

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
<https://citysetmd2.colorado.gov>

NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
William G. Martinic	President	2027/May 2027
Zach Lane	Treasurer	2025/May 2025
Ashley Dimond	Assistant Secretary	2027/May 2027
Mark Lionberger	Assistant Secretary	2025/May 2025
Catherine Clark	Assistant Secretary	2025/May 2025
David Solin	Secretary	not an elected position

DATE: August 14, 2024 (Wednesday)

TIME: 2:00 P.M.

PLACE: **Zoom Meeting**

Join Zoom Meeting

<https://us02web.zoom.us/j/5469119353?pwd=SmtlcHJETFhCQUZEcVBBOGZVU3Fqdz09>

Meeting ID: 546 911 9353

Passcode: 912873

1-719-359-4580

I. ADMINISTRATIVE MATTERS

- A. Present Disclosures of potential conflicts of interest.

- B. Confirm Quorum, approve Agenda, confirm location of meeting, posting of meeting notice and designate 24-hour posting location.

- C. Review and approve the Minutes of the June 28, 2023 and November 28, 2023 Special Meetings (enclosures).

- D. Discuss District website accessibility matters and authorize necessary actions in connection therewith.

II. PUBLIC COMMENT

A. _____

III. FINANCIAL MATTERS

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

Fund	Period Ending Nov. 30, 2023	Period Ending Dec. 31, 2023	Period Ending Jan. 31, 2024	Period Ending Feb. 29, 2024
General	\$ 32,514.83	\$ 55,907.70	\$ 40,076.53	\$ 9,683.35
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 32,514.83	\$ 55,907.70	\$ 40,076.53	\$ 9,683.35

Fund	Period Ending March 31, 2024	Period Ending April 30, 2024	Period Ending May 31, 2024	Period Ending June 30, 2024
General	\$ 12,799.62	\$ 25,574.59	\$ 12,084.66	\$ 51,597.71
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 12,799.62	\$ 25,574.59	\$ 12,084.66	\$ 51,597.71

Fund	Period Ending July 31, 2024
General	\$ 14,863.64
Debt Service	\$ -0-
Capital Projects	\$ -0-
Total Claims	\$ 14,863.64

B. Review and accept unaudited financial statements through the period ending June 30, 2024 (enclosure).

C. Review and ratify approval of 2023 Audit (enclosure) and ratify authorization of execution of Representations Letter.

IV. LEGAL MATTERS

A. Discuss 2024 capital advances and authorize preparation and execution of a Capital Funding and Reimbursement Agreement between the District and Oxbridge Properties, Inc., if necessary.

V. PROJECTS – OPERATIONS/MAINTENANCE/CAPITAL REPAIRS

- A. Discuss establishment of and appointment to Landscape Committee.

- B. Review and approve of Change Order No. 3 with Ambius for 2023/2024 holiday lighting in the amount of \$6,227.50 (enclosure).

- C. Review and ratify approval of Service Agreement for 2023/2024 Snow Removal Services between the District and Powder County LLC (enclosure).

- D. Review and ratify approval of Change Order No. 3 to Service Agreement for Landscape Maintenance Services between the District and Powder County LLC for parking blocks installation in the amount of \$7,497.00 (enclosure).

- E. Review and ratify approval of Change Order No. 4 to Service Agreement for Landscape Maintenance Services between the District and Powder County LLC for Landscape Enhancements in the amount of \$29,334.80 (enclosure).

- F. Review and ratify approval of Change Order No. 5 to Service Agreement for Landscape Maintenance Services between the District and Powder County LLC for 2024 Landscape Maintenance Services and Summer Annuals in the amount of \$41,378.75 (enclosure).

- G. Review and ratify approval of Change Order No. 3 to Service Agreement for Operator Services between the District and Ramey Environmental Compliance, Inc. for 2024 services in the amount of \$1,350.00 (enclosure).

- H. Review proposal from Generator Source, LLC for Annual Inspection Service and authorize preparation and execution of Change Order No. 3 to Service Agreement for Generator Maintenance between the District and Generator Source, LLC for 2023/2024 services in the amount of \$3,092.50 (enclosure).

