

CITYSET METROPOLITAN DISTRICT NO. 2

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

NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Navin Dimond	President	2022/May 2022
Jason Gaede	Assistant Secretary	2022/May 2022
William G. Martinic	Assistant Secretary	2023/May 2023
<i>VACANT</i>		2023/May 2022
<i>VACANT</i>		2023/May 2023
David Solin	Secretary	

DATE: September 22, 2020 (Tuesday)

TIME: 2:00 P.M.

PLACE: **Stonebridge Companies**
4949 South Niagara Street, Suite 300
Denver, CO 80207

DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS DISTRICT'S BOARD MEETING WILL BE ACCESSIBLE BY CONFERENCE CALL. THERE WILL BE ONE PERSON PRESENT AT THE PHYSICAL LOCATION POSTED ON THIS NOTICE AND ALL OTHER ATTENDEES WILL BE VIA TELEPHONE.

IF YOU WOULD LIKE TO ATTEND THIS MEETING, PLEASE CALL IN TO THE CONFERENCE BRIDGE AT 1-877-250-3814 AND WHEN PROMPTED, DIAL IN THE PASSCODE OF 5592663.

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of potential conflicts of interest and confirm quorum.

B. Approve Agenda, confirm location of meeting and posting of meeting notices.

C. Acknowledge the resignation of Christopher Manley, effective August 7, 2020 from the Board of Directors of the District.

- D. Discuss vacancies on the Board and consider the appointments of eligible electors, Ashley Dimond and Aly-Khan Merali, to the Board of Directors of the District (Notice of Vacancies published on May 28, 2020). Administer Oaths of Office.
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- E. Consider Appointment of Officers:

President _____
 Treasurer _____
 Secretary _____
 Asst. Secretary _____
 Asst. Secretary _____
 Asst. Secretary _____

- F. Review and approve the Minutes of the June 17, 2020 Special Meeting (enclosure).
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II. FINANCIAL MATTERS

- A. Review and ratify the approval of the payment of claims as follows (enclosures):

Fund	Period Ending June 15, 2020	Period Ending July 9, 2020	Period Ending Aug. 10, 2020	Period Ending Sept.9, 2020
General	\$ 23,754.34	\$ 10,653.17	\$ 12,664.05	\$ 16,007.91
Debt Service	\$ -0-	\$ -0-	\$ 202,319.39	\$ 262,817.48
Capital Projects	\$ 725.00	\$ 72.50	\$ -0-	\$ -0-
Total Claims	\$ 24,479.34	\$ 10,725.67	\$ 214,983.44	\$ 278,825.39

- B. Review and accept unaudited financial statements through the period ending June 30, 2020 and the schedule of cash position statement date June 30, 2020 (enclosure).
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- C. Consider the engagement of Greenberg Traurig LLP as District Bond Counsel (enclosure).
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- D. Ratify approval of the engagement of D.A. Davidson & Co. for Investment Banking Services. (enclosure).

- E. Consider the engagement of External Financial Advisor (enclosure).

- F. Conduct Public Hearing to consider amendment of the 2020 Budget and consider adoption of Resolution to Amend the 2020 Budget (enclosure).

III. LEGAL MATTERS

- A. Discuss and consider adoption of a Resolution of the District authorizing the incurrence of general obligation indebtedness in the form of Limited Tax General Obligation and Special Revenue Refunding and Improvements Bonds, Series 2020, in an approximate principal amount not to exceed \$17,000,000, approving an indenture of trust and other related documents; authorizing the execution and delivery thereof and performance thereunder; approving, ratifying and confirming other actions; making determinations and findings as to other matters related to such financing; authorizing incidental action; and repealing prior inconsistent actions (to be distributed).

- B. Discuss and consider adoption of a Resolution Regarding Continuing Disclosure Policies and Procedures (enclosure).

- C. Authorize and approve requisition(s) of funds under the 2020 Bonds for reimbursement to Developers* under that certain Facilities Funding and Acquisition Agreement and authorize necessary actions in conjunction therewith.

- D. Consider engagement of Schedio Group LLC for Cost Verification Services (to be distributed).

*As used herein, the term "Developers" means any and/or all of the following entities: Cherry Creek Lodging, LLC; Stonebridge Realty Advisors, Inc.; Sonley Lodging, LLC; Sonley Retail, LLC; Dimond Holdings LLC; and Group Four Holdings, LLC

V. OTHER MATTERS

- A. Consider proposal for snow removal services from Powder Country (enclosure).
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VI. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 18, 2020.**

August 7, 2020


Board of Directors
CitySet Metropolitan District No. 2
Special District Management Services, Inc.
141 Union Blvd. #150
Lakewood, CO 80228

Re: Director Resignation

Dear Board:

By this letter I hereby tender my resignation from the Board of Directors of the CitySet Metropolitan District No. 2, effective immediately.

Sincerely,



Christopher Manley

cc: McGeady Becher P.C.

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CITYSET METROPOLITAN DISTRICT NO. 2 HELD JUNE 17, 2020

A Special Meeting of the Board of Directors (hereinafter referred to as the “Board”) of CitySet Metropolitan District No. 2 (hereinafter referred to as the “District”) was held on Wednesday, June 17, 2020, at 10:30 a.m., the meeting was held via teleconference due to the State of Emergency declared by Governor Polis and Public Health Order 20-23 Implementing Social Distancing Measures, and threat posed by the Coronavirus (covid-19). The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Navin Dimond

Jason Gaede

Christopher “Chris” Manley (for a portion of the meeting)

Following discussion, upon motion duly made, seconded and, upon vote, unanimously carried, the absence of William O’Shields was excused.

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

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

Kimberly Johannis; Simmons & Wheeler, P.C.

Howard Pollack, Dave Womack and John Davis; Stonebridge Companies (SBCO)

William “Bill” Martinic; Board Candidate

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. Mr. Solin noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this

RECORD OF PROCEEDINGS

meeting in accordance with the statute. Attorney Williams noted that all Directors' Disclosure Statements had been filed.

ADMINISTRATIVE MATTERS

Agenda: The Board reviewed the proposed Agenda for the District's Special Meeting.

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

Approval of Meeting Location: 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.

Following discussion, upon motion duly made by Director Dimond, seconded by Director Gaede and, upon vote unanimously carried, the Board determined that due to concerns regarding the spread of covid-19 and the spread of the virus by limiting in-person contact, the District Board meeting was held and property noticed to be held vis teleconference, without any individual (neither District representatives nor the general public) attending in person. The Board further noted that notice providing the conference bridge information was duly posted and that they have not received any objections or any requests that the means of hosting the meeting be changed by tax paying electors within the District's boundaries.

May 5, 2020 Election: Mr. Solin discussed with the Board the results of the May 5, 2020 regular Election for Directors ("Election"). It was noted that the Election was cancelled, as allowed under Colorado law, by the Designated Election Official because there were no more candidates than positions available on the Board of Directors. Directors O'Shields and Szapor were deemed elected to 3-year terms ending in May, 2023 and Director Manley was deemed elected to a 2-year term ending in May 2022.

Resignation of Director: Following discussion, upon motion duly made by Director Dimond, seconded by Director Gaede and, upon vote, unanimously carried, the Board acknowledged the resignation of Director Michael Szapor from the Board, effective as of May 22, 2020 and the resignation of Director William ("Trey") O'Shields III from the Board effective as of June 15, 2020.

Consideration of Board Appointment: The Board discussed the vacancy on the Board. It was noted that pursuant to Section 32-1-808(2)(a)(I), C.R.S., publication of a Notice of Vacancy on the Board was made on May 28, 2020 in The Villager. No Letters of Interest from qualified eligible electors were received

RECORD OF PROCEEDINGS

within ten (10) days of the date of such publication. As such, eligible elector. William G. Matrinic, was elected to the Board.

Following discussion and upon motion duly made by Director Dimond, seconded by Director and, upon vote unanimously carried, the Board appointed William G. Martinic to fill the to fill the vacancy on the Board of Directors. The Oath of Director was administered.

Appointment of Officers: Following discussion, upon motion duly made by Director Dimond, seconded by Director Manley and, upon vote, unanimously carried, the following slate of officers was appointed:

President	Navin Dimond
Treasurer	Jason Gaede
Secretary	David Solin
Assistant Secretary	Chris Manley
Assistant Secretary	William G. Martinic

Minutes: The Board reviewed Minutes of the December 18, 2019 Special Meeting.

Following discussion, upon motion duly made by Director Dimond, seconded by Director Gaede and, upon vote, unanimously carried, the Minutes of December 18, 2019 Special Meeting were approved, as presented.

