjust the ratio of valuation for assessment for residential real property.

H. In 2019, the General Assembly passed Senate Bill 19-255, further amending Section 39-1-104.2, C.R.S. by setting the ratio of valuation for assessment for real residential property at 7.15% (decreased from 7.2%) for property tax years commencing on or after January 1, 2019, until the next property tax year that the General Assembly determines to adjust the ratio of valuation for assessment for residential real property.

I. In 2020, the voters of the State of Colorado passed Amendment B, which repealed Article X, Section 3 of the Colorado Constitution (“**Amendment B**”) such that the ratio of valuation for assessment of real property for 2021 and thereafter, unless further amended by the General Assembly or voters of the State, is 7.15%.

J. In 2021, the General Assembly passed Senate Bill 21-293, further amending Section 39-1-104.2, C.R.S. by setting the ratio for valuation for assessment for all multi-family residential real property at 6.8% (decreased from 7.15%) for property tax years commencing on January 1, 2022, and January 1, 2023.

K. In compliance with the Service plan, in order to mitigate the effect of the reduction in the ratio of valuation for multi-family residential real property as set by the General Assembly for property tax year 2023, the Board determines it to be in the best interest of the District, its residents, users, property owners, and the public, to adjust the Limited Operating Levy, so that the actual tax revenues to be received by the District are neither diminished nor enhanced as a result of the change in the ratio of valuation for assessment since the Baseline Year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Denargo Market Metropolitan District No. 2, City and County of Denver, Colorado:

1. The Board hereby authorizes the adjustment of the Limited Operating Levy to reflect that Senate Bill 21-293 set the ratio of valuation for assessment for multi-family residential real property to 6.8%, which is a change from the 7.96% ratio of valuation for assessment of residential property as of the Baseline Year.

2. The Service Plan allows for a total mill levy imposition of 11.618 mills for the Limited Operating Levy (the “**Adjusted Mill Levy**”) so that District revenues shall be neither diminished nor enhanced as a result of the ratio of valuation for assessment being set at 6.8% for collection year 2023.

3. The Adjusted Mill Levy shall be reflected in the District’s Certification of Tax Levies to be submitted to the Denver County Assessor and the Manager of Finance for the City and County of Denver on or before December 15, 2022, for collection in 2023.

**[SIGNATURE PAGE FOLLOWS]**



**[SIGNATURE PAGE TO RESOLUTION AUTHORIZING ADJUSTMENT OF THE  
DISTRICT MILL LEVY IN ACCORDANCE WITH THE SERVICE PLAN]**

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 15, 2022.

**DENARGO MARKET METROPOLITAN  
DISTRICT NO. 2**

---

President

Attest:

---

Secretary



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

## **Special Districts Preparation SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and DENARGO MARKET METROPOLITAN DISTRICT NO. 1 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

### **Scope of professional services**

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

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

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

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

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

### **Compilation services**

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

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

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

### **Preparation services – annual**

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

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

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

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

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

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

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

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

The objectives of our engagement are to:

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

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

### **Engagement procedures and limitations**

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

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

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

### **Our report**

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

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

### **No assurance statements**

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

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted".

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

### **Management responsibilities**

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

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

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

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

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

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

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

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

**Fees, time estimates, and terms**

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

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

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

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

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

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



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

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

**Municipal advisors**

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

**Agreement**

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

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in cursive script that reads "Jason Carroll".

Jason Carroll, CPA  
Principal  
Jason.Carroll@CLAconnect.com

APPROVED:

---

Signature

---

Title

---

Date



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

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

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and DENARGO MARKET METROPOLITAN DISTRICT NO. 1 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

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

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

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

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

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

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

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

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

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

### **Your responsibilities**

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

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

Specifically, your responsibilities include:

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

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

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

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

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

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

### **Fees**

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

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

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

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

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

#### **Tax examinations**

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

#### **Record retention**

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

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

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

### **Tax consulting services**

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

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

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

### **Communications and confidentiality**

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

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

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

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

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

**Legal compliance**

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

**Agreement**

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

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in cursive script that reads "Jason Carroll".

Jason Carroll, CPA

Principal

Jason.Carroll@CLAconnect.com



APPROVED:

---

Signature

---

Title

---

Date



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

## **Special Districts Preparation SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and DENARGO MARKET METROPOLITAN DISTRICT NO. 2 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

### **Scope of professional services**

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

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

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

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

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

### **Compilation services**

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

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

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

### **Preparation services – annual**

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

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

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

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

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

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

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

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

The objectives of our engagement are to:

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

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

### **Engagement procedures and limitations**

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

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

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

### **Our report**

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

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

### **No assurance statements**

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

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted".

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

### **Management responsibilities**

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

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

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

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

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

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

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

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

**Fees, time estimates, and terms**

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

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

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

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

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

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



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

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

**Municipal advisors**

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

**Agreement**

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

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in cursive script that reads "Jason Carroll".

Jason Carroll, CPA  
Principal  
Jason.Carroll@CLAconnect.com

APPROVED:

---

Signature

---

Title

---

Date



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

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

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and DENARGO MARKET METROPOLITAN DISTRICT NO. 2 (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

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

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

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

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

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

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

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

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

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

### **Your responsibilities**

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

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

Specifically, your responsibilities include:

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

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

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

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

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

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

### **Fees**

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

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

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

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

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

#### **Tax examinations**

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

#### **Record retention**

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

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

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

### **Tax consulting services**

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

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

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

### **Communications and confidentiality**

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

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

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

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

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

**Legal compliance**

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

**Agreement**

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

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in black ink that reads "Jason Carroll". The signature is written in a cursive, flowing style.

Jason Carroll, CPA

Principal

Jason.Carroll@CLAconnect.com



APPROVED:

---

Signature

---

Title

---

Date



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

September 27, 2022

Board of Directors  
DENARGO MARKET METROPOLITAN DISTRICT NO. 3  
8390 E. Crescent Pkwy., Ste. 300  
Greenwood Village, CO 80111

Dear Board of Directors:

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for DENARGO MARKET METROPOLITAN DISTRICT NO. 3 (“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.

**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](https://claconnect.com/billpay) accepts credit card and Automated Clearing House (ACH) payments. Instructions for making direct bank to bank wire transfers or ACH payments will be provided upon request.

**Other fees**

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

**Finance charges and collection expenses**

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

**Limitation of remedies**

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

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

**Time limitation**

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

**CLA shall be authorized to the following cash access services:**

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

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

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

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

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

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

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

#### **Other provisions**

Except as expressly permitted by the "Consent" section of this agreement, CLA shall not disclose any confidential, proprietary, or privileged information of the district or you to any person or party, unless the district or you authorizes us to do so, it is published or released by the district, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from

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 DENARGO MARKET METROPOLITAN DISTRICT NO. 3 information, excluding Personal Identifying Information, in these cost comparison, performance indicator, and/or benchmarking reports.

### ***Technology***

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

### ***Counterpart Execution***

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

### ***Electronic Signatures***

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

### ***MSA Modification***

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

### ***Termination of MSA***

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

### ***Agreement***

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable SOW(s), constitute the entire agreement regarding

services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in black ink that reads "Jason Carroll". The signature is written in a cursive, flowing style.

Jason Carroll, CPA  
Principal  
Jason.Carroll@CLAconnect.com



APPROVED:

---

Signature

---

Title

---

Date



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

## **Special Districts Preparation SOW**

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

### **Scope of professional services**

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

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

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

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

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

### **Compilation services**

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

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

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

### **Preparation services – annual**

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

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

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

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

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

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

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

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

The objectives of our engagement are to:

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

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

### **Engagement procedures and limitations**

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

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

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

### **Our report**

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

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

### **No assurance statements**

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

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted".

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

### **Management responsibilities**

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

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

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

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

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

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

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

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

**Fees, time estimates, and terms**

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

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

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

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

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

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



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

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

**Municipal advisors**

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

**Agreement**

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

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in cursive script that reads "Jason Carroll".

Jason Carroll, CPA  
Principal  
Jason.Carroll@CLAconnect.com

APPROVED:

---

Signature

---

Title

---

Date



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

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

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

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

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

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

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

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

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

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

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

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

### **Your responsibilities**

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

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

Specifically, your responsibilities include:

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

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

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

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

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

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

### **Fees**

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

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

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

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

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

#### **Tax examinations**

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

#### **Record retention**

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

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

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

### **Tax consulting services**

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

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

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

### **Communications and confidentiality**

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

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

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

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

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

### **Legal compliance**

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

### **Agreement**

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

Sincerely,

**CliftonLarsonAllen LLP**

A handwritten signature in cursive script that reads "Jason Carroll".

Jason Carroll, CPA

Principal

Jason.Carroll@CLAconnect.com



APPROVED:

---

Signature

---

Title

---

Date



---

**Dazzio & Associates, PC**  
**Certified Public Accountants**

---

October 27, 2022

To the Board of Directors and Management  
Denargo Market Metropolitan District No. 1  
c/o Special District Management Services  
141 Union Blvd., Suite 150  
Lakewood, CO 80228

We are pleased to confirm our understanding of the services we are to provide Denargo Market Metropolitan District No. 1 (the District) for the year ended December 31, 2022.

**Audit Scope and Objectives**

We will audit the financial statements of the governmental activities and each major fund and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2022.

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

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

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

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws. Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of the financial statements does not relieve you of your responsibilities.

#### **Audit Procedures—Internal Control**

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

#### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

## **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

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

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

## **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Dazzio & Associates, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a regulatory agency or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Dazzio & Associates, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to a regulatory agency or its designee. The regulatory agency or its

designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Stephen Dazzio is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$4,200. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

### **Reporting**

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

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

*Dazzio & Associates, P.C.*

Dazzio & Associates, PC

RESPONSE:

This letter correctly sets forth the understanding of Denargo Market Metropolitan District No. 1.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Board signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



---

**Dazzio & Associates, PC**  
**Certified Public Accountants**

---

October 27, 2022

To the Board of Directors and Management  
Denargo Market Metropolitan District No. 2  
c/o Special District Management Services  
141 Union Blvd., Suite 150  
Lakewood, Colorado 80228

We are pleased to confirm our understanding of the services we are to provide Denargo Market Metropolitan District No. 2 (the District) for the year ended December 31, 2022.

**Audit Scope and Objectives**

We will audit the financial statements of the governmental activities and each major fund and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2022.

We have also been engaged to report on supplementary information that accompanies the District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a in a report combined with our auditor's report on the financial statements:

- 1) Schedule of Revenues, Expenditures and Changes in Fund Balance –Budget and Actual – Debt Service Fund

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

- 1) Schedule of Assessed Valuation, Mill Levy and Property Taxes Collected

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

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

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

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

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

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.



Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, confirmation of certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

Our audit of the financial statements does not relieve you of your responsibilities.

### **Audit Procedures—Internal Control**

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

### **Audit Procedures—Compliance**

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

### **Responsibilities of Management for the Financial Statements**

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

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

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

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

#### **Engagement Administration, Fees, and Other**

We understand that your employees will prepare all confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Dazzio & Associates, PC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a regulatory agency or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Dazzio & Associates, PC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to a regulatory agency or its designee. The regulatory agency or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

Stephen Dazzio is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$4,700. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

### **Reporting**

We will issue a written report upon completion of our audit of the District's financial statements which, if applicable, will also address other information in accordance with *AU-C 720, The Auditor's Responsibilities Relating to Other Information Included in Annual Reports*. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

We appreciate the opportunity to be of service to the District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

*Dazzio & Associates, P.C.*

Dazzio & Associates, PC

RESPONSE:

This letter correctly sets forth the understanding of Denargo Market Metropolitan District No. 2.

Management signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Board signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

RESOLUTION NO. 2022-11-\_\_\_\_

A RESOLUTION OF THE BOARD OF DIRECTORS OF  
DENARGO MARKET METROPOLITAN DISTRICT NO. 1

CALLING A REGULAR ELECTION WITHIN THE DENARGO MARKET  
METROPOLITAN DISTRICT NO. 1 TO BE CONDUCTED AS AN INDEPENDENT  
MAIL BALLOT ELECTION, SUBMITTING TO THE ELIGIBLE ELECTORS OF THE  
DISTRICT QUESTIONS RELATING TO THE ELECTION OF DIRECTORS AND THE  
ISSUANCE OF DEBT AND APPROVING OTHER MATTERS IN CONNECTION  
THEREWITH

A. Denargo Market Metropolitan District No. 1 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado organized and operating pursuant to Article 1 of Title 32 of the Colorado Revised Statutes; and

B. The Board of Directors (the “**Board**”) of the District has determined and hereby determines that the interest of the District and the public interest and necessity demand the acquisition, construction, installation, completion, and operation and maintenance of certain improvements which will require the creation of general obligation indebtedness and entering into contracts with other governments, persons or entities, all as is more particularly stated in the ballot issues set forth hereafter; and

C. The Board has also determined that the interest of the District and the public interest and necessity require that the District be authorized to increase its taxes and fees and collect and spend such revenues for authorized purposes or retain in a reserve of the District revenues as described in the ballot issues set forth hereafter; and

D. Accordingly, the Board has determined to submit to the eligible electors of the District, at a regular election to be held on May 2, 2023 (“**Election**”), the ballot issues set forth hereafter; and

E. The terms of the offices of Directors Cabrera and Newman shall expire upon the election of their successors at the Election, and upon such successors taking office; and

F. The terms of the offices to which Directors Davidson and Wenskoski have previously been appointed expire upon their re-election, or the election of their successors at the Election, and upon such successors taking office; and

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

H. The Election shall be held pursuant to the Code, as amended, and Article X, Section 20 of the Constitution of the State of Colorado.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 1 (THE “DISTRICT”) OF THE CITY AND COUNTY OF DENVER, COLORADO THAT:**

1. Submission of Ballot Issues. At an election of the District to be held on Tuesday, May 2, 2023, in addition to the other matters submitted to the electorate at the election, there shall be submitted to the eligible electors of the District the ballot issues set forth hereafter. The Election shall be an independent mail ballot election, held and conducted in accordance with the Code and Article X, Section 20 of the Colorado Constitution.