VI. OTHER MATTERS

- A. Discuss rescheduling the November 28, 2024 (Thanksgiving) meeting and budget hearing

CitySet Metropolitan District No. 2
Agenda August 14, 2024
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VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR
NOVEMBER 28, 2024.**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CITYSET METROPOLITAN DISTRICT NO. 2 HELD NOVEMBER 28, 2023

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 Tuesday, November 28, 2023, at 12:00 p.m. This District Board Meeting was held by conference call without any individuals (neither district representatives nor the general public) attending in person. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

William G. Martinic
Ashley Dimond
Mark Lionberger (for a portion)
Catherine Clark

Also In Attendance Were:

David Solin; Special District Management Services, Inc. (“SDMS”)

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

Kimberly Johannis; Simmons & Wheeler, P.C.

Mark Hays; Stonebridge Hospitality Management

Zach Lane, 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 (“C.R.S.”) 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 meeting in accordance with the statute. No new conflicts of interest were disclosed, and Attorney Williams reported that all Directors’ Disclosure Statements had been filed by the statutory deadline.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

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

Following discussion, upon motion made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board approved the Agenda, 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 Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board determined that the District Board meeting was held, and properly noticed to be held, via Zoom. The Board further noted that notice providing the Zoom information was duly posted and that it had 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.

Resignation of Mark Hays: Following discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board acknowledged the resignation of Mark Hays from the Board of Directors effective November 2, 2023.

Board Appointment: The Board discussed the vacancy on the Board.

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

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

President	William G. Martinic
Treasurer	Zach Lane
Secretary	David Solin
Assistant Secretary	Ashley Dimond
Assistant Secretary	Catherine Clark
Assistant Secretary	Mark Lionberger

Minutes: The Board reviewed the Minutes of the September 7, 2023 Special Meeting.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board approved the Minutes of the September 7, 2023 Regular Meeting.

Resolution No. 2023-11-01; Establishing 2024 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices: The Board discussed the business to be conducted in 2024 and Resolution No. 2023-11-01; Establishing 2024 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notices.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-11-01; Establishing 2024 Regular Meeting Dates, Time and Location and Designating Location for Posting of 24-Hour Notice and scheduled regular meetings for June 27, 2024 and November 28, 2024 at 12:00 to be held via Zoom.

Insurance Matters: The Board discussed Insurance matters.

Cyber Security and Increased Crime Coverage: The Board discussed cyber security and increased crime coverage.

Insurance Committee: The Board discussed the establishment of the insurance committee. Following discussion, it was determined that an Insurance Committee was not needed.

Renewal of the District's insurance and Special District Association ("SDA") membership for 2024: The Board discussed the renewal of the District's insurance and SDA membership for 2024.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, and, upon vote, unanimously carried, the Board authorized the renewal of the District's insurance and SDA membership for 2024, and an increase to the District's crime coverage to \$250,000.

Section 32-1-809, C.R.S., Reporting Requirements, Mode of Eligible Elector Notification for 2024: The Board entered into discussion regarding Section 32-1-809, C.R.S., Transparency Notice reporting requirements and mode of eligible elector notification for 2024.

Upon motion duly made by Director Martinic, seconded by Director Lionberger and, and, upon vote, unanimously carried, the Board directed staff to post the required information to the SDSA website, and the District's website.

RECORD OF PROCEEDINGS

PUBLIC COMMENT

There was no public comment.

FINANCIAL MATTERS

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

Fund	Period Ending June 30, 2023	Period Ending July 31, 2023	Period Ending Aug. 31, 2023	Period Ending Sept. 30, 2023
General	\$ 36,836.41	\$ 19,807.65	\$ 24,712.46	\$ 17,197.49
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 36,836.41	\$ 19,807.65	\$ 24,712.46	\$ 17,197.49

Fund	Period Ending Oct. 31, 2023
General	\$ 27,230.89
Debt Service	\$ -0-
Capital Projects	\$ -0-
Total Claims	\$ 27,230.89

Following review, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board ratified approval of the payment of claims, as presented and authorized Directors Clark and Lane as signers on the District bank account.

Unaudited Financial Statements: Ms. Johanns reviewed the unaudited financial statements through the period ending September 30, 2023.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending September 30, 2023.

2023 Audit: The Board discussed the proposal from Haynie & Company for 2023 audit services for an amount not to exceed \$7,300.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Lionberger and, upon vote, unanimously carried, the Board approved the engagement of Haynie & Company to perform the 2023 audit for an amount not to exceed \$7,300.