FINANCIAL MATTERS

Claims: The Board reviewed and considered ratifying approval of payment of claims for the periods ending as follows:

Fund	Period Ending Dec. 17, 2019	Period Ending Dec. 26, 2019	Period Ending Jan. 16, 2020	Period Ending Feb. 13, 2020
General	\$ 42,372.99	\$ 1,852.04	\$ 7,761.09	\$ 7,050.64
Debt Service	\$ 79,791.88	\$ -0-	\$ -0-	\$ 124,227.14
Capital	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 122,164.87	\$ 1,852.04	\$ 7,761.09	\$ 131,227.78

Fund	Period Ending March 13, 2020	Period Ending April 15, 2020	Period Ending May 7, 2020
General	\$ 44,141.69	\$ 9,979.76	\$ 5,022.17
Debt Service	\$ -0-	\$ -0-	\$ 198,276.13
Capital	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 44,141.69	\$ 9,979.76	\$ 203,298.30

*As used herein, the term "Developer" means any and/or all of the following entities: Cherry Creek Lodging, LLC; Stonebridge Realty Advisors, Inc.; Sonley Lodging, LLC; Sonley Retail, LLC; Dimond Holdings LLC; and Group Four Holdings, LLC

RECORD OF PROCEEDINGS

Following review, upon motion duly made by Director Dimond, seconded by Director Gaede and, upon vote, unanimously carried, the Board ratified the payment of claims, as presented.

Unaudited Financial Statements: Ms. Johanns reviewed the unaudited financial statements through the period ending March 31, 2020 and the schedule of cash position statement updated as of period ending April 30, 2020.

Following review and discussion, upon motion duly made by Director Dimond, seconded by Director Gaede and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending March 31, 2020 and the schedule of cash position statement updated as of period ending April 30, 2020, as presented.

2015 Loan refunding: The Board discussed the status of the 2015 Loan Refunding. Director Gaede, Mr. Womack and Mr. Pollack advised the Board that they are seeking an extension of the term of the existing loan, and will begin working with banks.

2019 Audit: Ms. Johanns reviewed the 2019 Audit with the Board.

Following review and discussion, upon motion duly made by Director Dimond, seconded by Director Gaede and, upon vote, unanimously carried, the Board accepted the 2019 Audit and authorized the execution of the Representations Letter.

2021 Budget: The Board entered into discussion regarding appointing the District Accountant to prepare the 2021 Budget and setting the date for a Public Hearing to adopt the 2021 Budget.

Following discussion, upon motion duly made by Director Dimond, seconded by Director Gaede, and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2021 Budget and set the date for a Public Hearing to adopt the 2021 Budget for November 18, 2020 at 9:30 a.m. at the regular meeting location.

LEGAL MATTERS

Landscape Maintenance Service Agreement with Powder Country: The Board discussed the Landscape Maintenance Service Agreement with Powder Country.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Dimond, seconded by Director Gaede and, upon vote, unanimously carried, the Board ratified approval of the Landscape Maintenance Service Agreement with Powder Country.

McGeady Becher P.C. Document Retention Policy: Attorney Williams presented to the Board an update to the McGeady Becher P.C. Document Retention Policy.

Following discussion, upon motion duly made by Director Dimond, seconded by Director Gaede and, upon vote, unanimously carried, the Board approved the updated McGeady Becher P.C. Document Retention Policy. Accordingly, a copy of the updated McGeady Becher P.C. Document Retention Policy is attached hereto and incorporated herein by reference.

PROJECTS

Parking Lot and Repaving Project: The Board discussed the Parking Lot and Repaving Project.

Following discussion, upon motion duly made by Director Dimond, seconded by Director Martinic and, upon vote, unanimously carried, the Board determined that the Developer will proceed with the project and certify costs. The Board appointed Director Martinic to oversee the project.

Landscape Matters:

Additional Planting and Refreshing: The Board directed Mr. Solin and SBCO staff to continue working with vendors to obtain proposals for new plants, mulch and rocks for a refresh of the Landscaping.

Grounds Maintenance: The Board directed Mr. Solin to prepare a service agreement with *HGI??* For grounds maintenance.

Fountain Repair Project: The Board directed Mr. Solin to obtain proposals for mesh coverings and proceed when there is no water in the fountain.

Improvements to Ventilation in Camera Room: The Board directed Mr. Solin and SBCO staff to continue working with vendors to obtain proposals.

Security Camera System: The Board directed Mr. Solin to proceed with obtaining a new UPS back-up for the security camera system.

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RECORD OF PROCEEDINGS

OTHER MATTERS

There were no other matters.

ADJOURNMENT

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

Respectfully submitted,

By _____
Secretary for the Meeting

Document Retention Policy

Types of Documents

In representing you we will or may take possession of, create, and/or keep various types of documents. These consist of documents you provide to us, documents which constitute the District's official public record, and internal documents we create to assist us in providing services to you.

Documents You Provide to Us

It is our policy to copy and return original documents you provide to us as soon as practicable. Exceptions to this policy are original documents which should be kept as part of the District's official public record, instances where we must have an original document to represent you, or cases where we have affirmatively agreed retain a document for safekeeping.

The District's Record

As a part our engagement, we will maintain the District's official public Record (the "Record"). The Record is a highly useful and detailed compilation of documents reflecting the official actions of the District and serves multiple functions. First, it collects those documents which the public is entitled to inspect and copy under various state and federal public records and freedom of information statutes. Second, it organizes the records of the District – such as its contracts, land and title records, and easements - in a manner which is useful in conducting the ongoing business of the District. Third, the Record helps expedite the District's annual audit process. Fourth, in the event you should change legal counsel or employ in-house counsel, the Record will enable that counsel to understand the status and assume representation of the District with maximum efficiency.

The Record includes the District's organizational documents, fully-executed agreements which are still in effect, rules, regulations, resolutions adopted by the District, official minutes books, meeting notices, agendas, insurance policies, District maps, election records, bond documents, audit documents, and many more. A comprehensive list of documents comprising the Record is available from us at any time upon request.

Creating and maintaining the Record is an important and complex task, and you agree to pay our actual costs and hourly fees associated with doing this.

Supplemental Documents

All other documents created in course of representing you are referred to as Supplemental Documents. These include our notes, drafts, memoranda, worksheets, electronic communications, and other electronic documents stored in various media or file servers.

Documents We Retain

Except as provided in this Document Retention Policy or an amendment thereto, we will keep the Record and any original documents accepted by us for safekeeping so long as we represent you.

Delivery of the Record

Once a matter is concluded or our has representation terminated, we deliver the original, printed Record, together with any original documents we have accepted for safekeeping, to you or the District's designee, provided our fees and costs have been paid in full. If you do not designate someone to receive these records, we will deliver them to a then-current officer or director of the District. If we are unable to deliver these documents because of your failure to designate a recipient, we may retain, destroy, or otherwise dispose of them in manner which assures their continued confidentiality within thirty (30) days following the conclusion of a matter or the termination of our representation.

We will also confidentially destroy the Record of any District in our possession if a final order of dissolution of the District is entered.

All other documents, including all Supplemental Documents, are routinely, periodically, confidentially, and permanently purged by us once they are no longer useful to us in providing services to you.

Cityset Metro District No.2
June-20

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 23,754.34		\$ 725.00	\$ 24,479.34
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$23,754.34	\$0.00	\$725.00	\$24,479.34

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1295	<i>Void per Accountant - Reissued check 1312</i>					
05/12/2020	Simmons & Wheeler, P.C.	26015	Management and Accoun	1-612	465.54-	465.54-
Total 1295:						465.54-
1305						
06/15/2020	Centric Elevator Corporation	272186	Repair and maintenance	1-805	328.01	328.01
Total 1305:						328.01
1306						
06/15/2020	Collins Engineers Inc.	47875	Engineering	3-784	725.00	725.00
Total 1306:						725.00
1307						
06/15/2020	Freeman Signs, Inc.	8269	Repair and maintenance	1-805	837.50	837.50
Total 1307:						837.50
1308						
06/15/2020	Haynie and Company	D53239	Audit	1-615	5,600.00	5,600.00
Total 1308:						5,600.00
1309						
06/15/2020	McGeedy Becher P.C.	1096W 04/20	Legal	1-675	1,933.00	1,933.00
Total 1309:						1,933.00
1310						
06/15/2020	Powder Country LLC	1559	Repair and maintenance	1-805	8,586.00	8,586.00
06/15/2020	Powder Country LLC	1570	Repair and maintenance	1-805	1,356.00	1,356.00
06/15/2020	Powder Country LLC	1571	Repair and maintenance	1-805	764.00	764.00
06/15/2020	Powder Country LLC	2887	Repair and maintenance	1-805	1,162.50	1,162.50
Total 1310:						11,868.50
1311						
06/15/2020	Ramey Environmental, Inc	20554	Repair and maintenance	1-805	524.00	524.00
Total 1311:						524.00
1312						
06/15/2020	Simmons & Wheeler, P.C.	26015	Management and Accoun	1-612	465.54	465.54
06/15/2020	Simmons & Wheeler, P.C.	26193	Management and Accoun	1-612	657.50	657.50
Total 1312:						1,123.04
1313						
06/15/2020	Special Dist Management Svcs	05/2020	Election	1-635	154.00	154.00
06/15/2020	Special Dist Management Svcs	05/2020	Management and Accoun	1-612	1,771.00	1,771.00
06/15/2020	Special Dist Management Svcs	05/2020	Miscellaneous	1-685	38.75	38.75
Total 1313:						1,963.75
1314						
06/15/2020	The Villager Legals	9714	Miscellaneous	1-685	42.08	42.08