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

3. Conduct of Election. The Designated Election Official shall supervise the conduct of the Election and shall, with the assistance and consent of the Board, make all determinations as to notice, publications, and other matters concerning the Election, including without limitation matters required or permitted under Article X, Section 20 of the Colorado Constitution. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Ballot Titles. The ballot titles as shown on Exhibit A attached hereto and made a part hereof by this reference for the issues to be submitted at the election shall be in substantially the following form, with only such changes as may be necessary to comply with applicable law. The numbering and headings for the ballot titles are for ease of reference only, and are not part of the ballot title.

5. Date and Time of Election. The Election shall be held on May 2, 2023, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two (2) Directors shall be elected to serve until the next regular election, to occur May 6, 2025, and two (2) Directors shall be elected to serve until the second regular election, to occur May 4, 2027

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

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

8. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Special District Management Services,

Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 25, 2023).

9. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from the Designated Election Official for the District, c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, 303-987-0835 and on the District's website at <https://denargo.colorado.gov>.

10. Authorization to Execute Documents. The President or Vice President, Secretary or an Assistant Secretary, and Designated Election Official shall and they are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this resolution.

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

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

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

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO RESOLUTION CALLING A REGULAR ELECTION WITHIN  
THE DENARGO MARKET METROPOLITAN DISTRICT NO. 1 TO BE CONDUCTED  
AS AN INDEPENDENT MAIL BALLOT ELECTION, SUBMITTING TO THE  
ELIGIBLE ELECTORS OF THE DISTRICT QUESTIONS RELATING TO THE  
ELECTION OF DIRECTORS AND THE ISSUANCE OF DEBT AND APPROVING  
OTHER MATTERS IN CONNECTION THEREWITH]**

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 15, 2022.

**DENARGO MARKET METROPOLITAN  
DISTRICT NO. 1**

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

Attest:

\_\_\_\_\_  
Secretary



**EXHIBIT A**

**Form of Ballot Questions**

**ELECTION QUESTIONS FOR DENARGO MARKET METROPOLITAN DISTRICT  
NO. 1**

**MAY 2, 2023 ELECTION**

RESOLUTION NO. 2022-11-\_\_\_\_

A RESOLUTION OF THE BOARD OF DIRECTORS OF  
DENARGO MARKET METROPOLITAN DISTRICT NO. 2

CALLING A REGULAR ELECTION WITHIN THE DENARGO MARKET  
METROPOLITAN DISTRICT NO. 2 TO BE CONDUCTED AS AN INDEPENDENT  
MAIL BALLOT ELECTION, SUBMITTING TO THE ELIGIBLE ELECTORS OF THE  
DISTRICT QUESTIONS RELATING TO THE ELECTION OF DIRECTORS AND THE  
ISSUANCE OF DEBT AND APPROVING OTHER MATTERS IN CONNECTION  
THEREWITH

A. Denargo Market Metropolitan District No. 2 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado organized and operating pursuant to Article 1 of Title 32 of the Colorado Revised Statutes; and

B. The Board of Directors (the “**Board**”) of the District has determined and hereby determines that the interest of the District and the public interest and necessity demand the acquisition, construction, installation, completion, and operation and maintenance of certain improvements which will require the creation of general obligation indebtedness and entering into contracts with other governments, persons or entities, all as is more particularly stated in the ballot issues set forth hereafter; and

C. The Board has also determined that the interest of the District and the public interest and necessity require that the District be authorized to increase its taxes and fees and collect and spend such revenues for authorized purposes or retain in a reserve of the District revenues as described in the ballot issues set forth hereafter; and

D. Accordingly, the Board has determined to submit to the eligible electors of the District, at a regular election to be held on May 2, 2023 (“**Election**”), the ballot issues set forth hereafter; and

E. The terms of the offices of Directors Cabrera and Newman shall expire upon the election of their successors at the Election, and upon such successors taking office; and

F. The terms of the offices to which Directors Davidson and Wenskoski have previously been appointed expire upon their re-election, or the election of their successors at the Election, and upon such successors taking office; and

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

H. The Election shall be held pursuant to the Code, as amended, and Article X, Section 20 of the Constitution of the State of Colorado.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2 (THE “DISTRICT”) OF THE CITY AND COUNTY OF DENVER, COLORADO THAT:**

1. Submission of Ballot Issues. At an election of the District to be held on Tuesday, May 2, 2023, in addition to the other matters submitted to the electorate at the election, there shall be submitted to the eligible electors of the District the ballot issues set forth hereafter. The Election shall be an independent mail ballot election, held and conducted in accordance with the Code and Article X, Section 20 of the Colorado Constitution.

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

3. Conduct of Election. The Designated Election Official shall supervise the conduct of the Election and shall, with the assistance and consent of the Board, make all determinations as to notice, publications, and other matters concerning the Election, including without limitation matters required or permitted under Article X, Section 20 of the Colorado Constitution. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Ballot Titles. The ballot titles as shown on Exhibit A attached hereto and made a part hereof by this reference for the issues to be submitted at the election shall be in substantially the following form, with only such changes as may be necessary to comply with applicable law. The numbering and headings for the ballot titles are for ease of reference only, and are not part of the ballot title.

5. Date and Time of Election. The Election shall be held on May 2, 2023, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two (2) Directors shall be elected to serve until the next regular election, to occur May 6, 2025, and two (2) Directors shall be elected to serve until the second regular election, to occur May 4, 2027

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

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

8. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Special District Management Services,

Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 25, 2023).

9. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from the Designated Election Official for the District, c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, 303-987-0835 and on the District's website at <https://denargo.colorado.gov>.

10. Authorization to Execute Documents. The President or Vice President, Secretary or an Assistant Secretary, and Designated Election Official shall and they are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this resolution.

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

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

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

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO RESOLUTION CALLING A REGULAR ELECTION WITHIN  
THE DENARGO MARKET METROPOLITAN DISTRICT NO. 2 TO BE CONDUCTED  
AS AN INDEPENDENT MAIL BALLOT ELECTION, SUBMITTING TO THE  
ELIGIBLE ELECTORS OF THE DISTRICT QUESTIONS RELATING TO THE  
ELECTION OF DIRECTORS AND THE ISSUANCE OF DEBT AND APPROVING  
OTHER MATTERS IN CONNECTION THEREWITH]**

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 15, 2022.

**DENARGO MARKET METROPOLITAN  
DISTRICT NO. 2**

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

Attest:

\_\_\_\_\_  
Secretary

**EXHIBIT A**

**Form of Ballot Questions**

**ELECTION QUESTIONS FOR DENARGO MARKET METROPOLITAN DISTRICT  
NO. 2**

**MAY 2, 2023 ELECTION**

RESOLUTION NO. 2022-11-\_\_\_\_

A RESOLUTION OF THE BOARD OF DIRECTORS OF  
DENARGO MARKET METROPOLITAN DISTRICT NO. 3

CALLING A REGULAR ELECTION WITHIN THE DENARGO MARKET  
METROPOLITAN DISTRICT NO. 3 TO BE CONDUCTED AS AN INDEPENDENT  
MAIL BALLOT ELECTION, SUBMITTING TO THE ELIGIBLE ELECTORS OF THE  
DISTRICT QUESTIONS RELATING TO THE ELECTION OF DIRECTORS AND THE  
ISSUANCE OF DEBT AND APPROVING OTHER MATTERS IN CONNECTION  
THEREWITH

A. Denargo Market Metropolitan District No. 3 (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado organized and operating pursuant to Article 1 of Title 32 of the Colorado Revised Statutes; and

B. The Board of Directors (the “**Board**”) of the District has determined and hereby determines that the interest of the District and the public interest and necessity demand the acquisition, construction, installation, completion, and operation and maintenance of certain improvements which will require the creation of general obligation indebtedness and entering into contracts with other governments, persons or entities, all as is more particularly stated in the ballot issues set forth hereafter; and

C. The Board has also determined that the interest of the District and the public interest and necessity require that the District be authorized to increase its taxes and fees and collect and spend such revenues for authorized purposes or retain in a reserve of the District revenues as described in the ballot issues set forth hereafter; and

D. Accordingly, the Board has determined to submit to the eligible electors of the District, at a regular election to be held on May 2, 2023 (“**Election**”), the ballot issues set forth hereafter; and

E. The terms of the offices of Directors Cabrera and Newman shall expire upon the election of their successors at the Election, and upon such successors taking office; and

F. The terms of the offices to which Directors Davidson and Wenskoski have previously been appointed expire upon their re-election, or the election of their successors at the Election, and upon such successors taking office; and

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

H. The Election shall be held pursuant to the Code, as amended, and Article X, Section 20 of the Constitution of the State of Colorado.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENARGO MARKET METROPOLITAN DISTRICT NO. 3 (THE “DISTRICT”) OF THE CITY AND COUNTY OF DENVER, COLORADO THAT:**

1. Submission of Ballot Issues. At an election of the District to be held on Tuesday, May 2, 2023, in addition to the other matters submitted to the electorate at the election, there shall be submitted to the eligible electors of the District the ballot issues set forth hereafter. The Election shall be an independent mail ballot election, held and conducted in accordance with the Code and Article X, Section 20 of the Colorado Constitution.

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

3. Conduct of Election. The Designated Election Official shall supervise the conduct of the Election and shall, with the assistance and consent of the Board, make all determinations as to notice, publications, and other matters concerning the Election, including without limitation matters required or permitted under Article X, Section 20 of the Colorado Constitution. The Election shall be conducted as an independent mail ballot election in accordance with all relevant provisions of the Code. The Designated Election Official shall have on file, no later than fifty-five (55) days prior to the Election, a plan for conducting the independent mail ballot Election.

4. Ballot Titles. The ballot titles as shown on Exhibit A attached hereto and made a part hereof by this reference for the issues to be submitted at the election shall be in substantially the following form, with only such changes as may be necessary to comply with applicable law. The numbering and headings for the ballot titles are for ease of reference only, and are not part of the ballot title.

5. Date and Time of Election. The Election shall be held on May 2, 2023, between the hours of 7:00 A.M. and 7:00 P.M. pursuant to and in accordance with the Act, Code, and other applicable laws. At that time, two (2) Directors shall be elected to serve until the next regular election, to occur May 6, 2025, and two (2) Directors shall be elected to serve until the second regular election, to occur May 4, 2027

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

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

8. Absentee Ballot Applications. NOTICE IS FURTHER GIVEN, pursuant to Section 1-13.5-1002, C.R.S., that applications for and return of absentee ballots may be filed with the Designated Election Official of the District, c/o Special District Management Services,



Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, between the hours of 8:00 a.m. and 5:00 p.m., until the close of business on the Tuesday immediately preceding the Election (April 25, 2023).

9. Self-Nomination and Acceptance Forms. Self-Nomination and Acceptance Forms are available and can be obtained from the Designated Election Official for the District, c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, 303-987-0835 and on the District's website at <https://denargo.colorado.gov>.

10. Authorization to Execute Documents. The President or Vice President, Secretary or an Assistant Secretary, and Designated Election Official shall and they are hereby authorized and directed to take all actions necessary or appropriate to effectuate the provisions of this resolution.

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

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

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

**[SIGNATURE PAGE FOLLOWS]**

**[SIGNATURE PAGE TO RESOLUTION CALLING A REGULAR ELECTION WITHIN THE DENARGO MARKET METROPOLITAN DISTRICT NO. 3 TO BE CONDUCTED AS AN INDEPENDENT MAIL BALLOT ELECTION, SUBMITTING TO THE ELIGIBLE ELECTORS OF THE DISTRICT QUESTIONS RELATING TO THE ELECTION OF DIRECTORS AND THE ISSUANCE OF DEBT AND APPROVING OTHER MATTERS IN CONNECTION THEREWITH]**

RESOLUTION APPROVED AND ADOPTED ON NOVEMBER 15, 2022.