2023 Budget Amendment Hearing: The President opened the public hearing to consider amending the 2023 Budget.

It was noted that publication of Notice stating that the Board would consider amendment of the 2023 Budget and the date, time, and place of the public hearing was made in a newspaper having general circulation within the District. No written

RECORD OF PROCEEDINGS

objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

Following review and discussion, Director Martinic moved to adopt the Resolution to Further Amend 2023 Budget, Director Clark seconded the motion and, upon vote, unanimously carried, the Board adopted Resolution to Further Amend the 2023 Budget.

2024 Budget Hearing: The President opened the public hearing to consider the proposed 2024 Budget.

It was noted that publication of Notice stating that the Board would consider adoption of the 2024 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. No public comments were received and the public hearing was closed.

Ms. Johanns reviewed the estimated 2023 expenditures and the proposed 2024 expenditures with the Board.

Upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote unanimously carried, the Board approved the 2024 Budget, as discussed, and considered adoption of Resolution No. 2023-11-03 to Adopt the 2024 Budget and Appropriate Sums of Money and Resolution No. 2023-11-04 to Set Mill Levies (0.000 mills). Following discussion, upon vote unanimously carried, the Board adopted the Resolutions and authorized execution of the Certification of Budget. The District Accountant was directed to transmit the Certification of Tax Levies to the Board of County Commissioners of Arapahoe County, subject to receipt of final Certification of Assessed Valuation. Mr. Solin was directed to transmit the Certification of Budget to the Division of Local Government no later than January 31, 2024.

DLG-70 Mill Levy Certification Form: The Board considered authorizing the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote, unanimously carried, the Board authorized the District Accountant to prepare and sign the DLG-70 Mill Levy Certification form for certification to the Board of County Commissioners and other interested parties.

2025 Budget Preparation: The Board entered into discussion regarding appointing the District Accountant to prepare the 2025 Budget and setting the date for a Public Hearing to adopt the 2025 Budget for November 28, 2024.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote, unanimously carried, the Board appointed the District Accountant to prepare the 2025 Budget; directed that the form of the 2025 draft budget be the same as the 2024 adopted budget unless a Board Member provides input to adjust those assumptions, and set the date for a Public Hearing to adopt the 2025 Budget for November 28, 2024.

LEGAL MATTERS

Amendment to 2023 Operation Funding Agreement between the District and Oxbridge Properties, Inc.: The Board reviewed the First Amendment to the 2023 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote, unanimously carried, the Board approved the Amendment to the 2023 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

2024 Operation Funding Agreement between the District and Oxbridge Properties, Inc.: The Board reviewed the 2024 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Clark and, upon vote, unanimously carried, the Board approved the 2024 Operation Funding Agreement between the District and Oxbridge Properties, Inc.

Resolution No. 2023-11-05 Amending Policy Regarding Colorado Open Records Act Requests: The Board discussed Resolution No. 2023-11-05; Resolution Amending Policy Regarding Colorado Open Records Act Requests.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Dimond and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-11-05; Resolution Amending Policy Regarding Colorado Open Records Act Requests.

PROJECTS OPERATIONS/ MAINTENANCE/ CAPITAL REPAIRS

2024 Services: Mr. Solin discussed with the Board the services to be performed in 2024 and noted he will be obtaining proposals for landscape enhancements, snow removal and holiday lighting.

Change Order No. 2 from Generator Source, LLC for 2023 Annual Preventative Maintenance: The Board discussed Change Order No. 2 from Generator Source, LLC for 2023 Annual Preventative Maintenance.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Dimond and, upon vote, unanimously carried, the Board ratified approval

RECORD OF PROCEEDINGS

of Change Order No. 2 from Generator Source, LLC for 2023 Annual Preventative Maintenance.

Landscape Committee: The Board deferred discussion at this time.

OTHER MATTERS

There were no other matters for discussion.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Martinic, seconded by Director Clark and upon vote, unanimously carried, the 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 CITYSET METROPOLITAN DISTRICT NO. 2 HELD JUNE 28, 2023

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 28, 2023, at 9:00 a.m. This District Board Meeting was held via Zoom without any individuals (neither district representatives nor the general public) attending in person. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Mark Hays
Ashley Dimond
William G. Martinic

Following discussion, upon motion made by Director Hays, seconded by Director Martinic, the absence of Director Gaede was excused. Director Martinic was appointed as acting President for this meeting only.