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
Total 1314:						42.08
20200601	<i>Void - Paid through Zion - Do Not Include per Accountant</i>					
06/15/2020	BOK Financial	700000318 06/20	Loan Principal	2-605	160,000.00	160,000.00
06/15/2020	BOK Financial	700000318 06/20	Loan Principal	2-605	160,000.00	160,000.00
06/15/2020	BOK Financial	700000318 06/20	Loan Interest	2-606	87,374.83	87,374.83
06/15/2020	BOK Financial	700000318 06/20	Loan Interest	2-606	87,374.83-	87,374.83-
Total 20200601:						.00
Grand Totals:						24,479.34

Cityset Metro District No.2
July-20

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 10,653.17		\$ 72.50	\$ 10,725.67
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$10,653.17	\$0.00	\$72.50	\$10,725.67

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1315						
07/09/2020	Centric Elevator Corporation	272776	Repair and maintenance	1-805	328.01	328.01
Total 1315:						328.01
1316						
07/09/2020	Collins Engineers Inc.	48149	Engineering	3-784	72.50	72.50
Total 1316:						72.50
1317						
07/09/2020	McGeady Becher P.C.	1096W 05/20	Legal	1-675	1,270.00	1,270.00
Total 1317:						1,270.00
1318						
07/09/2020	Powder Country LLC	1605	Repair and maintenance	1-805	1,162.50	1,162.50
07/09/2020	Powder Country LLC	1626	Repair and maintenance	1-805	1,500.00	1,500.00
07/09/2020	Powder Country LLC	1638	Repair and maintenance	1-805	2,678.00	2,678.00
Total 1318:						5,340.50
1319						
07/09/2020	Ramey Environmental, Inc	20727	Repair and maintenance	1-805	524.00	524.00
07/09/2020	Ramey Environmental, Inc	20803	Repair and maintenance	1-805	187.50	187.50
Total 1319:						711.50
1320						
07/09/2020	Simmons & Wheeler, P.C.	26375	Management and Accoun	1-612	937.50	937.50
Total 1320:						937.50
1321						
07/09/2020	Special Dist Management Srvs	06/2020	Audit	1-615	70.00	70.00
07/09/2020	Special Dist Management Srvs	06/2020	Election	1-635	112.00	112.00
07/09/2020	Special Dist Management Srvs	06/2020	Management and Accoun	1-612	1,743.00	1,743.00
07/09/2020	Special Dist Management Srvs	06/2020	Miscellaneous	1-685	53.74	53.74
Total 1321:						1,978.74
1322						
07/09/2020	The Villager Legals	9394	Miscellaneous	1-685	41.62	41.62
07/09/2020	The Villager Legals	9428	Miscellaneous	1-685	45.30	45.30
Total 1322:						86.92
Grand Totals:						10,725.67

Cityset Metro District No.2
August-20

	General	Debt	Capital	Totals
Disbursements	\$ 12,664.05	\$ 202,319.39		\$ 214,983.44
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$12,664.05	\$202,319.39	\$0.00	\$214,983.44

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1323						
08/10/2020	Centric Elevator Corporation	273422	Repair and maintenance	1-805	328.01	328.01
Total 1323:						328.01
1324						
08/10/2020	Horizon Glass	55320	Repair and maintenance	1-805	1,189.00	1,189.00
Total 1324:						1,189.00
1325						
08/10/2020	McGeady Becher P.C.	1096W 06/2020	Legal	1-675	3,806.50	3,806.50
Total 1325:						3,806.50
1326						
08/10/2020	Powder Country LLC	1697	Repair and maintenance	1-805	1,650.00	1,650.00
Total 1326:						1,650.00
1327						
08/10/2020	Ramey Environmental, Inc	20892	Repair and maintenance	1-805	524.00	524.00
08/10/2020	Ramey Environmental, Inc	20985	Repair and maintenance	1-805	829.00	829.00
Total 1327:						1,353.00
1328						
08/10/2020	Simmons & Wheeler, P.C.	26741	Management and Accoun	1-612	2,304.00	2,304.00
Total 1328:						2,304.00
1329						
08/10/2020	Special Dist Management Srvs	07/2020	Audit	1-615	112.00	112.00
08/10/2020	Special Dist Management Srvs	07/2020	Miscellaneous	1-685	108.54	108.54
08/10/2020	Special Dist Management Srvs	07/2020	Management and Accoun	1-612	1,813.00	1,813.00
Total 1329:						2,033.54
1330						
08/10/2020	Zions First National Bank	08/2020	Zion's Bank-Pledged Rev	2-117	202,319.39	202,319.39
Total 1330:						202,319.39
Grand Totals:						214,983.44

Cityset Metro District No.2
September-20

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 16,007.91	\$ 262,817.48		\$ 278,825.39
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$16,007.91	\$262,817.48	\$0.00	\$278,825.39

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1331						
09/09/2020	Centric Elevator Corporation	273996	Repair and maintenance	1-805	328.01	328.01
Total 1331:						328.01
1332						
09/09/2020	Grainger	9614634534	Repair and maintenance	1-805	4,183.00	4,183.00
09/09/2020	Grainger	9637210759	Repair and maintenance	1-805	402.88	402.88
Total 1332:						4,585.88
1333						
09/09/2020	McGeady Becher P.C.	1096W 07/2020	Legal	1-675	875.00	875.00
Total 1333:						875.00
1334						
09/09/2020	National Pavement Partners	1263 FINAL	Repair and maintenance	1-805	1,614.13	1,614.13
Total 1334:						1,614.13
1335						
09/09/2020	Powder Country LLC	1721	Repair and maintenance	1-805	1,162.50	1,162.50
09/09/2020	Powder Country LLC	1765	Repair and maintenance	1-805	1,162.50	1,162.50
09/09/2020	Powder Country LLC	1801	Repair and maintenance	1-805	1,995.00	1,995.00
Total 1335:						4,320.00
1336						
09/09/2020	Ramey Environmental, Inc	21069	Repair and maintenance	1-805	524.00	524.00
09/09/2020	Ramey Environmental, Inc	21144	Repair and maintenance	1-805	637.21	637.21
09/09/2020	Ramey Environmental, Inc	21150	Repair and maintenance	1-805	460.25	460.25
Total 1336:						1,621.46
1337						
09/09/2020	Simmons & Wheeler, P.C.	26938	Management and Accoun	1-612	677.73	677.73
Total 1337:						677.73
1338						
09/09/2020	Special Dist Management Srvs	08/2020	Insurance/SDA Dues	1-670	63.50	63.50
09/09/2020	Special Dist Management Srvs	08/2020	Management and Accoun	1-612	1,861.50	1,861.50
09/09/2020	Special Dist Management Srvs	08/2020	Miscellaneous	1-685	60.70	60.70
Total 1338:						1,985.70
1339						
09/09/2020	Zions First National Bank	JULY & AUGUST 2	Zion's Bank-Pledged Rev	2-117	262,817.48	262,817.48
Total 1339:						262,817.48
Grand Totals:						278,825.39

Check No and Date	Payee	Invoice No	GL Account Title	GL Acct	Amount	Total
1331						
09/09/2020	Centric Elevator Corporation	273996	Repair and maintenance	1-805	328.01	328.01
Total 1331:						328.01
1332						
09/09/2020	Grainger	9614634534	Repair and maintenance	1-805	4,183.00	4,183.00
09/09/2020	Grainger	9637210759	Repair and maintenance	1-805	402.88	402.88
Total 1332:						4,585.88
1333						
09/09/2020	McGeady Becher P.C.	1096W 07/2020	Legal	1-675	875.00	875.00
Total 1333:						875.00
1334						
09/09/2020	National Pavement Partners	1263 FINAL	Repair and maintenance	1-805	1,614.13	1,614.13
Total 1334:						1,614.13
1335						
09/09/2020	Powder Country LLC	1721	Repair and maintenance	1-805	1,162.50	1,162.50
09/09/2020	Powder Country LLC	1765	Repair and maintenance	1-805	1,162.50	1,162.50
09/09/2020	Powder Country LLC	1801	Repair and maintenance	1-805	1,995.00	1,995.00
Total 1335:						4,320.00
1336						
09/09/2020	Ramey Environmental, Inc	21069	Repair and maintenance	1-805	524.00	524.00
09/09/2020	Ramey Environmental, Inc	21144	Repair and maintenance	1-805	637.21	637.21
09/09/2020	Ramey Environmental, Inc	21150	Repair and maintenance	1-805	460.25	460.25
Total 1336:						1,621.46
1337						
09/09/2020	Simmons & Wheeler, P.C.	26938	Management and Accoun	1-612	677.73	677.73
Total 1337:						677.73
1338						
09/09/2020	Special Dist Management Svcs	08/2020	Insurance/SDA Dues	1-670	63.50	63.50
09/09/2020	Special Dist Management Svcs	08/2020	Management and Accoun	1-612	1,861.50	1,861.50
09/09/2020	Special Dist Management Svcs	08/2020	Miscellaneous	1-685	60.70	60.70
Total 1338:						1,985.70
1339						
09/09/2020	Zions First National Bank	JULY & AUGUST 2	Zion's Bank-Pledged Rev	2-117	262,817.48	262,817.48
Total 1339:						262,817.48
Grand Totals:						278,825.39

CitySet Metropolitan District No. 2
Financial Statements
June 30, 2020

ACCOUNTANT'S COMPILATION REPORT

Board of Directors
CitySet Metropolitan District No. 2

Management is responsible for the accompanying financial statements of each major fund of CitySet Metropolitan District No. 2, as of and for the period June 30, 2020, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the six months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to CitySet Metropolitan District No. 2 because we performed certain accounting services that impaired our independence.