**DENARGO MARKET METROPOLITAN DISTRICT NO. 3**

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

Attest:

\_\_\_\_\_  
Secretary

**EXHIBIT A**

**Form of Ballot Questions**

**ELECTION QUESTIONS FOR DENARGO MARKET METROPOLITAN DISTRICT  
NO. 3**

**MAY 2, 2023 ELECTION**

## FORM OF CHANGE ORDER

<b>Change Order No:</b> 1	<b>Date Issued:</b> September 1, 2022
<b>Name of Agreement:</b> Service Agreement for Snow Removal Services (“ <b>Original Service Agreement</b> ”)	
<b>Date of Agreement:</b> September 1, 2020	<b>District(s):</b> Denargo Market Metropolitan District No. 1
<b>Other Party/Parties:</b> Brightview Landscape Services, Inc.	

<b>CHANGE IN SCOPE OF SERVICES (describe):</b> See attached
---

<b>CHANGE IN AGREEMENT PRICE:</b>	<b>CHANGE IN TERM OF AGREEMENT:</b>
Original Price: as reflected on Exhibit A and B to Original Service Agreement	Original Term: Expires July 31, 2021
Increase of this Change Order: See attached	New Term: Expires May 31, 2023
Price with all Approved Change Orders: See attached	Agreement Time with all Approved Change Orders: May 31, 2023

<b>APPROVED:</b> <i>Laura Newman</i>	
<b>By:</b>	Laura H. Newman
<b>District</b>	

<b>APPROVED:</b> <i>A. Lott</i>	
<b>By:</b>	Aaron Lott Director of Finance
<b>Consultant</b>	Brightview Landscape Services, Inc.

**• SCOPE OF SERVICES**    *Service Start:* **09/01/2022**                      *Service End:* **05/31/2023**                      *Start Season:* **2022**

<u>Vehicle Site Area(s) (VEH)</u>	<u>Service Start Trigger</u>	<u>Pedestrian Sites Areas (PED)</u>	<u>Service Start Trigger</u>
Parking/Driving Areas (RD )	2"	Private Sidewalks (PRI)	2"
Parking Structure (GAR)	N/A	Public Sidewalks (PUB)	2"
Ice Watch (Vehicle)	Declined	Ice Watch (Pedestrian)	Declined
Anti-Ice/Pretreatment (Vehicle)	Declined	Anti-Ice/Pretreatment (Pedestrian)	Declined

BrightView is only responsible for performing Services in the selected Site Areas after the indicated Service Trigger is reached. Services requested before the Trigger is met shall begin upon a reasonable period after notification from the Client and may result in additional fees. Services provided under this agreement shall be directed and managed by BrightView in order to maintain safe conditions in the Site Areas indicated.

- BrightView will stake curbs and obstacles in the indicated site areas by 11/01 of each season and will invoice Client \$.00 per stake.
- Speed bumps/humps/tables shall not be repaired/replaced regardless of staking conditions.
- Bulk de-icing material will be purchased (Supplied) by BrightView and applied by BrightView.
- Bagged de-icing material will be purchased (Supplied) by BrightView and applied by BrightView.
- All prices exclude any applicable sales tax, should client request tax to be included BrightView may automatically adjust the price if tax laws change to reflect such increase.

By signing this Service Order, Client acknowledges and agrees that (a) snow or ice may accumulate while Services are being performed, (b) even when there is no precipitation present, snow may blow or drift onto a Service Location or be brushed onto cars, parking, and driving areas or walkways, and (c) properly plowed snow may melt and refreeze after Services are fully performed. Accordingly, Client understands and agrees that (i) BrightView cannot guarantee that the performance of the Services will remove all snow and ice from any Service Location, and (ii) some snow or ice may still be present at a Service Location during or after the performance of Services.

**• PRICE SCHEDULE** BrightView will be compensated for work performed at the Service Location according to the agreed to prices shown below. All listed equipment items includes the respective equipment and required operator.

<u>Category</u>	<u>Area</u>	<u>Service/Unit Description</u>	<u>Unit</u>	<u>Min. Chg.</u>	<u>Price</u>	<u>Price</u>	<u>Price</u>	<u>Price</u>	<u>2022 Price</u>
TM	ALL AREAS	Truck with Plow	Hr						\$123.76
TM	ALL AREAS	Snow Rader	Hr						\$104.00
TM	ALL AREAS	ATV / Small Sidewalk Blade	Hr						\$104.00
TM	ALL AREAS	Utility Vehicle UTV / Large Blade	Hr						\$112.32
TM	ALL AREAS	Skid Steer	Hr						\$161.20
TM	ALL AREAS	Dump Truck for Hauling	Hr						\$161.20
TM	ALL AREAS	Front End Loader	Hr						\$317.20
TM	ALL AREAS	Backhoe 12'	Hr						\$230.88
TM	ALL AREAS	Crew Member	Hr						\$67.60
TM	ALL AREAS	Bag Ice Melt	50 Lbs						\$48.88
TM	ALL AREAS	Ice Slicer	TN						\$289.12
TM	ALL AREAS	Truck with Spreader/Sprayer	Hr						\$123.76

<b>TITLE</b>	Denargo Market MD Nos. 1, Snow Removal Services
<b>FILE NAME</b>	Change Order #1 (...val) 09.01.22.pdf
<b>DOCUMENT ID</b>	a6992e861246fa68a0f1794dc657689136d06258
<b>AUDIT TRAIL DATE FORMAT</b>	MM / DD / YYYY
<b>STATUS</b>	● Signed

---

### Document History



SENT

**10 / 27 / 2022**  
20:19:52 UTC

Sent for signature to Laura H. Newman (lnewman@goco.com)  
from apadilla@sdmsi.com  
IP: 50.78.200.153



VIEWED

**10 / 27 / 2022**  
21:48:36 UTC

Viewed by Laura H. Newman (lnewman@goco.com)  
IP: 38.104.242.42



SIGNED

**10 / 27 / 2022**  
21:49:17 UTC

Signed by Laura H. Newman (lnewman@goco.com)  
IP: 38.104.242.42



COMPLETED

**10 / 27 / 2022**  
21:49:17 UTC

The document has been completed.

## LANDSCAPE SERVICES AGREEMENT

**Date:** October 11, 2022

**BrightView:** BrightView Landscape Services, Inc.

**Client:** Denargo Market Metropolitan District

**Contract Start Date:** January 1, 2023

**Contract End Date:** December 31, 2023

**Service Fee\*:** \$18,960.00

\*Plus sales tax where applicable

THIS LANDSCAPE SERVICES AGREEMENT (this "Agreement") is entered into as of the Date above between BrightView and Client. If Client is not the record owner of each property where BrightView will deliver goods or perform services under this Agreement, then Client is executing this Agreement on its own behalf and as a duly authorized agent for the record owner(s) of each property.

NOW, THEREFORE, Client and BrightView mutually agree to the following terms and conditions:

**1. Services.**

- (a) For purposes of this Agreement: (i) the "Services" consist of the landscape maintenance, construction, irrigation, and/or other general landscape services described in the "Scope of Landscape Services" attached hereto, together with delivery or installation of any associated goods and materials, and (ii) the "Landscape Site(s)" consist of the exterior landscaped areas for each of the site(s) identified in the attached Scope of Landscape Services, where Services will be furnished by BrightView in accordance with the Scope of Landscape Services. More than one Scope of Landscape Services may be attached hereto, in the event of multiple Landscape Sites.
  - (b) During the Term (as defined in Section 2. Term), BrightView shall furnish the Services or arrange for the Services to be furnished in accordance with applicable professional horticulture standards and any local requirements or regulations in effect, using appropriately trained, uniformed, and supervised personnel, and properly maintained equipment.
  - (c) All tools, equipment, surplus materials, landscape waste materials and rubbish will be removed from each Landscape Site after Services are completed.
  - (d) Any regulated substances required to be applied as part of the Services shall be applied in accordance with applicable laws and regulations by properly licensed personnel and BrightView shall not be held liable for the use of such substances if properly applied in accordance with applicable laws and regulations. Other materials shall be applied in accordance with the manufacturer's directions.
- 2. Term.** The "Term" of this Agreement shall begin on the Contract Start Date and conclude on the Contract End Date.
- 3. Work Orders.** If Client requests services from BrightView that are not set forth on the Scope of Landscape Services or at a worksite for which there is

no attached Scope of Landscape Services, then BrightView may elect in its sole discretion to furnish such additional services and any related goods and materials pursuant to a written work authorization signed by Client (each signed written work authorization, a "Work Order"). For services, goods, or materials furnished pursuant to a Work Order, payment shall be due from Client to BrightView as specified by such Work Order or, if unspecified in such Work Order, then upon delivery of the services, goods, and materials identified in the Work Order (the "Work Order Charges").

- 4. Insurance.** During the Term, BrightView will maintain general liability insurance, automobile liability insurance, and workers' compensation insurance covering its activities in connection with the Services and any Work Order. Such insurance shall be in commercially reasonable amounts. Evidence of such insurance will be provided to Client upon request.
- 5. Cooperation.**
- (a) Client will cooperate with BrightView to facilitate the Services, and will permit or schedule adequate access to the Landscape Site(s) as required to perform the Services safely, efficiently, and within any specified timeframes. Client will notify BrightView in writing of any limitation on access to Landscape Site(s) as soon as possible, and in any event at least 48 hours to any scheduled delivery of services, goods, or materials.
  - (b) If required, Client will provide water with adequate spigots or hydrants or such other items as identified on the Scope of Landscape Services.
  - (c) Client shall provide written notice to BrightView of any proposed change in the ownership or management of the Landscape Site(s) at least 30 days prior to the effective date of any such change. A change in the ownership or management of the Landscape Site(s) shall not relieve Client of its obligations hereunder, including but not limited to the

payment of the Service Fee and any amounts due to BrightView with respect to any Work Order, unless Client shall have given proper notice of termination pursuant to this Agreement.

#### **6. Service Fee.**

- (a) For Services performed pursuant to this Agreement, Client shall pay BrightView the Recurring Service Fee set forth in the below Table A plus any Per Occurrence Service Fee set forth in the below Table B (the "Service Fee"), subject to adjustments as described below.
- (b) Overdue Service Fees or Work Order Charges shall be subject to an administrative charge equal to the lower of: (i) 1.5% per month (18% per year) and (ii) the highest rate permitted by law, in either case multiplied by the unpaid balance. In addition to this administrative charge, Client shall reimburse BrightView for all costs and expenses (including but not limited to attorneys' fees and court costs) which are reasonably incurred by BrightView in collecting an overdue Service Fee, Work Order Charges, and administrative charges.
- (c) If tax laws change increasing applicable sales taxes, BrightView may adjust the Service Fee to reflect such increase.
- (d) The parties hereby acknowledge that, notwithstanding the Service Fee, the monthly installment plan, and the types and frequency of services, goods, and materials furnished each month throughout the year may vary according to seasonal requirements and best horticultural practices. The monthly installment plan is for Client's convenience of payment only and billings do not necessarily reflect the actual cost or value of Services performed during any particular month or other billing period. If this Agreement is terminated for any reason on a date other than an Anniversary Date, then all sums paid by Client to BrightView for Services performed since the most recent Anniversary Date shall be subtracted from the time-and-materials value (as determined in good faith by BrightView) of Services performed since that date and, if the result is a positive number (a "Shortfall"), the Shortfall shall become due and payable and Client shall promptly pay such Shortfall to BrightView. A Shortfall is not liquidated or other damages arising from a termination of the Agreement but represents the portion of the charges for Services performed prior to but unpaid by Client as of the Termination Date. For the avoidance of doubt, in no event will a Shortfall invoiced to the Client exceed the total amount that would have been received by the Service Provider had the terminated Agreement continued uninterrupted until the end of its then current term.
- (e) Unless specified otherwise hereunder, every 12 months the Service Fee shall be increased by an amount calculated by multiplying the Service Fee for the immediately preceding 12 months by the greater of (i) 3% or (ii) the percentage increase in the Consumer Price Index between the most recently published CPI and the CPI published for the same month for the preceding calendar year. "Consumer Price Index" and "CPI" means the Consumer Price

Index for Urban Wage Earners and Clerical Workers (1982-84 = 100) released by the United States Department of Labor, Bureau of Labor Statistics, relating to Consumer Prices for All Items for All Cities.

- (f) Client must provide at least 10 days' prior written notice to BrightView, Attn.: Legal Department/Contracts, 980 Jolly Road, Suite 300, Blue Bell, PA 19422 if: (i) Service Fee required to be paid pursuant to this Section 6 are subject to a bona fide dispute and (ii) Client intends to pay, in full satisfaction of such disputed Service Fee, less than the amount invoiced by BrightView.