Also In Attendance Were:

David Solin; Special District Management Services, Inc. (“SDMS”)

Paula Williams, Esq. and Tim O’Connor, Esq.; McGeady Becher P.C.

Kimberly Johannis; Simmons & Wheeler, P.C.

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 meeting in accordance with the statute. No new conflicts of interest were disclosed, and Attorney Williams reported that all Directors’ Disclosure Statements had been filed by the statutory deadline.

ADMINISTRATIVE MATTERS

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

RECORD OF PROCEEDINGS

Following discussion, upon motion made by Director Hays, seconded by Director Martinic and, upon vote, unanimously carried, the Board approved the Agenda.

May 2, 2023 Election: Mr. Solin discussed with the Board the results of the May 2, 2023 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 not more candidates than positions available on the Board of Directors. Directors Martinic and Dimond were each deemed elected to 4-year terms ending in May, 2027.

Resignation of Peggy Ripko as Secretary to the Board: The Board discussed the resignation of Peggy Ripko as Secretary to the Board.

Following discussion, upon motion duly made by Director Hays, seconded by Director Martinic and, upon vote, unanimously carried, the Board acknowledged the resignation of Peggy Ripko as Secretary to the Board.

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

President	Jason Gaede
Treasurer	Mark Hays
Secretary	David Solin
Assistant Secretary	Ashley Dimond
Assistant Secretary	William G. Martinic

Minutes: The Board reviewed Minutes of the November 16, 2022 Regular Meeting.

Following discussion, upon motion duly made by Director Hays, seconded by Director Dimond and, upon vote, unanimously carried, the Minutes of November 16, 2022 Regular Meetings were approved, as presented.

PUBLIC COMMENT

There was no public comment.

FINANCIAL MATTERS

Project Fund Disbursement Request from the District’s Limited Tax General Obligation and Special Revenue Refunding and Improvement Bond: Following discussion, upon motion duly made by Director Hays, seconded by Director Dimond and, upon vote, unanimously carried, the Board ratified approval of the Project Fund Disbursement Request from the District’s Limited Tax General Obligation and Special Revenue Refunding and Improvement Bond, Series 2020 dated February 11, 2023, in the amount of \$16,339.09.

RECORD OF PROCEEDINGS

Resolution No. 2023-05-01 Regarding Payment of Project Costs: The Board reviewed Resolution No. 2023-05-01 Regarding Payment of Project Costs.

Following discussion, upon motion duly made by Director Hays, seconded by Director Dimond and, upon vote, unanimously carried, the Board adopted Resolution No. 2023-05-01 Regarding Payment of Project Costs.

Valet Services Invoices: Mr. Solin reported to the Board that the process for valet services invoices is still working well.

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

Fund	Period Ending Nov. 30, 2022	Period Ending Dec. 31, 2022	Period Ending Jan. 31, 2023	Period Ending Feb. 28, 2023
General	\$ 9,156.57	\$ 56,313.08	\$ 22,696.40	\$ 43,282.88
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 9,156.57	\$ 56,313.08	\$ 22,696.40	\$ 43,282.88

Fund	Period Ending Feb. 28, 2023 Special Payment	Period Ending March 31, 2023	Period Ending April 30, 2023	Period Ending May 31, 2023
General	\$ 27,348.14	\$ 15,505.60	\$ 12,674.96	\$ 21,825.19
Debt Service	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Capital Projects	\$ -0-	\$ -0-	\$ -0-	\$ -0-
Total Claims	\$ 27,348.14	\$ 15,505.60	\$ 12,674.96	\$ 21,825.19

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

Unaudited Financial Statements: Ms. Johanns reviewed the unaudited financial statements through the period ending March 31, 2023.

Following review and discussion, upon motion duly made by Director Hays, seconded by Director Martinic and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending March 31, 2023.

2022 Budget Amendment Hearing: The President opened the public hearing to consider amendment of the 2022 Budget and discuss related issues.