Simmons & Wheeler, P.C.

August 6, 2020
Englewood, Colorado

CitySet Metropolitan District No. 2
 Combined Balance Sheet
 June 30, 2020

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
Assets					
Current assets					
Cash in Bank - BOK	\$ -	\$ -	\$ 218,008	\$ -	\$ 218,008
Zion's Bank - Loan Payment	-	-	247,375	-	247,375
Zion's Bank - Pledged Revenue	-	-	34,813	-	34,813
Zion's Bank - Reserve Fund	-	-	1,000,962	-	1,000,962
Sales and Lodging Receivable	-	-	31,216	-	31,216
Increment receivable	-	-	187,676	-	187,676
PIF Receivable	67,780	-	-	-	67,780
Developer advances receivable	-	798	-	-	798
Due to/from other funds	(51,345)	(725)	52,070	-	-
	<u>16,435</u>	<u>73</u>	<u>1,772,120</u>	<u>-</u>	<u>1,788,628</u>
Other assets					
Land Easements	-	-	-	3,707,541	3,707,541
Phase I & II - Parking Garage	-	-	-	11,786,861	11,786,861
Lift Station	-	-	-	208,100	208,100
Accumulated Depreciation	-	-	-	(2,180,662)	(2,180,662)
Amount available in debt service fund	-	-	-	1,772,120	1,772,120
Amount to be provided for retirement of debt	-	-	-	15,875,544	15,875,544
	<u>-</u>	<u>-</u>	<u>-</u>	<u>31,169,504</u>	<u>31,169,504</u>
	<u>\$ 16,435</u>	<u>\$ 73</u>	<u>\$ 1,772,120</u>	<u>\$ 31,169,504</u>	<u>\$ 32,958,132</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 16,435	\$ 73	\$ -	\$ -	\$ 16,508
	<u>16,435</u>	<u>73</u>	<u>-</u>	<u>-</u>	<u>16,508</u>
2015 Loan	-	-	-	12,345,000	12,345,000
Dev Advance - Cap Interest	-	-	-	5,302,664	5,302,664
Total liabilities	<u>16,435</u>	<u>73</u>	<u>-</u>	<u>17,647,664</u>	<u>17,664,172</u>
Fund Equity					
Investment in improvements	-	-	-	13,521,840	13,521,840
Fund balance (deficit)	-	-	1,772,120	-	1,772,120
	<u>-</u>	<u>-</u>	<u>1,772,120</u>	<u>13,521,840</u>	<u>15,293,960</u>
	<u>\$ 16,435</u>	<u>\$ 73</u>	<u>\$ 1,772,120</u>	<u>\$ 31,169,504</u>	<u>\$ 32,958,132</u>

CitySet Metropolitan District No. 2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For Six Months Ended June 30, 2020
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
PIF Collections	\$ 830,000	\$ 221,157	\$ (608,843)
Other income	<u>1,000</u>	<u>-</u>	<u>(1,000)</u>
	<u>831,000</u>	<u>221,157</u>	<u>(609,843)</u>
Expenditures			
Management & Accounting	30,000	15,351	14,649
Audit	6,000	5,838	162
Election Expense	10,000	1,030	8,970
Insurance/SDA Dues	28,000	27,235	765
Legal	10,000	7,858	2,142
PIF Collection Fee	16,600	-	16,600
Miscellaneous	2,000	6,360	(4,360)
Repairs & Maintenance	110,000	14,323	95,677
Snow Removal	-	38,488	(38,488)
Furnishings	5,000	751	4,249
Transfer to Debt Service	600,000	103,923	496,077
Contingency	6,872	-	6,872
Emergency reserve	<u>6,528</u>	<u>-</u>	<u>6,528</u>
	<u>831,000</u>	<u>221,157</u>	<u>609,843</u>
Excess (deficiency) of revenues over expenditures	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CitySet Metropolitan District No. 2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For Six Months Ended June 30, 2020
Capital Projects Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Bond/Loan proceeds	\$ 500,000	\$ -	\$ (500,000)
Developer advances	-	798	798
	<u>500,000</u>	<u>798</u>	<u>(499,202)</u>
Expenditures			
Engineering	-	798	(798)
Paving and landscape	400,000	-	400,000
	<u>400,000</u>	<u>798</u>	<u>399,202</u>
Excess (deficiency) of revenues over expenditures	100,000	-	(100,000)
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ 100,000</u>	<u>\$ -</u>	<u>\$ (100,000)</u>

CitySet Metropolitan District No. 2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For Six Months Ended June 30, 2020
Debt Service Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Sales and Lodging Tax - TIF Collection	\$ 385,000	\$ 95,842	\$ (289,158)
Property Tax Increment Rev	360,000	394,076	34,076
Transfer from General Fund	600,000	103,923	(496,077)
Bond/Loan proceeds	12,000,000	-	(12,000,000)
Interest income	5,000	1,861	(3,139)
	<u>13,350,000</u>	<u>595,702</u>	<u>(12,754,298)</u>
Expenditures			
Debt service - loan principal	12,660,000	315,000	12,345,000
Debt service - loan interest	351,729	178,112	173,617
Sub Debt payment	500,000	-	500,000
TIF Collection Fee	1,925	-	1,925
Tax increment collection	1,800	1,970	(170)
Paying agent fees	3,000	-	3,000
	<u>13,518,454</u>	<u>495,082</u>	<u>13,023,372</u>
Excess (deficiency) of revenues over expenditures	(168,454)	100,620	269,074
Fund balance - beginning	<u>1,719,631</u>	<u>1,671,500</u>	<u>(48,131)</u>
Fund balance - ending	<u>\$ 1,551,177</u>	<u>\$ 1,772,120</u>	<u>\$ 220,943</u>

Michael R. McGinnis
Tel 303.572.6500
Fax 303.572.6540
mcginnism@gtlaw.com

September 9, 2020

CitySet Metropolitan District No. 2
c/o Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Denver, CO 80228
Attn: David Solin

Re: Limited Tax General Obligation and Special Revenue Bonds, Series 2020
("Bonds")

Dear Board Members;

Thank you for agreeing to engage us as bond counsel to the CitySet Metropolitan District No. 2 ("District"). We appreciate the opportunity to provide legal services in connection with the issuance of the Bonds, and will set forth the terms and conditions by which our firm will represent you in connection with this matter.

This letter constitutes the retainer agreement (the "Agreement") between the District and Greenberg Traurig, LLP, ("Greenberg" "we" or "us") which describes the terms of our relationship and sets forth the general terms of our assistance to the District in the above-referenced matter. Incorporated by reference herein is the attached statement of the firm's Billing Policies. If the Agreement is acceptable to you, please sign and return a copy to me at your earliest convenience. The original is for your files. When you sign this letter, it becomes a contract between us. Please feel free to discuss this letter with independent counsel or to call me if you have any comments or questions concerning this Agreement.

1. Scope of Engagement: Our representation of the District relates only to serving as bond counsel with respect to the issuance of the Bonds (the "Subject Matter") by the District. As bond counsel, we will prepare necessary documents authorizing the issuance and delivery of the Bonds (including, without limitation, an authorizing resolution, a trust indenture, a tax certificate and other related documents), render enforceability and tax opinions, analyze all relevant state and federal laws, and provide such other related services in connection therewith. We have not been asked to represent the District in other legal matters at this time. The District can limit or expand the scope of our representation from time to time, but there should be a clear mutual understanding as to any substantial expansion. Unless otherwise agreed in writing, the terms of this letter agreement and the attached Billing Policies will also apply to any additional matters we agree to handle on the District's behalf.

2. Conflicts: Our firm represents a broad base of clients on a variety of legal matters. Accordingly, absent an effective conflicts waiver, conflicts of interest may arise that

could adversely affect your ability and the ability of other clients of our firm to choose us as their counsel, thereby precluding us from representing you or them in pending or future matters. Given that possibility, we wish to be fair not only to you, but to our other clients as well. Accordingly, this letter will confirm our mutual agreement that the firm may represent other present or future clients on matters other than those for which we had been or then are engaged on your behalf (referred to herein as “Subject Matter”), *whether or not on a basis adverse to you*, including in litigation, legal or other proceedings or matters, so long as the matter is not substantially related to our work for you on the Subject Matter (referred to herein as “Permitted Adverse Representation”).