#### **7. Termination.**

- (a) Either BrightView or Client may terminate this Agreement without cause upon 60 day's prior written notice to the other party. If Client terminates this Agreement without cause prior to end of the then current term, Client will, within fifteen (15) days of the Termination Date, pay BrightView (i) all amounts owed to date for Services performed; (ii) reimbursement of any partner incentives such as, but not limited to, Enhancement Credits; discounts, rebates, etc. and (iii) to compensate BrightView for having to allocate employees and resources to the Landscapes Sites, an amount equal to what BrightView would have earned if the Agreement remained in effect through the end of the then current term (as calculated in accordance with Section 6(a)).
- (b) If either party materially breaches the terms of this Agreement and fails to cure such breach within 30 days after written notice from the non-breaching party specifying such breach, then the non-breaching party may elect to immediately terminate this Agreement by written notice to the breaching party. In addition to and without limiting the foregoing, if Client fails to timely pay any Service Fee, Work Order Charges, or administrative fees due under this Agreement, then BrightView may elect, in its sole discretion, to (i) delay, withhold, suspend or cancel Services without further notice to Client, and BrightView shall have no responsibility whatsoever for any consequences thereof, in respect of which the Client hereby indemnifies BrightView, and fees (as set out hereunder) shall continue to accrue and any extra expenses resulting from such withholding shall be for the Clients' responsibility and/or (ii) immediately terminate this Agreement upon written notice to Client.
- (c) Either BrightView or Client may immediately terminate this Agreement upon written notice to the other party if (i) the other party makes an assignment for the benefit of creditors, (ii) a petition of bankruptcy is filed by or against the other party or (iii) all or substantially all of the other party's property is levied upon or scheduled to be sold in a judicial proceeding.

#### **8. General Provisions.**

- (a) BrightView will at all times perform the Services and any Work Order in accordance with all applicable workplace safety requirements and standards promulgated by federal and local authorities. BrightView will not at any time provide safety



evaluation, inspection, or consulting services under this Agreement or any Work Order for the benefit of Client or any third party and, consequently, Client shall not rely on BrightView to provide such safety-related services at any time. Further, BrightView does not and will not at any time provide representations, warranties, or assurances as to the safety, including as it relates to BrightView's use of chemicals during Service, (or lack of safety) of any Landscape Site(s) or Work Order site with respect to periods before, during, or after Services are performed or Work Order services are performed and, consequently, Client shall not rely on BrightView to provide any such assurances at any time. If Client desires safety evaluation, inspection, or consulting services, or safety representations, warranties, or assurances, then BrightView and Client may execute and enter into a separate written agreement whereby BrightView will assist Client for an additional fee only in identifying (without recommending) third-party service providers that Client may then, in Client's sole discretion, elect to engage independently to obtain safety services and/or assurances.

- (b) During the Term of this Agreement and for a period of 12 months following this Agreement's termination, the Client shall not, without the written permission of BrightView or an affected affiliate, directly or indirectly (i) solicit, employ or retain, or have or cause any other person or entity to solicit, employ or retain, any person who is employed by BrightView and performing Services hereunder, or (ii) encourage any such person not to devote his or her full business time to the Client, or (iii) agree to hire or employ any such person. Recognizing that compensatory monetary damages resulting from a breach of this section would be difficult to prove, Client agrees that such breach will render it liable to BrightView for liquidated damages in the amount of \$10,000 for each such employee.
- (c) This Agreement shall be governed by the law of the state where the Services will be furnished. If the Services will be furnished in more than one state, then the law of the State of Colorado will govern this Agreement, except with regard to its conflicts of laws doctrines. Both parties expressly agree that any and all legal proceedings arising under this Agreement will be brought exclusively in the state and federal courts located where Services will be furnished.
- (d) Unless otherwise specifically set forth in the Scope of Landscape Services or a Work Order, BrightView is not providing design or landscape architecture services under this Agreement and it is the Client's sole responsibility to ensure that (i) the directions provided to BrightView for Services are in compliance with all applicable laws, ordinances, rules, regulations, and orders and (ii) the height and location of the hedges, foliage, and/or other plant matter on the Landscape Sites do not obstruct a person's line of sight of proximate roadways, private or public.
- (e) Neither party may assign this Agreement without the prior written consent of the other party; provided, however, that consent shall not be required to assign

this Agreement to any company which controls, is controlled by, or is under common control with BrightView or in connection with assignment to an affiliate or pursuant to a merger, sale of all or substantially all of its assets or equity securities, consolidation, change of control or corporate reorganization. This Agreement is binding on, and inures to the benefit of, the parties hereto (including the record owner of the Landscape Site(s) if other than Client) and their respective heirs, legal representatives, successors and assigns.

- (f) This Agreement, together with attached Scope of Landscaping Services, Work Order hereunder, and any other schedules and exhibits attached hereto, constitute the entire agreement of the parties with respect to the Services and Work Orders and supersedes all prior contracts or agreements with respect to the Services or Work Orders, whether oral or written.
- (g) Except as otherwise provided herein, this Agreement may be amended or modified from time to time only by a written instrument executed and agreed to by both Client and BrightView.
- (h) The waiver by Client or BrightView of a breach of any provision of this Agreement shall not operate or be construed as a waiver of any other or subsequent breach by Client or BrightView of such provision or any other provision.
- (i) BrightView's total liability for any losses, damages, and expenses of any type whatsoever incurred by Client or any of its affiliates, guests, tenants, invitees, and lessees ("Losses"), which are caused by wrongful acts or omissions of BrightView in connection with, or related to, BrightView's performance of the Services, shall be limited solely to proven direct and actual damages in an aggregate amount not to exceed the amounts actually paid to BrightView hereunder. In no event will BrightView be liable for special, indirect, incidental or consequential damages, irrespective of the form or cause of action, in contract, tort or otherwise, whether or not the possibility of such damages has been disclosed to BrightView in advance or could have been reasonably foreseen by BrightView. Further, BrightView shall not be liable for any Losses resulting from the provision of Services or performance of any Work Order hereunder, if such Losses are due to causes or conditions beyond its reasonable control, including but not limited to Losses in any way related to or associated with state or local water regulations or mandates or BrightView's compliance or good faith efforts to comply with state or local water regulations or mandates.
- (j) BrightView's performance will be excused without penalty to the extent BrightView is unable to perform as a result of accidents, acts of God, extreme weather conditions, inability to secure labor and/or products, fire, earthquake and rules, regulations or restrictions imposed by any government or governmental agency, national or regional emergency, epidemic, pandemic, health related outbreak or other medical events not caused by one of the Parties, or other delays or failure of

performance beyond the commercially reasonable control of BrightView. For purposes of this Agreement, the parties agree specifically that water conservation regulations or guidelines are specifically included within the above referenced regulations or restrictions, and that BrightView shall not be liable for any failure to perform as a direct or indirect result of BrightView's compliance with or good faith efforts to comply with state or local water regulations or mandates.

(k) Unless otherwise expressly provided in a provision that cross-references this Section 8(k), in the event of any conflict or inconsistency between this Agreement, any SOW and/or any exhibit to this Agreement or any SOW, the order of precedence will be: the Agreement, an exhibit to the Agreement, an SOW and an exhibit to that SOW.

**Notices.** Except as otherwise specified in this Agreement, all notices and other communications under this Agreement must be in writing and sent by overnight courier service such as FedEx or sent by U.S. registered or certified mail, postage prepaid, return receipt requested, and shall be deemed received the next business day following timely deposit with an overnight courier, or three (3) days after timely deposit in the U.S. mail, with the communication addressed as follows:

**If to BrightView:**

Attn: Michael Crespin  
Address: 2333 W Oxford Ave  
Englewood, CO 80110

With a copy to:

Attn: Office of the General Counsel  
980 Jolly Road, Suite 300  
Blue Bell, PA 19422

**If to Client:**

Attn: Ann Finn  
Address: 141 Union Boulevard, Suite 150  
Lakewood, CO 80228

BrightView and Client agree to all of the terms and conditions set forth in this Agreement, including any schedules and exhibits attached hereto, as of the date first set forth above.

**By signing this Agreement in the space provided below, the undersigned Client signatory hereby represents and confirms that it has full power and authority to enter into this Agreement on its own behalf and on behalf of the record owner of each Landscape Site, and that this Agreement is a legally binding obligation of the undersigned and the record owner of each Landscape Site.**

**BRIGHTVIEW (as defined in the preamble)**

**CLIENT**

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

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

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

BrightView Landscapes, LLC and each of its subsidiaries ("BrightView") is committed to taking care of each other, our clients and communities. The BrightView Code of Conduct, which is located at [https://www.brightview.com/sites/default/files/bv\\_code\\_of\\_conduct.pdf](https://www.brightview.com/sites/default/files/bv_code_of_conduct.pdf) keeps us true to our values.

If you become aware of a violation of the BrightView Code, we encourage you to report it by:

- Filing a report at [www.brightviewconcerns.com](http://www.brightviewconcerns.com); or
  - Calling our 24-hour, 7-day per week compliance hotline at (800) 461-9330.
- Thank you for your confidence in partnering with BrightView.

This document is incorporated into the Landscape Services Agreement by this reference upon execution by Client and Service Provider. In the event multiple Statements of Work or Work Orders are attached to this Services Agreement as provided herein, each such Statement of Work or Work Order shall be mutually exclusive of each other.

Landscape Site Name:*	Denargo Market Metro District	Landscape Site Location:	3200 Denargo Street Denver, CO 80216
Client Business Name:	Denargo Market Metro District	Client Contact Name:	Ann Finn
Client Contact Telephone:	303-987-0835	Client Contact Email:	afinn@sdmsi.com
Billing Business Name:	Special District Management Services, Inc.	Billing Contact Name:	Ann Finn
Billing Contact Telephone:	720-270-9822	Billing Contact Address:	141 Union Boulevard, Suite 150 Lakewood, CO 80228
BrightView Contact Name:	Leigh DuFresne	BrightView Contact Telephone:	303-257-2964

Note: If this Agreement applies to multiple sites, then check here  and attach a list of the sites with this information and pricing.

**Table A: Recurring Service Fee:**

<b>Term 1 - 2023</b>			
April 1 <sup>st</sup>	\$ <u>1,580.00</u>		
May 1 <sup>st</sup>	\$ <u>1,580.00</u>		
June 1 <sup>st</sup>	\$ <u>1,580.00</u>		
July 1 <sup>st</sup>	\$ <u>1,580.00</u>		
August 1 <sup>st</sup>	\$ <u>1,580.00</u>		
September 1 <sup>st</sup>	\$ <u>1,580.00</u>		
October 1 <sup>st</sup>	\$ <u>1,580.00</u>		
November 1 <sup>st</sup>	\$ <u>1,580.00</u>		
December 1 <sup>st</sup>	\$ <u>1,580.00</u>		
<b>Total Service Fee: \$18,960.00</b>			

Client shall pay the Recurring Service Fee to BrightView through monthly payments. Excluding Pro-rated Recurring Service Fees which will be billed monthly in accordance with above, the Recurring Service Fee shall be payable in 12 equal monthly installments, beginning in the month of January 2022 (the "Monthly Installment Plan"). Monthly invoices will be dated the 1<sup>st</sup> of each month for which service is to be performed, and payments are due no later than the 15th calendar day of the month.

**Table B: Per Occurrence Service Fee Schedule as follows :**

Per Occurrence Service Fee Schedule should only be used to denote services that are not part of Table A: Recurring Service Fee.

Per Occurrence Service	# of Occurrences per a Term	Per Occurrence Service Fee*	Total Per Occurrence Service Fee*
Irrigation Repairs	As Needed	\$ 65 / hr	TBD
Backflow Inspections	As Needed	\$130 / device	TBD
		\$	\$
		\$	\$
		\$	\$

Any Per Occurrence Service Fee shall be invoiced upon the completion of the Per Occurrence Service and Client shall pay the invoice within thirty (30) days of the invoice date.

**Scope of Landscape Services**

**Description of Services (attach diagrams if necessary):**

**“Service Specifications for Contract Landscape Management.”**

**I. Scope of Work:**

Contractor shall furnish all supervision, labor, material, equipment and transportation required to maintain the landscape throughout the contract period, as specified herein.

**II. Shrubs and Bed Areas**

*A. Shrub Pruning: 1*

Shrubs shall be pruned to maintain the natural form of the plant and to maintain growth within space limitations, timing of pruning may vary from plant species. This excludes pruning necessitated by storm damage, disease, neglected overgrowth or winterkill. Industry standard pruning practices do not include hand pruning or shearing of plants into boxes, squares, balls, etc., unless required by the design.

Ornamental grasses will be cut one time per year, typically in late winter, to approximately ¼ of the existing height.

Perennial cut back will be dead-headed during the late summer / early fall, and will be trimmed as appropriate for each species once all flowering has stopped

*B. Weed Control: Included Frequencies: 26*

Beds, sidewalks and curb/gutter will be kept reasonably free of broadleaf or grassy weeds, preferably with post-emergent/contact herbicides, or with manual removal (hand-pulling).

**III. Tree Care:**

*A. Limbing: Included Frequencies: 1*

Maintenance pruning of all applicable trees to 8-10 feet in height will be accomplished according to industry accepted standards, and as is appropriate for each species in its particular stage of growth and development.

*B.* Volunteer suckers and shooters on trees will be removed to maintain a clean appearance.

*C.* Trees in turf areas will be neatly “ringed” at the base of the tree (approximately 3’ in diameter) to prevent damage from mowing equipment.