It was noted that publication of Notice stating that the Board would consider amending the 2022 Budget and the date, time, and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing. There were no comments from the public in attendance and the public hearing was closed.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Martinic, seconded by Director Hays and, upon vote, unanimously carried, the Board adopted the Resolution Amending the 2022 Budget.

2022 Audit: Ms. Johanns reviewed the 2022 draft audit with the Board.

Following discussion, upon motion duly made by Director Martinic, seconded by Director Hays and, upon vote, unanimously carried, the Board approved the 2022 audit, subject to final review by Legal Counsel and Director Hays and authorized execution of the Representations Letter.

LEGAL MATTERS

Potential Dissolution of CitySet Metropolitan District No. 1: Attorney Williams discussed with the Board the potential dissolution process of CitySet Metropolitan District No. 1.

PROJECTS OPERATIONS/ MAINTENANCE/ CAPITAL REPAIRS

Landscape Maintenance Matters: Mr. Solin and Director Martinic updated the Board on the status of landscape maintenance matters.

Service Agreement for Operator Services between the District and Ramey Environmental Compliance, Inc.: The Board reviewed the Service Agreement for Operator Services between the District and Ramey Environmental Compliance, Inc.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Dimond and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement for Operator Services between the District and Ramey Environmental Compliance, Inc.

Change Order No. 1 and No. 2 under Service Agreement for Operator Services with Ramey Environmental Compliance, Inc.: The Board reviewed Change Order No. 1 and No. 2 under Service Agreement for Operator Services with Ramey Environmental Compliance, Inc. in the amounts of \$1,100 and \$688.75, respectively, for pump maintenance and pump meter maintenance.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Dimond and, upon vote, unanimously carried, the Board ratified approval of Change Order No. 1 and No. 2 under Service Agreement for Operator Services with Ramey Environmental Compliance, Inc. in the amounts of \$1,100 and \$688.75, respectively, for pump maintenance and pump meter maintenance.

Service Agreement for 2023 Landscape Maintenance between the District: The Board reviewed the Service Agreement for 2023 Landscape Maintenance between the District and Powder Country LLC.

RECORD OF PROCEEDINGS

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Dimond and, upon vote, unanimously carried, the Board ratified approval of the Service Agreement for 2023 Landscape Maintenance between the District and Powder Country LLC.

Change Order No. 1 and Change Order No. 2 under Service Agreement for 2023 Landscape Maintenance with Powder Country LLC: The Board reviewed Change Order No. 1 for summer annuals and Change Order No. 2 for tree replacement.

Following review and discussion, upon a motion duly made by Director Martinic, seconded by Director Dimond and, upon vote unanimously carried, the Board ratified approval of Change Order No. 1 for summer annuals and Change Order No. 2 for tree replacement.

Proposal from Rose Paving LLC: The Board discussed the proposal from Rose Paving LLC for asphalt repairs and restriping.

Following review and discussion, upon motion duly made by Director Martinic, seconded by Director Dimond and, upon vote, unanimously carried, the Board approved proposal from Rose Paving LLC for asphalt repairs and restriping and authorized preparation and execution of a Service Agreement for said services.

OTHER MATTERS

There were no other matters for discussion.

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 meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

**Cityset Metro District No.2
November-23**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number	Department
Hilton Garden Inn Denver Cherry	93023	9/30/2023	9/30/2023	\$ 1,800.00	General labor	9545	1
KONE	871195218	11/1/2023	12/1/2023	\$ 581.10	Elevator R&M	9523	1
McGeady Becher, P.C.	09 30 23	9/30/2023	9/30/2023	\$ 1,055.46	Legal	9300	1
Ramey Environmental Compliance, Inc	26609	11/3/2023	11/3/2023	\$ 4,910.40	Lift Station Operations	9535	1
Ramey Environmental Compliance, Inc	26516	10/22/2023	10/22/2023	\$ 612.38	Lift Station Operations	9535	1
Simmons & Wheeler, P.C.	36544	9/30/2023	9/30/2023	\$ 781.50	Accounting	9050	1
Sonley Retail LLC	108	10/26/2023	10/26/2023	\$ 3,522.98	Valet Service	9528	1
Sonley Retail LLC	109	10/26/2023	10/26/2023	\$ 3,417.66	Valet Service	9528	1
Special District Management Service	10 31 23	10/31/2023	10/31/2023	\$ 919.20	District Management	9100	1
Special District Management Service	10 31 23	10/31/2023	10/31/2023	\$ 112.00	Election expense	9310	1
Special District Management Service	10 31 23	10/31/2023	10/31/2023	\$ 893.80	Accounting	9050	1
Special District Management Service	10 31 23	10/31/2023	10/31/2023	\$ 5.60	Miscellaneous	9450	1
YESCO LLC	INY-0467633	10/31/2023	11/30/2023	\$ 13,902.75	Repairs and Maintenance	9520	1
				\$ 32,514.83			