In furtherance of this mutual agreement, you agree that you will not for yourself or any other party assert our firm’s engagement as a basis for disqualifying us from representing any party in a Permitted Adverse Representation or assert any Permitted Adverse Representation as a basis for any claim of breach of duty. For purposes of clarification, Permitted Adverse Representation shall not include matters or disputes arising against you with respect to the Subject Matter. Moreover, without your further prior written consent, we cannot and will not represent another client adverse to you if we have obtained confidential information of a nonpublic nature from you as a result of our representation that, if known to the other client, could be used in the other matter by the other client to your material disadvantage. The waivers and agreements in this letter will continue in effect upon the termination of this engagement.

3. Fees for Services: I will take principal responsibility for this matter, and will enlist the assistance of Andrew Rubin and Vanessa Albert Lowry. Our current hourly rates are set forth in the attached Billing Policies. At such time as we have a better understanding of the facts and circumstances regarding the issuance of the Bonds, and the expected closing date, we will agree with you on a not to exceed fee for representing the District as described above.

We do not anticipate submitting monthly billing statements to you, and instead expect that our legal fees and costs will be paid at the time of the issuance of the Bonds.

If, for any reason, Bonds are issued without the delivery of our opinions as bond counsel, or the District decides not to issue Bonds, we will expect you to compensate us at our hourly rates for time actually spent on the matter, plus client charges as described.

4. Payments of Fees, Costs and Expenses: In addition to fees for legal services, there are certain costs and expenses that you may be obligated to pay. You agree to pay these bills on a timely basis according to their terms or at the time of issuance of the Bonds.

5. Responsibilities of Attorney and Client:

We will provide strictly legal services to you in connection with this engagement. You are not relying on us for, and we are not providing, any business, investment, insurance or accounting decisions or any investigation of the character or credit of persons with whom you may be dealing.

In order for us to assist you effectively and efficiently, we expect that you will provide us with the factual information you have which relates to the subject matter of our engagement, and that you will make any appropriate business or technical decisions. In addition, we encourage you to share with us at all times your expectations and any concerns regarding our services at any time during the course of our representation. We believe that you should be actively involved in the strategy and management of your legal affairs and our goal is to encourage candid and frequent communication between us. We will keep you informed of developments regarding your matters and will consult with you as necessary to ensure the timely, effective and efficient completion of our work.

6. Permission to Use Information in Marketing of the Law Firm: By signing this Agreement, you agree that your name, logo, and a general description of this matter may be used by Greenberg Traurig in its business development efforts and materials. If you do not wish for this information to be used in the manner specified, please draw a line through and initial this paragraph.

7. Cooperation: In order to enable us to effectively render the services contemplated, you agree to disclose fully and accurately all facts and to keep us apprised of all developments relating to the matter. You agree to cooperate fully with us and to make yourselves or your firm representatives available when necessary.

8. Termination of Representation: It is understood that, subject to any limitations imposed by the court or the applicable rules of professional responsibility, Greenberg or you may terminate our representation in accordance with the attached Billing Policies.

Otherwise, our attorney client relationship will be considered terminated upon the issuance of the Bonds. If you later retain us to perform further or additional services, the attorney/client relationship will be revived on the terms of this engagement letter, subject to any new or supplemental terms of engagement that we may agree upon at that time. The fact that we may inform you from time to time of developments in the law which may be of interest to you, by newsletter or otherwise, should not be understood as a revival of an attorney/client relationship.

9. Client Documents: We will maintain any documents you furnish us in our client file (or files) for this matter. At the conclusion of the matter (or earlier, if appropriate), it is your obligation to advise us as to which, if any, of the documents in our files you wish us to turn over to you. We will retain any remaining documents in our files for a reasonable period of time and ultimately destroy them in accordance with our record retention program schedule then in effect. We may also elect to retain copies of the documents we turn over to you and ultimately destroy them too in accordance with our record retention program schedule.

10. Choice Of Law: All of the rights and obligations of Greenberg and you arising under or related to this agreement shall be governed by the laws of the State of Colorado.

September 9, 2020

Page 4

11. Arbitration: We appreciated the opportunity to serve as your attorneys and look forward to a harmonious relationship between us. In the event you become dissatisfied for any reason with any aspect of our relationship, we would sincerely appreciate your bringing this to our attention immediately; we will do the same if we perceive a problem with the representation. It is our belief that such problems can usually be resolved by good faith discussions between us.

In the unlikely event that we cannot resolve such problems ourselves, we believe that such disputes can be resolved more expeditiously and with less expense to all concerned by binding arbitration than by court action. By signing this letter, you agree that, to the extent permitted by law, any dispute arising out of or relating to this Agreement, our relationship, any billing statements forwarded to you or our services, including but not limited to any alleged claims for legal malpractice, breach of fiduciary duty, fraud, breach of contract or other claim against the Firm for any alleged inadequacy of such services, shall be resolved by submission to confidential, binding arbitration in Denver, Colorado.

12. Confirmation Of Agreement: If the foregoing is agreeable, please acknowledge your understanding and agreement by signing and returning a copy of this letter, which shall control all obligations set forth herein except as may subsequently be agreed upon in writing. For your convenience, we have enclosed a self-addressed, stamped envelope.

We appreciate your confidence in our firm and assure you that we will make every effort to perform our services in a prompt and efficient manner.

Very truly yours,

GREENBERG TRAURIG, LLP



By: _____
Michael R. McGinnis

**ACCEPTED AND AGREED WITH
CONSENTS AND WAIVERS GRANTED**

CITYSET METROPOLITAN DISTRICT NO. 2

By: _____
Title: _____

Dated: _____

Enclosure

BILLING POLICIES

Introduction

We look forward to doing business with you. This document outlines our standard billing practices.

Fees

The respective hourly billing rates for Michael McGinnis, Vanessa Albert Lowry and Andrew Rubin are as follows: \$645, \$785 and \$350. The rates of our lawyers and paralegals, however, are subject to change. Any new rates would be implemented immediately after they are adopted and would apply to services rendered after the effective date thereof.

Whenever appropriate and consistent with the proper representation of our clients, we may use paralegals, junior attorneys, contract attorneys and staff members in order to minimize the impact of the hourly rates of the more senior attorneys. We believe the utilization of junior attorneys, paralegals or staff members, in consultation with and under supervision of more experienced attorneys in the Firm as appropriate, may enable us to maintain economically and efficiently the high quality of our legal representation, while permitting us to both avoid sacrificing the quality of our work for lower fees and to avoid assigning senior attorneys tasks which can be performed efficiently by junior attorneys, paralegals or other staff members.

We will charge for all time spent representing your interests, including, by way of example, telephone and office conferences with you or your representatives, co-counsel, opposing counsel, fact witnesses, consultants (if any), and others; conferences among our legal and paralegal personnel; participation in discovery; factual investigation; legal research; responding to your requests for us to provide you or your representatives with additional information; responding to clients' requests to provide information to auditors in connection with reviews or audits of financial statements; preparation of letters, pleadings, and other documents; and attendance at depositions, hearings, mediations, closings, trials, or other proceedings; and travel (both local and out of town). Hourly charges are applied to total time devoted to client representation including travel time, when necessary.

Costs and Expenses

We have established prevailing rates for all charges that will be incurred during the course of this representation. We believe that rates charged are competitive with charges established by comparable law firms. You will be responsible for all such charges that we incur in the course of this representation and will be responsible for reimbursing us for any actual costs advanced on your behalf. Greenberg is committed to remaining at the cutting edge of modern computer and communications technology so as to provide our clients with optimum competitive advantage and technological efficiencies. Our charges include, but are not limited to travel, copying, facsimile charges, messenger services, conference calls, computer research services, secretarial overtime and filing fees. These charges may also include any sales or service tax that may be applicable.

Expenses of Outside Contractors

Generally, expenses of outside contractors, such as court reporters, surveyors, title companies, will be directly billed or directed to the client pursuant to retainers in which payment and indemnification terms remain strictly between the client and the vendor. Greenberg Traurig will not be responsible for payment of such services. It is important to note that the prompt payment of these charges to outside contractors is essential to be able to provide timely and efficient service to you in the future, with the assistance of such contractors. If desired, with sufficient expense deposits in advance, we will directly pay the outside contractors. The amount of the retainer and deposit may be increased as circumstances require (for example, at the time of trial), but in any event will be applied to the payment of our final bill or refunded, as applicable.

Mutual Right to Terminate Relationship

Of course, every client has the right to terminate our representation at any time for any reason. We have the same right upon giving the client reasonable notice so that suitable arrangements can be made by the client to obtain alternative representation, in accordance with the Rules of Professional Responsibility governing the Colorado Bar. Among the reasons for which we may terminate representation are: (1) nonpayment of our fees, charges or costs; (2) the client's failure or refusal to be forthright, cooperative or supportive of our efforts; (3) the client's misrepresentation of, or failure or refusal to disclose material facts; (4) the client's failure or refusal to accept our advice; (5) discovery of a conflict with another client of Greenberg, or (6) any other reason permitted or required under the Rules of Professional Responsibility governing the Colorado Bar.