**IV. Irrigation System:**

*A. Activation: Included Frequencies: 1*

Seasonal activation of the irrigation system will be performed in the spring as weather conditions dictate. Contractor will be responsible for determining when to activate the system. At the time of activation, all

necessary repairs will be performed to bring the system up to operating condition. Repairs will be performed and billed on a time and material or not to exceed basis at the expense of the Owner/Client.

**B. Monitoring: Included Frequencies: 20 (from activation through winterization as weather conditions dictate)**

Monitoring of the system will occur throughout the growing season. Programming may be periodically adjusted according to weather conditions, seasonal changes, and the needs of the landscape. In the event any malfunctions are found, repair will be performed and billed on a time and material or not to exceed basis at the expense of the Owner/Client. Damages caused by BrightView Landscape Services, Inc.. during the normal course of operations will be repaired by BrightView Landscape Services, Inc.. in a prompt manner at no expense to the Owner/Client.

During extended cold or rainy periods, landscape irrigation may be shut off. Occasional rainstorms or cold weather may not constitute an adequate reason for full system shut/down protection.

**C. Deactivation / Winterization: Included Frequencies: 1**

Seasonal deactivation and winterization of the irrigation system will be performed in the fall of each year, typically in October or November, depending upon weather conditions. The irrigation system will be drained of water and will have forced air injected into the lateral and pressure lines.

Exterior backflow wrapping or draining is not included but may be performed and billed at \$65 / hr + materials per device if weather warrants. Backflow wrapping or draining prevents freeze damage when the system is pressurized.

**D. Emergency Service Calls:**

Emergency service calls will be made upon request of the Owner/Client. Emergencies are rare and are usually related to main line breaks or faulty valves that may cause flooding. Emergencies are defined as after-hours calls between the hours of 5:00pm and 8:00am Monday-Friday, all day Saturday and Sunday, and recognized holidays. Emergency services will be performed upon request and billed on a time and material or not to exceed basis at the expense of the Owner/Client.

**E. Backflow Inspections:**

All irrigation backflow prevention devices will be inspected at the beginning of each season. If necessary, devices will be repaired in order to pass certification. Repairs will be performed at \$65 / hr plus materials.

**F. Irrigation Repairs:**

Any repairs required to ensure irrigation system is fully operational and effective, will be performed as needed, at a cost of \$65 / hr + any needed materials. Contractor is pre-approved to perform repairs Not to Exceed \$650 during any single occurrence. Repairs above \$650 will need to be authorized by client.

Any repairs resulting from Contractor operations, will be repaired at Contractor's expense and at no charge to the Client

**V. Landscape Debris & Trash Cleanup:**

**A. Growing Season: Included Frequencies: 52**

On a weekly basis, all landscape areas shall be inspected each day and excess landscape debris and trash removed. This shall include the changing of neighborhood trash receptacles as they become full. Debris clean-up does not include the cleanup of pet waste (but does include district pet waste stations), parking lots, or parking structures, nor does it include clean-up of debris and trash caused by vandalism, dumping, improperly contained dumpsters, or acts of God. These items will be billed on a time and materials basis upon approval of Owner/Client.

**B. Dormant Season: Included Frequencies: 26**

On a weekly basis, all landscape areas shall be inspected each day and excess landscape debris and trash removed. This shall include the changing of neighborhood trash receptacles as they become full. Debris clean-up does not include the cleanup of pet waste or pet stations, parking lots, or parking structures, nor does it include cleanup of debris and trash caused by vandalism, dumping, improperly contained dumpsters, or acts of God. These items will be billed on a time and materials basis upon approval of Owner/Client.

**VIII. Spring Cleanup: *Included Frequencies: 1***

Debris shall be picked up and disposed of from maintained turf and rock/mulch bed areas. Debris shall be managed using all means available including blowing, raking, vacuuming, and mowing/mulching to maintain a neat appearance. Weather conditions may shorten or lengthen the process of debris removal. Debris cleanup does not include the cleanup of pet waste or pet waste stations, trash cans, parking lots, or parking structures, nor does it include clean-up of debris and trash caused by vandalism, dumping, improperly contained dumpsters, or acts of God.

**IX. Fall Cleanup: *Included Frequencies: 1***

Typically in November, fallen leaves shall be picked up and disposed of from maintained turf and rock/mulch bed areas. Leaves shall be managed using all means available including blowing, raking, vacuuming, and mowing/mulching to maintain a neat appearance. Weather conditions may shorten or lengthen the process of leaf removal. Leaves that have not fallen from trees or shrubs during contract term are not within the scope of the contract. Leaf cleanup in October will be performed during regular scheduled mowing visits. Upon request, a price will be provided for additional services.

Debris clean-up does not include the cleanup of pet waste or pet waste stations, trash cans, parking lots, or parking structures, nor does it include cleanup of debris and trash caused by vandalism, dumping, improperly contained dumpsters, or acts of God.

## EXTERIOR LIGHTING INSPECTION AGREEMENT

**Customer:** Denargo Market Metro Dist. 1  
**Attn:** Ann Finn  
**Billing Address:** 141 Union Blvd., Ste. 150  
 Lakewood, CO 80228

This agreement made this \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between **Colorado Lighting, Inc.** (hereinafter referred to as **Contractor**) and **Denargo Market Metro Dist. 1** (hereinafter referred to as **Customer**) hereby states:

1. The Contractor agrees to inspect the **Denargo Market Metro Dist. 1** property located at **28th St. & Wewatta, Denver, CO 80216** in **Denver** County, for all wall-pack and soffit lighting, parking lot lighting and monument signage.
2. The Contractor agrees to inspect the property once per month for the fee as shown below and return during normal business hours to complete repairs on a time and materials basis. Invoices will correspond with the provided map, showing numbered locations.
3. The Contractor agrees to verify all the time clock settings and to adjust accordingly:

March	ON	5:30 pm*	OFF	7:00 am
April		7:00 pm		6:00 am
June		8:00 pm		5:30 am
August		7:00 pm		6:30 am
September		6:30 pm		7:00 am
October		5:30 pm		7:30 am
November		4:30 pm*		7:30 am

\*Adjustment for Daylight Savings/Standard Time change

\*Service provided while onsite for repairs. Special circumstances to be billed T&M

4. Both Parties agree that this agreement does not cover warranty repairs to fixtures, poles or wiring damaged by high voltage surges, lightning, fire, strikes, accidents, government regulations or other causes unavoidable or beyond control.
5. The Customer agrees to pay the sum of **\$25.00** per month for services specified herein. Modifications to property lighting configuration can affect monthly fee and is subject to change with a 30-day notice. For example: remodel or upgrade.



1831 EAST 73RD AVENUE UNIT B • DENVER, COLORADO 80229 • 303.288.3152 FAX 303.288.1029 • CLI-SERVICES.COM

**Denargo Market Metro Dist. 1**  
**Denargo Market Metro Dist. 1**

**Page 2 of 3**

- 6. This agreement shall be in effect upon completion of the Contractor’s initial repair program and shall remain in full force and effect for a period of twelve (12) months from such time and shall continue for additional like periods, with a cost-of-living increase, unless notice of termination, with cause, is given in writing by either party thirty (30) days prior to the end of the month.
- 7. The Contractor agrees to carry Workman’s Compensation and adequate Public Liability insurance for protection of the Customer. A copy of our standard insurance certificate is available upon request. A surcharge will be applied for any additional insurance requirements.
- 8. There are no warranties, express or implied, between the Parties hereto except as set forth herein and shall become binding only when accepted and signed by an Officer of the Contractor.
- 9. All spent material will be removed from the Customer’s premises for disposal. Contractor will charge a fee of \$5.00 per HID lamp, \$1.44 per four-foot fluorescent lamp, \$2.88 per eight-foot fluorescent lamp, and ballasts are based on type and weight. All records of disposal will be kept on file by Contractor.
- 10. The information contained in the Agreement and associated with this Agreement, including but not limited to site maps or inspection logs, is privileged and confidential and intended only for the use of the individual named on this document. Any unauthorized review, use, disclosure, or distribution is prohibited and could result in monetary damages.

Accepted:

Accepted:

**Denargo Market Metro Dist. 1**

**Colorado Lighting, Inc.**

By:

By:

\_\_\_\_\_

Chris Frank

Title:

Title:

\_\_\_\_\_

General Manager

Date:

Date:

\_\_\_\_\_

November 2, 2022

MEMBER INTERNATIONAL ASSOCIATION OF LIGHTING MANAGEMENT COMPANIES





**TERMS AND CONDITIONS**

1. **SERVICES.** Contractor agrees to furnish all labor, supplies, uniforms, equipment and materials necessary to properly perform the Services. Contractor shall furnish their best skill, attention and judgment in the prosecution of the work.
2. **WORK HOURS.** All pricing is based on regular work hours, M-F 7 a.m. to 4 p.m. unless otherwise noted.
3. **PERMITS, LICENSES.** If any government permit, license, or authorization shall be required or necessary for proper and lawful performance of the services hereunder, Contractor shall, at Owner's expense, duly procure and maintain such license, permit or authorization.
4. **LABOR HARMONY.** Contractor and their employees agree to work in harmony with all contractors and laborers employed by Owner or their agent in connection with the property.
5. **ASSIGNMENT BY OWNER.** Owner shall not assign this Agreement or any interest therein without the prior written consent of the Contractor, which may be withheld at Contractor's sole and absolute discretion.
6. **SUBCONTRACTING.** Contractor may subcontract any or all portions of the Work and each Subcontractor is bound to the terms and conditions contained herein.
7. **NON-INTERFERENCE.** Contractor shall perform the services so as not to unreasonably interfere with Owner's operation of the Property. Upon acceptance of this proposal, Owner acknowledges and expressly provides permission to Contractor to disable and/or interfere with electrical systems as necessary to perform the Work in a safe manner.
8. **OWNER RESPONSIBILITY.** Owner shall be responsible for the acts and omission of Owner's suppliers, agents, employees and/or subcontractors.
9. **CONTRACTOR RESPONSIBILITY.** Contractor assumes full responsibility for the actions of their personnel and the personal of any subcontractors under their supervision, while performing the work.
10. **RECORDS.** Contractor shall maintain written records in accordance with generally accepted accounting procedures for a minimum of three (3) years, or as required by law.
11. **COMPLIANCE WITH LAWS.** Parties to this agreement shall comply with all applicable Federal, State and Local laws, codes, ordinances, rules and legal requirements with respect to the Work (including, by not limited to, laws concerning the use, handling and disposal of Hazardous Materials), and laws concerning the verification of an individual's right to work in the United States.
12. **SAFETY DATA SHEETS.** Contractor shall maintain and make available to Owner, upon written request, the Safety Data Sheets required in accordance with the Occupational Safety & Health Act for any and all hazardous materials or waste(s) on all products that may be used by the Contractor in the performance of the work.
13. **INDEMNIFICATION.** To the fullest extent permitted by law, the Owner shall indemnify, hold harmless, protect and defend (with attorneys acceptable to the Contractor) Contractor, and their directors, employees, partners, shareholders, members, authorized agents, affiliates, representatives, insurers, and their assigns and successors, from and against any and all liabilities, losses or damages, arising out of the acts or omissions of Owner, its employees, agents or subcontractors in connection with work performed under this agreement.
14. **PAYMENT.** Owner agrees to remit payment to Contractor in accordance with payment terms. If Owner should fail to remit payment on a timely basis, a finance charge of 18% per annum shall be due and payable immediately. Owner shall defend, indemnify and hold Contractor harmless against any and all damages, liabilities, costs and expenses (including attorney's fees) suffered or incurred by Contractor as a result of Owner's failure to remit payment to Contractor in accordance with the terms and conditions shown herein. All work is subject to credit approval. Colorado Lighting, Inc. reserves the right to change credit terms at any time, if account is not current. Payments made by credit card are subject to a 3.5% processing fee.
15. **CHANGE ORDERS.** Any alteration or deviation from the scope of work involving additional or reduced costs will be executed only upon written change order, and will become an additional charge or deduction over and above the proposal price as agreed to in writing by both parties.
16. **WARRANTY.** Materials installed and Labor provided under this Agreement shall follow manufacturer's process for replacement and/or repair.
17. **FORCE MAJEURE.** Neither Party shall be considered in default of any of its obligations under this Agreement to the extent that performance thereof is delayed or rendered impossible by Acts of God, war, civil commotion, governmental action, fire, storm, flood, explosion, strikes, walkouts, or other industrial disturbances, or any other causes of any nature which are beyond reasonable control.
18. **JURISDICTION.** This agreement shall be governed by the laws of the State of Colorado, City & County of Denver.
19. **ACCEPTANCE.** Terms and conditions shown herein supersede and replace any conditions, bid instructions, contracts, and other correspondence upon acceptance by Owner.