Subject to any limitations imposed by a court, Greenberg or you may terminate Greenberg's representation upon ten (10) days' written notice. Following termination, we will continue to provide representation in the matter for a reasonable time, at your request, until arrangements can be made for alternate representation. However, our services will consist of only those necessary to protect your interests and prevent prejudice. Moreover, if substitute counsel have not been located within ten (10) days of the termination of the representation, you nonetheless agree that appropriate papers allowing Greenberg to withdraw may be filed. We will be entitled to be paid for all services rendered and other charges accrued on your behalf to the date of our withdrawal.

Official Inquiries

It is possible that because we have been appointed in a matter, or because we have received documents or information in the course of, or in connection with, a matter, we may be required in the future to participate in an inquiry, commission or proceedings arising out of, or in connection with, the matter. This may, for example, involve us producing documents, seeking to claim or defend your privilege to resist inspection or disclosure of certain documents or information or giving evidence at an inquiry. We will seek your instructions if these circumstances arise, but you agree to reimburse us for out-of-pocket expenses and for the time we spend at hourly rates then current.

Questions Regarding Billings

Any questions regarding billing should be immediately directed to the billing attorney or to our Accounting Department.



D | A | DAVIDSON
D.A. Davidson & Co. member SIPC

August 6, 2020

CitySet Metropolitan District No. 2
Navin Dimond, Board President
c/o Paula Williams
McGeady Becher, P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203

**RE: Letter Agreement for Investment Banking Services to
CitySet Metropolitan District No. 2**

District Board,

This letter agreement confirms the terms and conditions upon which D.A. Davidson & Co. Fixed Income Capital Markets (“Davidson”), its successors or assigns will provide investment banking services to CitySet Metropolitan District No. 2 (the “Client”).

The investment banking services rendered by Davidson under this agreement may include:

- Analysis of the project’s credit quality
- Analysis of the capital markets, including interest rates and terms available in the market
- Evaluating potential strategies to achieve the Client’s goals
- Working with the Client’s consultants and attorneys to determine the feasibility of various borrowing or restructuring options
- Advising the Client on the structure and terms of a restructured bond or a new bond or loan
- Coordinating with the Client’s attorneys and consultants, the dissemination of financial data
- Negotiating the structure and terms of the Bonds/loan with the purchaser on behalf of the Client
- Underwriting or privately placing Bonds on behalf of the Client or assisting the Client in obtaining a direct, tax exempt loan
- Under the direction and legal advice of nationally recognized bond counsel, assist and supervise the steps necessary to be taken to close the transaction

Delivered with this letter are the disclosures required by MSRB Rule G-17 regarding our role, duties and interests as an underwriter of the Bonds. By signing this letter agreement, the Client acknowledges and agrees that: (i) the transaction contemplated by this Agreement will be an arm’s length, commercial transaction between the Client and the purchaser, in which Davidson may be acting as an agent or as an underwriter, but not as a municipal advisor, financial advisor or fiduciary to the Issuer; (ii) Davidson has not assumed any fiduciary responsibility to the Client with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto; (iii) the only obligations Davidson will have to the Client with respect to the transaction

contemplated hereby are expressly set forth in this letter agreement; and (iv) the Issuer has consulted and will continue to consult with its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it deems appropriate. The representative of the Client signing this letter agreement has been duly authorized to execute this letter agreement and to act hereunder.

This letter agreement shall remain in full force and effect until such time as the Client notifies Davidson in writing of its intent to terminate this letter agreement. Davidson may resign and terminate this letter agreement by providing written notification with no less than 30 days prior notice to the Client. If the District enters into a loan agreement with Vectra bank or Wells Fargo bank to refinance the District's Series 2015 Loan, D.A. Davidson will not be engaged as Placement Agent or entitled to a fee on that transaction.

At such time as arrangements for the sale of Bonds or other borrowing have been completed, Davidson shall be paid as shown below, or \$30,000, whichever is greater:

- 0.50% of par for the underwriting/placement of investment grade rated bonds
- 2.0% of par for underwriting/placement of non-investment grade rated/non-rated senior Bonds

In addition to such compensation, the following shall be paid by Client as a component of the cost of issuance of the Bonds or placement of the debt: (i) legal fees incurred by Davidson's engagement of underwriter's counsel or placement agent's counsel in connection with the issuance of Bonds or placement of the debt, as applicable; and (ii) legal fees related to third-party review of past continuing disclosure compliance. Unless otherwise agreed to by Client, Client's payment of the foregoing is contingent upon the sale of Bonds or placement of debt.

This letter agreement is not an offer to purchase Bonds. If the sale of Bonds or other borrowing does not occur, Davidson shall not be owed compensation. Please indicate by your signature below your desire to engage D.A. Davidson & Co. Fixed Income Capital Markets to provide investment banking services on these terms.

Respectfully submitted,
D.A. Davidson & Co. Fixed Income Capital Markets



Samuel Sharp
Managing Director

ACCEPTED this 6th day of August 2020.



Authorized Officer
CitySet Metropolitan District No. 2

EXHIBIT A

D.A. Davidson & Co. (hereinafter referred to as “Davidson” or “underwriter”) intends/ proposes to serve as an underwriter, and not as a financial advisor or municipal advisor, in connection with the issuance of the Bonds.

As part of our services as underwriter/senior managing underwriter, Davidson may provide advice concerning the structure, timing, terms, and other similar matters concerning the issuance of the Bonds.

Disclosures Concerning the Underwriters Role:

- (i) MSRB Rule G-17 requires an underwriter to deal fairly at all times with both municipal issuers and investors.
- (ii) The underwriters' primary role is to purchase the Bonds with a view to distribution in an arm's-length transaction with the Issuer. The underwriters financial and other interests that may differ from those of the Issuer.
- (iii) Unlike a municipal advisor, the underwriters do not have a fiduciary duty to the Issuer under the federal securities laws and are, therefore, not required by federal law to act in the best interests of the Issuer without regard to their own financial or other interests.
- (iv) The underwriters have a duty to purchase the Bonds from the Issuer at a fair and reasonable price, but must balance that duty with their duty to sell the Bonds to investors at prices that are fair and reasonable.
- (v) The underwriter will review the official statement for the Bonds in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws, as applied to the facts and circumstances of this transaction.

Disclosures Concerning the Underwriters Compensation:

As underwriter, Davidson will be compensated by a fee and/or an underwriting discount that will be set forth in the bond purchase agreement to be negotiated and entered into in connection with the issuance of the Bonds. Payment or receipt of the underwriting fee or discount will be contingent on the closing of the transaction and the amount of the fee or discount may be based, in whole or in part, on a percentage of the principal amount of the Bonds. While this form of compensation is customary in the municipal securities market, it presents a conflict of interest since the underwriter may have an incentive to recommend to the Issuer a transaction that is unnecessary or to recommend that the size of the transaction be larger than is necessary.

Additional Conflicts Disclosure:

Davidson has not identified any additional potential or actual material conflicts that require disclosure.



North Slope Capital Advisors

1630 Welton Street, Suite 802
Denver, CO 80202
303-953-4101

www.northslopecapital.com

STEPH CHICHESTER
steph@northslopecapital.com
(303) 953-4101

NICK TAYLOR
nick@northslopecapital.com
(303) 953-4101

September 16, 2020

Navin Dimond
Board of Directors
CitySet Metropolitan District No. 2
c/o Paula Williams
McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203

Re: Financial Advisor Scope of Services Engagement Letter

Board of Directors:

The purpose of this letter is to set forth certain matters concerning the services North Slope Capital Advisors ("North Slope") will perform as financial advisor for the CitySet Metropolitan District No. 2 located in the City of Glendale, Colorado (the "District"). North Slope is a consulting firm that advises Colorado governmental entities on matters relating to the issuance of securities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities. North Slope is listed as a public finance advisor in the Bond Buyer's Municipal Market Place and is registered with the Securities and Exchange Commission (SEC) and the Municipal Securities Rulemaking Board (MSRB) under the Dodd-Frank Act of 2010 as an *Independent Registered Municipal Advisor*.

North Slope has a fiduciary duty of loyalty and care, including a duty to put the financial interests of the District ahead of its business interests. North Slope's employees are not officers or employees of the District, and North Slope has not otherwise been engaged to provide financial services for the District in connection with the proposed bond issuance.

North Slope will be engaged by the District in accordance with industry best practices to perform the work outlined in the **Scope of Services** section below and shall be compensated for those services as provided in the **Fees** section below. For more information on the municipal advisory practices and protections, the District can access the municipal advisory client brochure on the MSRB's website at www.msrb.org.