## 2022 Labor & Equipment Hourly Rates

### Revised 04/12/2022

#### Labor

Certified Lighting Technician	\$64.50
Aerial Technician	\$69.50
Sign Technician	\$75.50
Journeyman Electrician	\$85.50
Apprentice	\$72.50
Mobilization Fee	\$45.00

#### Equipment

Half Ton Work Truck	\$13.00
One Ton Stocked Service Van	\$16.25
Stocked Aerial Bucket Truck (Up to 40')	\$35.75

Overtime, Weekends and Night Work = Hourly Labor Rate x 1.5

Holiday Work = Hourly Rate x 2

**Labor and Equipment Hourly Rates Subject to Change**

# DIVERSIFIED UNDERGROUND INC.

August 1, 2022

## 2nd Notice of Rate Increase

Dear Valued Customer,

In the past few years, Diversified Underground has seen ever-increasing costs for supplies, fuel, etc. that has affected the cost of providing service to our customers.

Diversified Underground has always operated under the idea that we will provide top quality level service at a very competitive price. In staying true to that, we have not increased the cost of our service even though the cost of supplies & labor has dramatically changed over the last few years.

As we continue to improve our service, operations, and support to our customers, we must also manage the industry wide cost increases on raw material, labor, insurance, and fuel.

**Starting August 1<sup>st</sup>, 2022, we will be increasing our rates by 20% to cover our costs of service.**

We understand that a price increase is not convenient, and we want to thank you for understanding that it is necessary for us to maintain the services we provide. We continue to invest in our company, employees, and resources to make every effort to be your preferred vendor.

We greatly appreciate your loyalty and look forward to many more years serving you.

If you have any questions or concerns, please don't hesitate to contact us.

Best Regards,



Mark Allen

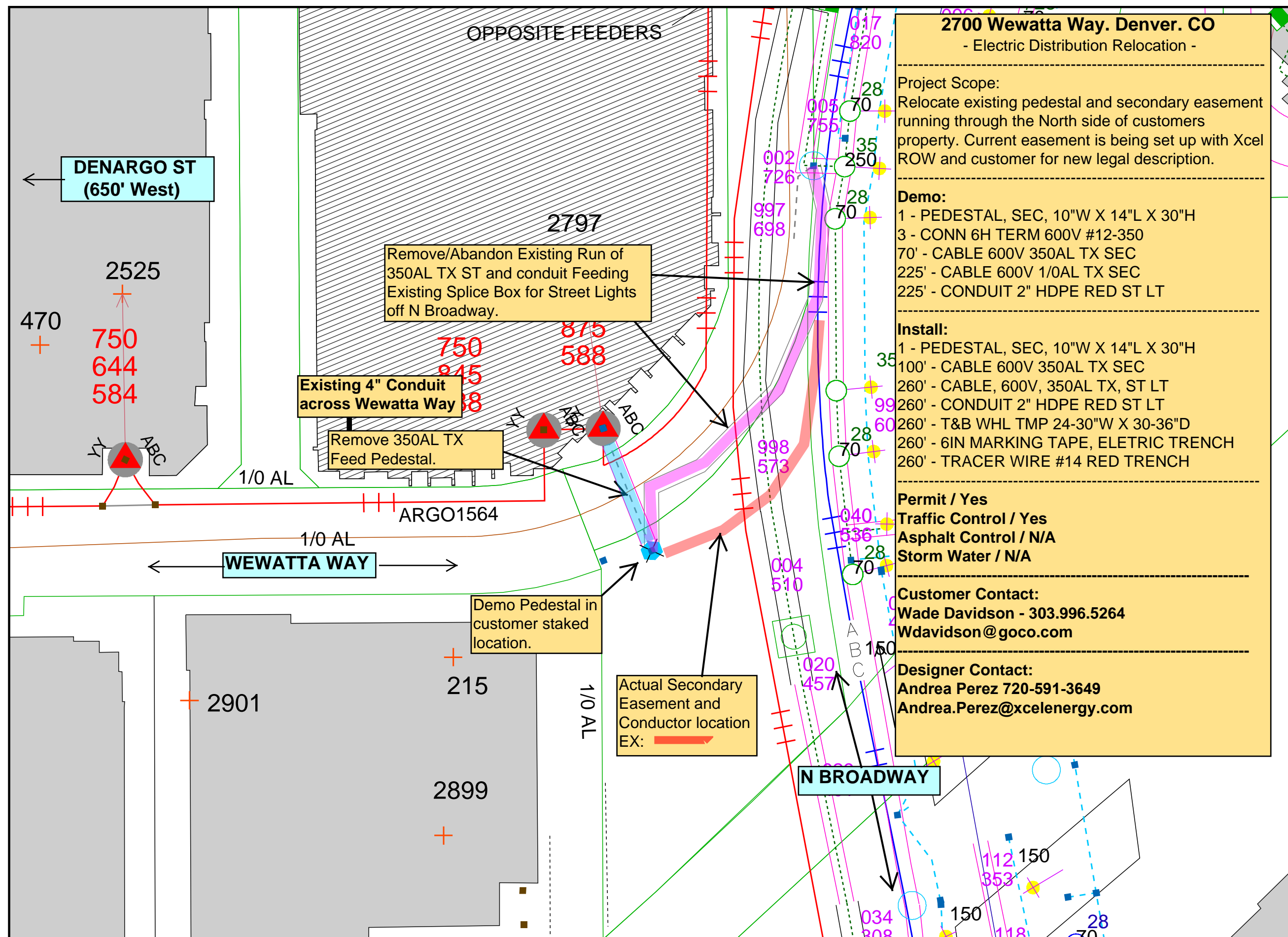
General Manager



2300 Cavanaugh Road  
Watkins CO, 80137

PHONE: (303) 636-9999  
FAX: (303) 671-8728  
WEB SITE: <http://www.diversifiedunderground.com>





**2700 Wewatta Way. Denver. CO**  
 - Electric Distribution Relocation -

**Project Scope:**  
 Relocate existing pedestal and secondary easement running through the North side of customers property. Current easement is being set up with Xcel ROW and customer for new legal description.

**Demo:**  
 1 - PEDESTAL, SEC, 10"W X 14"L X 30"H  
 3 - CONN 6H TERM 600V #12-350  
 70' - CABLE 600V 350AL TX SEC  
 225' - CABLE 600V 1/0AL TX SEC  
 225' - CONDUIT 2" HDPE RED ST LT

**Install:**  
 1 - PEDESTAL, SEC, 10"W X 14"L X 30"H  
 100' - CABLE 600V 350AL TX SEC  
 260' - CABLE, 600V, 350AL TX, ST LT  
 260' - CONDUIT 2" HDPE RED ST LT  
 260' - T&B WHL TMP 24-30"W X 30-36"D  
 260' - 6IN MARKING TAPE, ELETRIC TRENCH  
 260' - TRACER WIRE #14 RED TRENCH

**Permit / Yes**  
**Traffic Control / Yes**  
**Asphalt Control / N/A**  
**Storm Water / N/A**

**Customer Contact:**  
 Wade Davidson - 303.996.5264  
 Wdavidson@goco.com

**Designer Contact:**  
 Andrea Perez 720-591-3649  
 Andrea.Perez@xcelenergy.com



Work Order Information	
Service Request #	: 12709780
Design Number	: 000001052952
Designer/Planner ID	: 245488
Designer/Planner Name	: Andrea Perez
Designer/Planner Ph #	: 720-591-3649
Manager Approval	: _____

Joint Utility	
E: N/A	G: N/A
T: N/A	C: N/A

Design Location	
Division	: DENVER METRO REGION
County	: Denver
City	: DENVER
Address	: 2700 Wewatta Way
T: 3S	R: 68W S: 27
Map #	: 2142156 03 Permit : Denver

Electric	
Feeder: ARGO1564	Voltage: 13200V
Phase: ABC	Bkup Dev ID: 875/588

Gas	
System	: N/A Pressure : N/A
Size	: N/A Material : N/A
Dead End	: N/A

Work Order # : 107039360

Date: 11/02/2021  
 Sketch: #1 Of #1 Sketch Data  
 Scale: 1" equals 50'

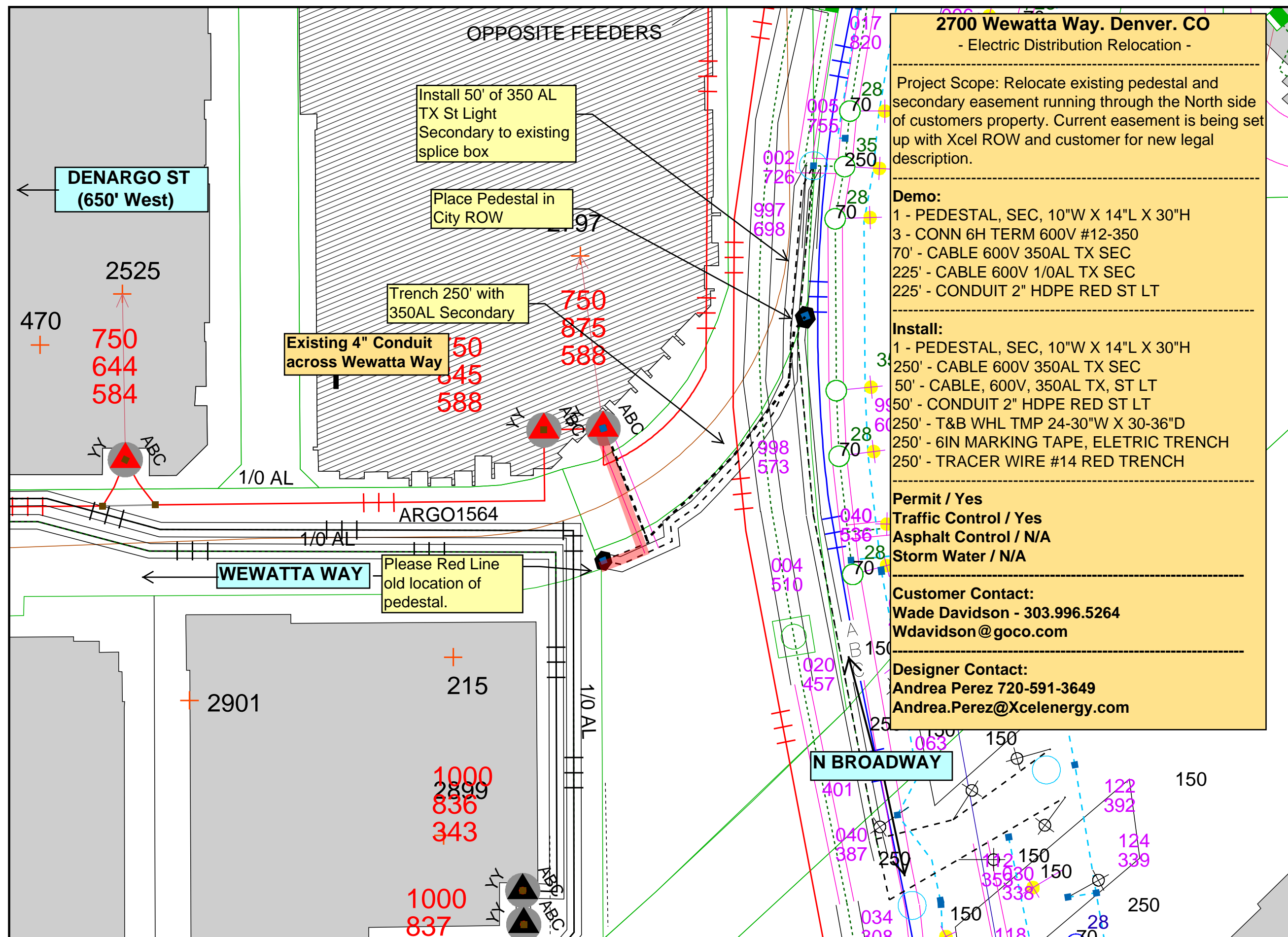


- CONSTRUCTION USE ONLY**
- NO CHANGES (BUILT AS DESIGNED)
  - CHANGES MADE AS INDICATED (ALL URD MUST HAVE ACTUAL MEASUREMENTS FROM THE FIELD SITE)

RFO \_\_\_\_\_  
 FOREMAN \_\_\_\_\_ DATE \_\_\_\_\_  
 TEAM LEADER \_\_\_\_\_

DISCLAIMER: THERE ARE NO REPRESENTATIONS OR WARRANTIES (EXPRESS OR IMPLIED) ABOUT THE ACCURACY OF THIS PRINT. THIS PRINT IS PROVIDED WITH NO CLAIM AS TO PRINT COMPLETENESS, TIMELINESS, ACCURACY OF CONTENT OR USEFULNESS. STATE LAW REQUIRES ANYONE DIGGING, GRADING OR EXCAVATING TO OBTAIN A PRIOR FIELD LOCATE OF ALL UTILITIES. THIS PRINT DOES NOT DISCHARGE THIS REQUIREMENT OR ANY OTHER REQUIREMENT. THE COMPANY AND ITS AFFILIATES ASSUME NO LEGAL RESPONSIBILITY OR LIABILITY FOR THE RECIPIENT'S USE (OR ANY OTHER PARTIES' USE) OF THE PRINT, INCLUDING THE RECIPIENT'S INTENDED PURPOSE IN USING THE PRINT. NO COMPANY EMPLOYEE OR OTHER PARTY HAS BEEN AUTHORIZED TO PROVIDE THIS PRINT FOR PLANNING OR ESTIMATING PURPOSES; RELY ON THIS PRINT AT YOUR OWN RISK. BY ACCEPTING THIS PRINT, THE RECIPIENT & ANY OTHER PARTY RECEIVING A COPY OF THE PRINT ACKNOWLEDGES AND AGREES TO THIS DISCLAIMER. For All Field Locates Call 811

THIS DOCUMENT IS XCEL ENERGY CONFIDENTIALS AND PROPRIETARY INFORMATION AND MAY NOT BE REPRODUCED IN WHOLE, OR IN PART, NOR MAY ANY OF THE INFORMATION CONTAINED HEREIN BE DISCLOSED WITHOUT THE CONSENT OF XCEL ENERGY. CONFIDENTIALS AND PROPRIETARY INFORMATION © 2019 XCEL ENERGY INC. | XCEL ENERGY IS REGISTERED TRADEMARK OF XCEL ENERGY INC.