NORTH SLOPE CAPITAL ADVISORS

CitySet Metropolitan District No. 2

September 16, 2020

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SCOPE OF SERVICES

- 1) Confirm the District's Refinancing Goals.** North Slope will meet with the District to understand, identify, and prioritize the goals for the proposed refunding bond issuance. North Slope will also meet with the relevant financing team professionals to determine the credit profile of the District and verify the structuring constraints for the bond issue.
- 2) Plan of Refinancing Review.** North Slope will review the underwriter's final financing model of the proposed refinancing using development, biennial reassessment, assessment rate, interest rates, and other assumptions supplied by third parties as applicable (e.g. market study consultants, accountants, underwriter, etc.) and confirm the final structure meets the requirements of the Service Plan and any authorizing parameters resolution.
- 3) Transaction Support.** North Slope will attend District Board meetings and document review sessions as requested and provide general financial advisory support through the financing process as a fiduciary to the District. Transaction support will include advising the District about interest rates on other recent comparable non-rated bank financings.
- 4) Pricing Comfort.** Prior to pricing the proposed bond issuance, North Slope will conduct market research in order to provide the District with an opinion that the interest rate(s), issue structure, and redemption provisions on the proposed bonds are reasonable. If requested, North Slope will review and sign a "Financial Advisor" or "Pricing Certificate" as part of closing documentation for the proposed bond issuance.

FEES

Contingent Fee Proposal

The fee below is payable only when the bond issue has successfully closed. The initial term of this engagement shall be in force from the date hereof and end when all services have been completed.

Fee
\$22,500

We look forward to working with you and your team on this engagement. Please do not hesitate to contact us with any questions. Please execute the enclosed copy of this letter and return it to the undersigned via email.

NORTH SLOPE CAPITAL ADVISORS

CitySet Metropolitan District No. 2
September 16, 2020
Page 3

NORTH SLOPE CAPITAL ADVISORS

By _____
Name: Stephanie Chichester
Title: President
Date:

ACCEPTED AND AGREED TO:
CITYSET METROPOLITAN DISTRICT NO. 2

By _____
Name:
Title:
Date:

NORTH SLOPE CAPITAL ADVISORS

CitySet Metropolitan District No. 2

September 16, 2020

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DISCLOSURE STATEMENT

This Disclosure Statement is provided by North Slope to the District in connection with this engagement letter dated September 16, 2020. This Disclosure Statement provides information regarding conflicts of interest and legal or disciplinary events that North Slope is required to disclose to the District pursuant to MSRB Rule G-42(b) and (c)(ii). At this time, there are no known material conflicts of interest known to North Slope in connection with the Scope of Services under this engagement letter and there are no legal or disciplinary events that are material to the District's evaluation or the integrity of North Slope's management or advisory personnel disclosed, or that should be disclosed, on any "Form MA" or "Form MA-I" filed with the SEC. For reference, North Slope's Form MA and Form MA-I filed with the SEC, most recently updated on March 24, 2020, are available on the SEC's EDGAR system by clicking the following link: [North Slope Capital Advisors Filings](#).

The SEC permits certain items of information required on Form MA or MA-I to be provided by reference to such required information already filed by North Slope and North Slope has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC.

As required by MSRB Rule G-42, this Disclosure Statement may be supplemented or amended, from time to time as needed, to reflect changed circumstances resulting in new conflicts of interest or changes in the conflicts of interest described above, or to provide updated information with regard to any legal or disciplinary events of the North Slope. North Slope will provide the District with any such supplement or amendment as it becomes available throughout the term of the engagement.

RESOLUTION TO AMEND 2020 BUDGET
CITYSET METROPOLITAN DISTRICT NO. 2

WHEREAS, the Board of Directors of the CitySet Metropolitan District No. 2 adopted a budget and appropriated funds for the fiscal year 2020 as follows:

General Fund	\$	831,000
Debt Service Fund	\$	13,518,454
Capital	\$	400,000

WHEREAS, the necessity has arisen for additional expenditures in the Debt Service Fund requiring the unanticipated expenditure of funds in excess of those appropriated for the fiscal year 2020; and

WHEREAS, the expenditure of such funds is a contingency which could not have been reasonably foreseen at the time of adoption of the budget; and

WHEREAS, funds are available for such expenditures in the Debt Service Fund from Property Tax Increment Revenue, Bond/Loan proceeds and Bond premium.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the CitySet Metropolitan District No. 2 shall and hereby does amend the adopted Budget for the fiscal year 2020 and adopts a supplemental budget and appropriation for the Debt Service Fund for the fiscal year 2020, as follows:

Debt Service Fund	\$	19,820,000
-------------------	----	------------

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the proper funds for the purposes stated.

DATED this 22nd day of September, 2020.

CITYSET METROPOLITAN DISTRICT NO. 2

By: _____
Secretary

CitySet Metropolitan District No. 2
Adopted Budget
Debt Service Fund
For the Year ended December 31, 2020

	Adopted Budget <u>2020</u>	Amended Budget <u>2020</u>
Beginning fund balance	\$ 1,719,631	\$ 1,671,500
Revenues:		
Sales Tax - TIF Collections	225,000	120,000
Lodging Tax - TIF Collections	160,000	80,000
Property Tax Increment Revenue	360,000	400,000
Transfer from General Fund	600,000	256,400
Bond/Loan proceeds	12,000,000	17,000,000
Bond premium	-	800,000
Interest Income	<u>5,000</u>	<u>4,000</u>
Total revenues	<u>13,350,000</u>	<u>18,660,400</u>
Total funds available	<u>15,069,631</u>	<u>20,331,900</u>
Expenditures:		
Loan Principal	12,660,000	12,660,000
Loan Interest	351,729	351,729
Sub Debt Payment	500,000	5,458,925
Costs of Issuance	-	595,000
Paying Agent Fees	3,000	3,000
TIF Collection Fee	1,925	1,000
Tax Increment Collection Fee	1,800	2,000
Miscellaneous	<u>-</u>	<u>748,346</u>
Total expenditures	<u>13,518,454</u>	<u>19,820,000</u>
Ending fund balance	<u>\$ 1,551,177</u>	<u>\$ 511,900</u>

RESOLUTION NO. 2020-09-02

**RESOLUTION OF THE BOARD OF DIRECTORS OF
CITYSET METROPOLITAN DISTRICT NO. 2 REGARDING CONTINUING
DISCLOSURE POLICIES AND PROCEDURES**

A. The CitySet Metropolitan District No. 2, Arapahoe, Colorado (the “**District**”) has entered into the continuing disclosure undertaking(s) set forth in **Exhibit A** attached hereto (referred to collectively herein, whether one or more than one, the “**Continuing Disclosure Undertaking**”).

B. The Board of Directors of the District (the “**Board**”) desires to adopt policies and procedures in an effort to ensure compliance by the District with its obligations set forth in the Continuing Disclosure Undertaking (the “**Continuing Disclosure Policy**”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CITYSET METROPOLITAN DISTRICT NO. 2, ARAPAHOE, COLORADO:

1. The Continuing Disclosure Policy, as hereby approved, adopted and made a part of the public records of the District, shall be to impose the procedures set forth in **Exhibit B** attached hereto (the “**Compliance Procedures**”).

2. The Board hereby delegates the tasks and responsibilities set forth in the Compliance Procedures to the responsible parties as set forth therein.

3. The Continuing Disclosure Policy is intended to supplement any previous post-issuance compliance procedures that may have been adopted by the District and any procedures evidenced in writing by any Official Statement or continuing disclosure undertaking heretofore or hereafter issued, entered into or executed and delivered by the District or on its behalf.

4. The Board may revise the Continuing Disclosure Policy from time to time as the Board deems necessary or desirable to comply with federal and state securities laws or otherwise as the Board may determine in its sole discretion.

5. Prior to the engagement of the responsible parties listed in the Compliance Procedure, and other consultants as may applicable with respect to the Continuing Disclosure Undertaking, such responsible parties and consultants shall be required to review and comply with the Continuing Disclosure Policy, including, without limitation, the responsibilities set forth in the Compliance Procedures.

6. Within thirty (30) days, or earlier if necessary, of entering into any new continuing disclosure undertaking and/or with respect to any changes or modifications to the Continuing Disclosure Undertaking, the responsible parties and consultants shall meet with bond counsel and disclosure counsel to review the continuing disclosure compliance requirements and develop a process for compliance with respect to such new and/or changed continuing disclosure undertaking.

RESOLUTION APPROVED AND ADOPTED on September 22, 2020.