Work Order Information	
Service Request #	: 12709780
Design Number	: 000001052952
Designer/Planner ID	: 227342
Designer/Planner Name	: Speer, Alex
Designer/Planner Ph #	: 720.670.7501
Manager Approval	: _____

Joint Utility	
E: N/A	G: N/A
T: N/A	C: N/A

Design Location	
Division	: DENVER METRO REGION
County	: Denver
City	: DENVER
Address	: 2700 Wewatta Way
T: 3S	R: 68W S: 27
Map #	: 2142156 03 Permit : Denver

Electric	
Feeder: ARGO1564	Voltage: 13200V
Phase: ABC	Bkup Dev ID: 875/588

Gas	
System	: N/A Pressure : N/A
Size	: N/A Material : N/A
Dead End	: N/A

Work Order # : 107039360

Date: 11/02/2021  
 Sketch: #1 Of #1 Sketch Data  
 Scale: 1" equals 50'



CONSTRUCTION USE ONLY	
<input type="checkbox"/>	NO CHANGES (BUILT AS DESIGNED)
<input type="checkbox"/>	CHANGES MADE AS INDICATED (ALL URD MUST HAVE ACTUAL MEASUREMENTS FROM THE FIELD SITE)

RFO \_\_\_\_\_  
 FOREMAN \_\_\_\_\_ DATE \_\_\_\_\_  
 TEAM LEADER \_\_\_\_\_

DISCLAIMER: THERE ARE NO REPRESENTATIONS OR WARRANTIES (EXPRESS OR IMPLIED) ABOUT THE ACCURACY OF THIS PRINT. THIS PRINT IS PROVIDED WITH NO CLAIM AS TO PRINT COMPLETENESS, TIMELINESS, ACCURACY OF CONTENT OR USEFULNESS. STATE LAW REQUIRES ANYONE DIGGING, GRADING OR EXCAVATING TO OBTAIN A PRIOR FIELD LOCATE OF ALL UTILITIES. THIS PRINT DOES NOT DISCHARGE THIS REQUIREMENT OR ANY OTHER REQUIREMENT. THE COMPANY AND ITS AFFILIATES ASSUME NO LEGAL RESPONSIBILITY OR LIABILITY FOR THE RECIPIENT'S USE (OR ANY OTHER PARTIES' USE) OF THE PRINT, INCLUDING THE RECIPIENT'S INTENDED PURPOSE IN USING THE PRINT. NO COMPANY EMPLOYEE OR OTHER PARTY HAS BEEN AUTHORIZED TO PROVIDE THIS PRINT FOR PLANNING OR ESTIMATING PURPOSES; RELY ON THIS PRINT AT YOUR OWN RISK. BY ACCEPTING THIS PRINT, THE RECIPIENT & ANY OTHER PARTY RECEIVING A COPY OF THE PRINT ACKNOWLEDGES AND AGREES TO THIS DISCLAIMER. For All Field Locates Call 811

THIS DOCUMENT IS XCEL ENERGY CONFIDENTIALS AND PROPRIETARY INFORMATION AND MAY NOT BE REPRODUCED IN WHOLE, OR IN PART, NOR MAY ANY OF THE INFORMATION CONTAINED HEREIN BE DISCLOSED WITHOUT THE CONSENT OF XCEL ENERGY. CONFIDENTIALS AND PROPRIETARY INFORMATION © 2019 XCEL ENERGY INC. | XCEL ENERGY IS REGISTERED TRADEMARK OF XCEL ENERGY INC.



**DENVER EROSION CONTROL STANDARD NOTES:**

- THE PERMITEE AND/OR CONTRACTOR SHALL REMOVE ALL SEDIMENT, MUD, CONSTRUCTION DEBRIS, OR OTHER POTENTIAL POLLUTANTS THAT MAY HAVE BEEN DISCHARGED TO OR ACCUMULATE IN THE FLOWLINES, STORM DRAINAGE APPURTENANCES, AND PUBLIC RIGHTS OF WAYS OF THE CITY AND COUNTY OF DENVER AS A RESULT OF CONSTRUCTION ACTIVITIES ASSOCIATED WITH THIS SITE DEVELOPMENT OR CONSTRUCTION PROJECT. SAID REMOVAL SHALL BE CONDUCTED IN A TIMELY MANNER.
- THE CONTRACTOR SHALL PREVENT SEDIMENT, DEBRIS AND ALL OTHER POLLUTANTS FROM ENTERING THE STORM SEWER SYSTEM DURING ALL DEMOLITION, EXCAVATION, TRENCHING, BORING, GRADING, OR OTHER CONSTRUCTION OPERATIONS THAT ARE PART OF THIS PROJECT. THE CONTRACTOR SHALL BE HELD RESPONSIBLE FOR REMEDIATION OF ANY ADVERSE IMPACTS TO THE MUNICIPAL SEPARATE STORM SEWER SYSTEM, RECEIVING WATERS, WATERWAYS, WETLANDS, AND/OR OTHER PUBLIC OR PRIVATE PROPERTIES, RESULTING FROM WORK DONE AS PART OF THIS PROJECT.
- SOIL STABILIZATION MEASURES SHALL BE IMPLEMENTED WITHIN FOURTEEN (14) DAYS FOLLOWING COMPLETION OF GRADING ACTIVITIES. STABILIZATION OF DISTURBED AREAS ADJACENT TO RECEIVING WATERS OR WITH SLOPES 3 TO 1 OR GREATER SHALL BE COMPLETED WITHIN SEVEN (7) DAYS FOLLOWING COMPLETION OF GRADING ACTIVITIES. NOTE: FEDERAL AND STATE REGULATIONS MAY SOON REQUIRE STABILIZATION WITHIN SEVEN (7) DAYS OF COMPLETION OF GRADING ACTIVITIES. IN SUCH CASES, THE SHORTER TIMEFRAME SHALL APPLY TO PROJECTS WITHIN DENVER AS WELL.
- THE DEVELOPER, GENERAL CONTRACTOR, GRADING CONTRACTOR AND/OR THEIR AUTHORIZED AGENTS SHALL INSURE THAT ALL LOADS OF CUT AND FILL MATERIAL, IMPORTED TO OR EXPORTED FROM THIS SITE SHALL BE PROPERLY COVERED TO PREVENT LOSS OF THE MATERIAL DURING TRANSPORT ON PUBLIC RIGHTS OF WAY. (SEC. 46-552, REVISED MUNICIPAL CODE)
- THE USE OF REBAR TO ANCHOR BEST MANAGEMENT PRACTICES IS PROHIBITED. STEEL FENCE POSTS MAY BE USED ON A CASE BY CASE BASIS AND REQUIRES APPROVAL FROM THE CITY AND COUNTY OF DENVER SWMP REVIEWER OR THE STORMWATER ENFORCEMENT INVESTIGATOR PRIOR TO INSTALLATION.
- SOILS THAT WILL BE STOCKPILED FOR MORE THAN THIRTY (30) DAYS SHALL BE PROTECTED FROM WIND AND WATER EROSION WITHIN FOURTEEN (14) DAYS OF STOCKPILE CONSTRUCTION. STABILIZATION OF STOCKPILES LOCATED WITHIN 100 FEET OF RECEIVING WATERS, OR WITH SLOPES 3 TO 1 OR GREATER SHALL BE COMPLETED WITHIN SEVEN (7) DAYS FOLLOWING STOCKPILE CONSTRUCTION. STABILIZATION AND PROTECTION OF THE STOCKPILE MAY BE ACCOMPLISHED BY ANY OF THE FOLLOWING: MULCHING, TEMPORARY/PERMANENT REVEGETATION OPERATIONS, CHEMICAL SOIL STABILIZER APPLICATION (REQUIRES DENVER PUBLIC WORKS APPROVAL), OR EROSION CONTROL MATTING/GEOTEXTILES. IF STOCKPILES ARE LOCATED WITHIN 100 FEET OF RECEIVING WATERS, A DRAINAGEWAY OR THE SITE PERIMETER, ADDITIONAL SEDIMENT CONTROL MEASURES SHALL BE REQUIRED.
- APPROVED EROSION AND SEDIMENT CONTROL BEST MANAGEMENT PRACTICES SHALL BE MAINTAINED AND KEPT IN GOOD REPAIR FOR THE DURATION OF THIS PROJECT. AT A MINIMUM, THE PERMITEE OR CONTRACTOR SHALL PRODUCE AND RETAIN WEEKLY WRITTEN INSPECTION RECORDS FOR ALL BMPs AND AFTER SIGNIFICANT PRECIPITATION EVENTS. ALL NECESSARY MAINTENANCE AND REPAIR SHALL BE COMPLETED IMMEDIATELY. ADDITIONALLY, STREET SWEEPING IS TO BE COMPLETED BY THE CLOSE OF THE BUSINESS DAY OR (AND) ON AN AS NEEDED BASIS THROUGHOUT THE DAY.
- WATER USED IN THE CLEANING OF CEMENT TRUCK DELIVERY CHUTES SHALL BE DISCHARGED INTO A PREDEFINED, CONCRETE WASHOUT AREA ON THE JOB SITE. BERMED CONTAINMENT OR COMMERCIALY AVAILABLE CONCRETE WASHOUT DEVICES THAT FULLY CONTAIN ALL WASH WATER ARE ACCEPTABLE. WASH WATER DISCHARGED INTO THE CONTAINMENT AREA OR DEVICE SHALL BE ALLOWED TO INFILTRATE, EVAPORATE, AND/OR BE DISPOSED OF IN ACCORDANCE WITH ALL APPLICABLE REGULATIONS. DRIED CEMENT WASTE IS TO BE REMOVED FROM THE CONTAINMENT AREA AND PROPERLY DISPOSED. SHOULD THE USE OF A PREDEFINED BERMED CONTAINMENT AREA OR APPROVED WASHOUT DEVICE BE TECHNICALLY INFEASIBLE DUE TO THE PROJECT SIZE OR LACK OF AN AREA WITH A SUITABLE GROUND SURFACE FOR ESTABLISHING CONTAINMENT, PROPER DISPOSAL OF CONCRETE WASHOUT AND WASH WATER AT THE JOB SITE SHALL CONFORM TO THE APPROVED TECHNIQUES AND PRACTICES IDENTIFIED IN THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT'S TRAINING VIDEO ENTITLED "BUILDING FOR A CLEANER ENVIRONMENT, READY MIX WASHOUT TRAINING" AND ITS ACCOMPANYING MANUAL ENTITLED, "READY MIX WASHOUT GUIDEBOOK, VEHICLE AND EQUIPMENT WASHOUT AT CONSTRUCTION SITES." THE DIRECT OR INDIRECT DISCHARGE OF WASH WATER CONTAINING WASTE CEMENT TO THE STORM SEWER SYSTEM IS PROHIBITED. (SEC. 56-102A, C, REVISED MUNICIPAL CODE, CITY AND COUNTY OF DENVER).
- THE CONTRACTOR SHALL PROTECT ALL STORM SEWER FACILITIES ADJACENT TO ANY LOCATION WHERE PAVEMENT CUTTING OPERATIONS INVOLVING WHEEL CUTTING, SAW CUTTING, OR ABRASIVE WATER JET CUTTING ARE TO TAKE PLACE. THE CONTRACTOR SHALL REMOVE AND PROPERLY DISPOSE OF ALL WASTE PRODUCTS GENERATED BY SAID CUTTING OPERATIONS ON A DAILY BASIS OR AS NEEDED THROUGHOUT THE WORK DAY. THE DISCHARGE OF ANY WATER CONTAMINATED BY WASTE PRODUCTS FROM CUTTING OPERATIONS TO THE STORM SEWER SYSTEM IS PROHIBITED. (SEC. 56-102A, C, REVISED MUNICIPAL CODE, CITY AND COUNTY OF DENVER).
- PAVED AND IMPERVIOUS SURFACES WHICH ARE ADJACENT TO CONSTRUCTION SITES MUST BE SWEEPED ON A DAILY BASIS AND AS NEEDED DURING THE DAY WHEN SEDIMENT AND OTHER MATERIALS ARE TRACKED OR DISCHARGED ONTO THEM. EITHER SWEEPING BY HAND OR USE OF STREET SWEEPERS IS ACCEPTABLE. STREET SWEEPERS USING WATER WHILE SWEEPING IS PREFERRED IN ORDER TO MINIMIZE DUST. FLUSHING OFF PAVED SURFACES WITH WATER IS PROHIBITED. (SEC. 56-102A, C, REVISED MUNICIPAL CODE, CITY AND COUNTY OF DENVER).

**EROSION CONTROL LEGEND:**

IP		INLET PROTECTION	TM	TM	TEMPORARY MULCHING
OP		OUTLET PROTECTION	TS	TS	TEMPORARY SEEDING
SF		SILT FENCE	SR	SR	SURFACE ROUGHING
VTC		VEHICLE TRACKING CONTROL	STE		STRAW BALE BARRIER
CS		CURB SOCK	SP		STOCK PILE
RS		ROCK SOCK	SSA		STABILIZED STAGING AREA
PS		PERMANENT SEEDING	LOC		LIMITS OF CONSTRUCTION
CF		CONSTRUCTION FENCE	CWA		CONCRETE WASHOUT
DD		DIVERSION DIKE	CD		CHECK DAM
SS		STREET SWEEPING			

**DEMO LEGEND:**

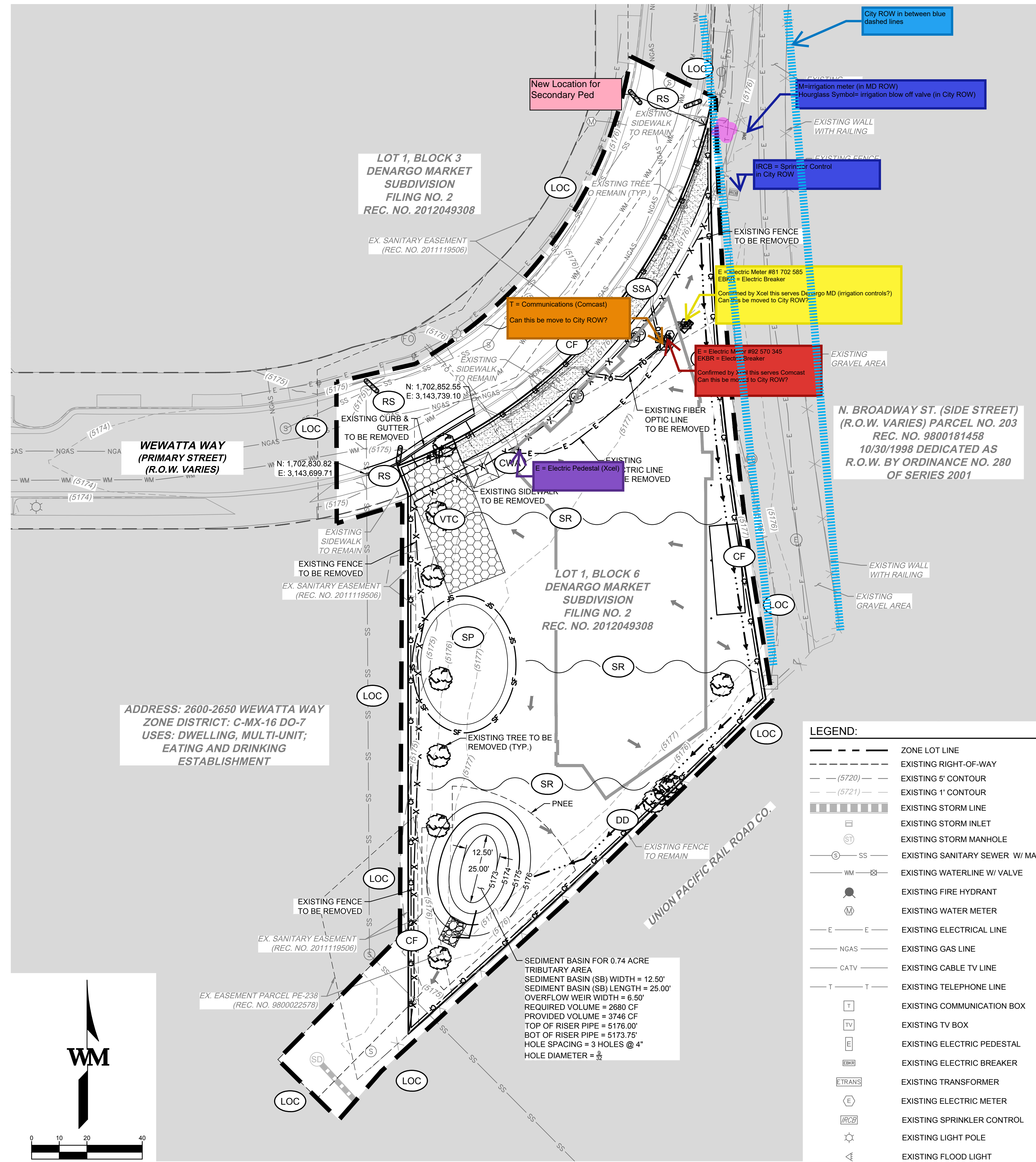
	REMOVE EXISTING FENCE		REMOVE EXISTING COMMUNICATION BOX
	REMOVE EXISTING ELECTRICAL LINE		REMOVE EXISTING TV BOX
	REMOVE EXISTING CABLE TV LINE		REMOVE EXISTING ELECTRIC PEDESTAL
	REMOVE EXISTING TELEPHONE LINE		REMOVE EXISTING ELECTRIC BREAKER
	REMOVE EXISTING COMMUNICATION BOX		REMOVE EXISTING TRANSFORMER
	REMOVE EXISTING TV BOX		REMOVE EXISTING ELECTRIC METER
	REMOVE EXISTING ELECTRIC PEDESTAL		REMOVE EXISTING SPRINKLER CONTROL
	REMOVE EXISTING ELECTRIC BREAKER		REMOVE EXISTING OUTDOOR PLUG
	REMOVE EXISTING TRANSFORMER		REMOVE EXISTING FLOOD LIGHT

**IT IS ANTICIPATED THAT CONSTRUCTION PARKING WILL BE LOCATED WITHIN THE PUBLIC RIGHT OF WAY**

City and County of Denver	
Public Works Development Engineering Services	
DES PROJECT NO.	2021PM0000290/ 2022-EC-0000091
PROJECT NAME:	2700 WEWATTA WAY
DESIGNED BY	B. MULLER
DRAWN BY	J. PENNA
CHECKED BY	J. MANN
DATE	06/25/2022
DATE ISSUED	06/25/2022
DRAWING NO.	C2.1

JOB NO.:	DCS21-4055
PA / PM:	T. SWAN
DESIGNED:	B. MULLER
DATE:	06/24/2022
PLOT DATE:	06/24/2022

SHEET	
<b>C2.1</b>	
Sheet	of

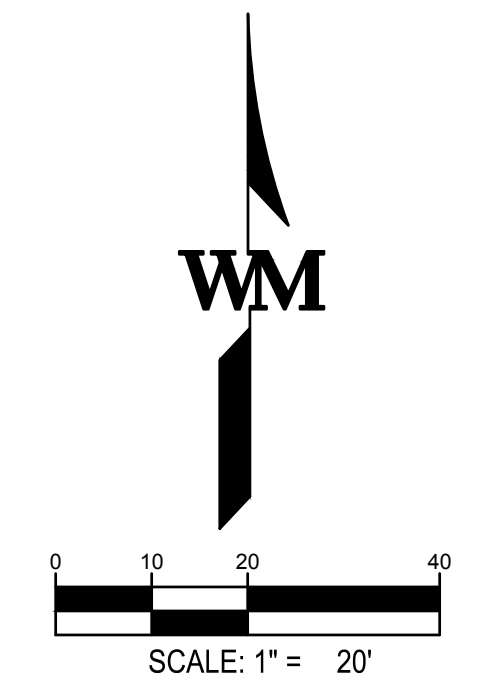


**LEGEND:**

	ZONE LOT LINE
	EXISTING RIGHT-OF-WAY
	EXISTING 5' CONTOUR
	EXISTING 1' CONTOUR
	EXISTING STORM LINE
	EXISTING STORM INLET
	EXISTING STORM MANHOLE
	EXISTING SANITARY SEWER W/ MANHOLE
	EXISTING WATERLINE W/ VALVE
	EXISTING FIRE HYDRANT
	EXISTING WATER METER
	EXISTING ELECTRICAL LINE
	EXISTING GAS LINE
	EXISTING CABLE TV LINE
	EXISTING TELEPHONE LINE
	EXISTING COMMUNICATION BOX
	EXISTING TV BOX
	EXISTING ELECTRIC PEDESTAL
	EXISTING ELECTRIC BREAKER
	EXISTING TRANSFORMER
	EXISTING ELECTRIC METER
	EXISTING SPRINKLER CONTROL
	EXISTING LIGHT POLE
	EXISTING FLOOD LIGHT
	EXISTING UTILITY POLE
	EXISTING IRRIGATION VALVE
	EXISTING UTILITY EASEMENT

SEDIMENT BASIN FOR 0.74 ACRE TRIBUTARY AREA  
 SEDIMENT BASIN (SB) WIDTH = 12.50'  
 SEDIMENT BASIN (SB) LENGTH = 25.00'  
 OVERFLOW WEIR WIDTH = 6.50'  
 REQUIRED VOLUME = 2680 CF  
 PROVIDED VOLUME = 3746 CF  
 TOP OF RISER PIPE = 5176.00'  
 BOT OF RISER PIPE = 5173.75'  
 HOLE SPACING = 3 HOLES @ 4"  
 HOLE DIAMETER = 3"

ADDRESS: 2600-2650 WEWATTA WAY  
 ZONE DISTRICT: C-MX-16 DO-7  
 USES: DWELLING, MULTI-UNIT;  
 EATING AND DRINKING  
 ESTABLISHMENT



WARE MALCOMB assumes no responsibility for utility locations. The utilities shown on this drawing have been plotted from the best available information. It is, however, the contractor's responsibility to field verify the location of all utilities prior to the commencement of any construction.

WARE MALCOMB  
 CIVIL ENGINEERING & SURVEYING  
 900 south broadway  
 suite 320  
 denver, co 80209  
 p 303.561.3333  
 waremalcomb.com  
 FOR AND ON BEHALF  
 OF WARE MALCOMB  
 2700 WEWATTA WAY  
 DENVER, CO 80216  
 EC - SITE PREPARATION PLAN  
 THESE DRAWINGS AND SPECIFICATIONS ARE THE PROPERTY AND COPYRIGHT OF WARE MALCOMB AND SHALL NOT BE USED ON ANY OTHER WORK EXCEPT BY AGREEMENT WITH WARE MALCOMB. WRITTEN DIMENSIONS SHALL TAKE PRECEDENCE OVER SCALED DIMENSIONS AND SHALL BE VERIFIED ON THE JOB SITE. ANY DISCREPANCY SHALL BE BROUGHT TO THE NOTICE OF WARE MALCOMB PRIOR TO THE COMMENCEMENT OF ANY WORK.  
 NOT FOR CONSTRUCTION





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

## MEMORANDUM

TO: Board of Directors

FROM: Christel Gemski  
Executive Vice-President

DATE: September 2, 2022

RE: Notice of 2023 Rate Increase

A rectangular box containing a handwritten signature in blue ink that reads "Christel Gemski".

In accordance with the Management Agreement (“Agreement”) between the District and Special District Management Services, Inc. (“SDMS”), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management and all services shall increase by the CPI (8.5%) per hour.

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



October 15, 2022

Dear Client:

Our Firm prides itself on providing the highest level of service in the most efficient manner. In the current economic environment, we are facing increased costs in all areas of the business. In order to continue to provide consistent high-level service we have found it necessary to implement a rate increase.

In accordance with the Firm's fee engagement letter, this letter is to advise you that effective January 1, 2023, the hourly rates of selected attorneys and staff will be adjusted. Hourly rates will be as follows: Shareholders \$425 - \$550; Of Counsel \$380 - \$425; Associates \$275 - \$375; Paralegals and Directors \$225 - \$240; Law Clerks \$150; File Clerks \$30.

Commencing on January 1, 2023, we will begin charging most costs incurred on your behalf as an administrative fee equal to 1% of the legal fees charged in a given month. This fee includes such costs as long-distance telephone calls, research requiring a subscription database, in-office photocopies and faxes, ordinary postage, and messenger and delivery services, and includes a small overhead component. This fee may be adjusted with notice.

This fee is based on our historic experience, as well as client feedback, that invoices that itemize every photocopy, fax, and delivery charge are confusing. Any advances made on behalf of the client as well as major costs, such as major travel expenses, application/submittal/recording fees, election expenses, court costs, publication costs, express delivery, and conference calls and videoconferencing where a third-party provider is used, will be separately invoiced at our actual cost. If you have any questions or concerns about this change, please let us know.

We appreciate your continued trust and confidence in our Firm and look forward to representing your interests in 2023 and beyond.

Very truly yours,

McGEADY BECHER P.C.

A handwritten signature in blue ink that reads "Cheryl L. Matlosz".

Cheryl L. Matlosz  
Firm Administrator