**CITYSET METROPOLITAN DISTRICT
NO. 2**

By: _____
President

Attest:

By: _____
Secretary

EXHIBIT A

Continuing Disclosure Undertaking

EXHIBIT B

COMPLIANCE PROCEDURE

CitySet Metropolitan District No. 2, Arapahoe County, Colorado
 \$17,000,000 Limited Tax General Obligation and Special Revenue Refunding and Improvements Bonds,
 Series 2020

Subject to SEC Rule 15c2-12: YES / NO

FINANCIAL DISCLOSURES	
Submittal Date to Trustee	Required Documentation Prepared By:
Quarterly Reports* <ul style="list-style-type: none"> • _____ • _____ • _____ _____ (commencing _____)	Section 1 of the Quarterly Report: <i>Developer</i> to provide to Simmons & Wheeler, P.C. ("Accountant") at least thirty (30) days prior to submittal date. <ul style="list-style-type: none"> • _____ • _____ • _____
	Section 2 of the Quarterly Report: <i>Trustee</i> to provide to the <i>Accountant</i> ten (10) days prior to submittal date.
	Section 3 of the Quarterly Report: _____
Annual Reports* No later than November 15 of each year (commencing _____) [Same requirements of Quarterly Report with the addition of Sections 4 and 5]	Section 4 of the Quarterly Report: _____ Due _____
	Section 5 of the Quarterly Report: _____ <ul style="list-style-type: none"> • Annual Audited Financial Statements • Annual Budget Due _____

*If any submittal date falls on a day which is not a Business Day (as defined in **Exhibit A**, Continuing Disclosure Agreement), the report will be provided to the Trustee on the Next succeeding Business Days.

Procedure:

1. Accountant to submit report to Trustee on applicable submittal date.

NOTICE OF MATERIAL EVENT		
Reporting / Submittal Deadlines	Responsible Party to Report Event of Default	Party Responsible to Notify Trustee of Event of Default
District shall cause the Trustee to provide, in a timely manner, a notice of an event of default	Simmons & Wheeler, P.C., McGeady Becher, SDMS, or anyone who has actual knowledge of a material event	Accountant



SNOW REMOVAL CONTRACT

City Set Metro District
600 South Colorado Blvd.
Denver, Colorado 80246



For
David Solin

Prepared by
Shane Landenberger



2020 – 2021 SNOW REMOVAL CONTRACT

THIS AGREEMENT is a **SNOW REMOVAL ONLY CONTRACT** between **City Set Metropolitan District No.2** hereinafter called “owner/owner representative” whose address is 141 Union Blvd. Suite 150, Lakewood, Colorado 80228 and **Powder Country Property Services** hereinafter called “Contractor,” whose address is 10004 South Dransfeldt Rd. Parker Co. 80134.

- 1. DESCRIPTION OF THE WORK** Contractor will remove snow at a 2 inch accumulation or greater on sidewalks and building entrances no later than 1030am and 2 inches or more from roadways, parking lots, and driveways no later than 7:00 a.m. seven days a week, upon the following described real property:

City Set – 600 South Colorado Blvd, Glendale, Co. 80246

Snow removal operation will continue at the above increments until weather conditions have improved and snow removal operations have been completed. Unless otherwise directed by owner or owner’s representative in writing, snow will be plowed onto landscaped areas, outer perimeters of parking lots or other places deemed reasonably suitable by contractor. Contractor will spread de-icer and/or sand and ice slicer mix on icy areas present at the time of service, as determined is needed by contractor, but owner assumes responsibility for detecting and treating ice that forms or melts and refreezes after the snow has been removed by contractor. If demanded by excess accumulation, snow will be removed from the property and owner/owner representative will be billed accordingly. Owner/Owners Representative agrees to allow Powder Country Property Services to determine accumulation rate depths and shall not dispute snow removal charges associated with ‘best average’ judgments of snowfall accumulation depth.

- 2. PAYMENT:** Owner agrees to the following equipment rates (billed in one hour increments only) and will pay Contractor these rates for snow removal operations at the real property address reflected above. Owner agrees to allow Contractor to decide what equipment is best suited to the site for snow removal operations from the following fleet equipment:

LABOR/EQUIPMENT	MATERIALS		
a) Mobilization Fee		\$90.00 Flat rate	N/A
b) 4x4 Truck w/ 7.5’ Blade		\$85.00 per hour	N/A
c) 4x4 Truck w/ 9’ Blade		\$95.00 per hour	N/A
d) Semi End Dump		\$175.00 per hour	N/A
e) Dump Trucks		\$165.00 per hour	N/A
f) Front End Loader w/ blade		\$225.00 per hour	N/A
g) Skid Steer Loader		\$150.00 per hour	N/A
h) Snow Box		\$45.00 per hour	N/A
i) MgC12 Applicator		\$140.00 per hour	\$1.80/gallon
j) Dry Material Applicator		\$155.00 per hour	\$0.23/lb ice slicer 1 ton min.
k) Ice-Melt		\$0.00 per hour	\$0.79/lb
l) Snow-Blowers		\$70.00 per hour	N/A
m) Snow Removal Labor		\$55.00 per hour	N/A
n) A.T.V w/ Blade		\$80.00 per hour	N/A

Mobilization and de-mobilization time applies to the above fee schedule when plowing is not necessary. Other labor and material rates may apply. The above labor and material rates are subject to change upon 30 days prior written notice to owner. Payment terms are net 20 days from invoice date. Any invoices which become past due arising out of or relating to this contract will be charged a **MINIMUM SERVICE CHARGE** of \$10 or 2% of the outstanding balance, whichever is greater, each month from and after the due date. This is an annual **FINANCE CHARGE** rate of 24%.

- 3. HOLIDAY PAY:** In the event snow removal operations are required between the hours of 12:00 midnight and 12:00 midnight of the following days: November 26 (Thanksgiving Day), December 25 (Christmas Day), January 1 (New Year’s Day), April 4 (Easter Sunday) the above latter rate schedule of unit costs related to labor & equipment shall be doubled. Material costs will remain constant.



4. **COMPLETION/DELAY:** Contractor shall use commercially reasonable efforts to complete the work by 7:00 a.m. seven days a week. **However, the Contractor shall be excused for any delay in completion of the work other than that caused by acts directly attributable to the Contractor, such as, but not limited to, early morning snow fall or blizzard conditions.** Should weather conditions warrant snow removal during the normal business day, Contractor shall begin snow removal as soon as practicable but no later than two (2) hours following notification by owner or owner's representative.
5. **CONTRACT DURATION/TERMINATION:** Either party may terminate this Agreement without penalty upon thirty (30) days advanced written notice. The duration of this contract is for the 2020-2021 season and will expire June 1, 2021, unless renewed in writing by both parties or terminated by either party delivering 30 days notice.
6. **EXTRA WORK:** Should the owner, owner's representative, or any public body direct any modification or addition to the work covered by this contract, and the contract price shall be adjusted accordingly. Modifications or additions to the work shall be executed only when a Contract Change Order has been signed by both the Owner and Contractor. Where there is a dispute in regard to changes in contract price, then said changes in contract price shall be the Contractor's actual cost for labor, equipment, subcontractors, materials and attributable overhead, plus a contractor's fee of twenty (20) percent. **In the event that gasoline prices should rise above \$4.00 a gallon, a fuel surcharge will apply.**
7. **INSURANCE:** Contractor shall carry and pay for (1) Comprehensive General Liability or Commercial General Liability insurance with minimum coverage of \$1,000,000 combined single limit per occurrence for bodily injury, including death, and property damage liability, and (2) Comprehensive Automobile Liability insurance for all owned, hired and non-owned vehicles, with minimum limits of \$1,000,000, combined single limit per occurrence for bodily injury and property damage liability. Owner shall carry policies of liability and property insurance with commercially reasonable limits and deductible covering the property that is the subject of this contract at all times during the term hereof. Contractor shall meet the requirements in exhibit A.
8. **RIGHT TO STOP WORK:** Contractor shall have the right to stop work if any payment shall not be made timely to Contractor under this agreement. Contractor may keep the job idle until all payments due are received.
9. **WARRANTY:** There is no warranty, representation or guarantee regarding the condition of plowed areas and sidewalks. Contractor will provide the services outlined in this contract with the understanding that plowing and shoveling will not leave surfaces completely free of snow and ice. Contractor hereby disclaims any express or implied warranties concerning the scope of the work hereunder.
10. **SALT & SAND USE:** It is expressly understood that the contractor assumes no liability for the effects of use of salt and sand mixtures, use of de-icers, or snow accumulation on landscaped and/or non-landscaped areas except in the case of negligence by contractor's snow removal services. Removal of excess salt and sand mixtures or de-icers is not included. Should owner or owner's representative decline the use of ice melt products contractor will not be held liable for any incident's from not using ice melt products. Example would be, but are not limited to, slip and falls.

If you are declining the use of these products please sign _____.

11. **INDEMNITY:** Owner agrees to indemnify and hold harmless contractor from and against any and all losses, damages, liabilities, suits, claims, demands, expenses and costs (including, without limitation, attorneys' fees and expenses) arising out of or in the course of snow removal operations except in the case of gross negligence or willful misconduct by contractor.
12. **ASSIGNMENT:** Neither party may assign this contract without written consent of the other party.
13. **ATTORNEY FEES:** In the event the parties hereto become involved in litigation, the court in such litigation, or in separate suit, shall award reasonable costs, expenses and attorney's fees to the prevailing party. The court shall not be bound by any court fee schedule, and may, in the interest of justice, award the full amount of costs, expenses and attorney's fees incurred in good faith.

CITY SET METRO DISTRICT

POWDER COUNTRY PROPERTY SERVICES

DATED: _____

DATED: 09/10/2020

BY: _____

BY: Shane Landenberger