Cityset Metro District No.2
November-23

	General	Debt	Capital	Totals
Disbursements	\$ 32,514.83			\$ 32,514.83
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$32,514.83	\$0.00	\$0.00	\$32,514.83

Cityset Metro District No.2
December-23

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number	Department
Ambius	014756DE298327	11/3/2023	11/13/2023	\$ 6,277.50	Holiday Lighting	9505	1
Colorado Special Districts Property and Liability Pool	24PL-611118-3321	11/29/2023	11/29/2023	\$ 21,315.00	Prepaid Expenses	1360	1
Colorado Special Districts Property and Liability Pool	26226	11/29/2023	11/29/2023	\$ 68.00	Insurance	9200	1
Denver Fire Protection LLC	2946	11/7/2023	11/7/2023	\$ 1,195.00	Repairs and Maintenance	9520	1
Generator Source	INV56583	11/30/2023	11/30/2023	\$ 2,382.96	Repairs and Maintenance	9520	1
KONE	871221289	12/1/2023	12/31/2023	\$ 581.10	Elevator R&M	9523	1
McGeady Becher, P.C.	10 31 23	10/31/2023	10/31/2023	\$ 695.89	Legal	9300	1
Powder Country LLC	3006	7/25/2023	7/25/2023	\$ 1,400.00	Landscape improvements	9610	1
Powder Country LLC	3153	12/1/2023	12/1/2023	\$ 1,297.50	Landscape maintenance	9600	1
Powder Country LLC	3125	11/1/2023	11/22/2023	\$ 1,297.50	Landscape maintenance	9600	1
Powder Country LLC	3038	8/15/2023	8/15/2023	\$ 288.00	Landscape maintenance	9600	1
Powder Country LLC	3067	9/13/2023	9/13/2023	\$ 7,497.00	Landscape improvements	9610	1
Powder Country LLC	3117	11/1/2023	11/2/2023	\$ 3,362.50	Snow Removal	9530	1
Powder Country LLC	3039	8/15/2023	8/15/2023	\$ 212.00	Landscape maintenance	9600	1
Powder Country LLC	3154	12/1/2023	12/1/2023	\$ 350.00	Landscape maintenance	9600	1
Powder Country LLC	3141	11/16/2023	11/16/2023	\$ 1,100.00	Landscape maintenance	9600	1
Ramey Environmental Compliance, Inc	26744	11/22/2023	12/22/2023	\$ 1,100.00	Lift Station Operations	9535	1
Ramey Environmental Compliance, Inc	26683	11/22/2023	11/22/2023	\$ 612.38	Lift Station Operations	9535	1
Simmons & Wheeler, P.C.	36808	10/31/2023	11/30/2023	\$ 1,212.50	Accounting	9050	1
Special District Management Service	11 30 23	11/30/2023	11/30/2023	\$ 1,309.60	District Management	9100	1
Special District Management Service	11 30 23	11/30/2023	11/30/2023	\$ 112.00	Election expense	9310	1
Special District Management Service	11 30 23	11/30/2023	11/30/2023	\$ 503.40	Accounting	9050	1
Special District Management Service	11 30 23	11/30/2023	11/30/2023	\$ 62.69	Miscellaneous	9450	1
The Villager Legals	11378	11/16/2023	11/16/2023	\$ 48.52	Election expense	9310	1
The Villager Legals	11379	11/16/2023	11/16/2023	\$ 54.96	Miscellaneous	9450	1
YESCO LLC	INY-0467087	10/27/2023	11/26/2023	\$ 1,571.70	Repairs and Maintenance	9520	1
				\$ 55,907.70			

**Cityset Metro District No.2
December-23**

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 55,907.70		\$ -	\$ 55,907.70
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$55,907.70	\$0.00	\$0.00	\$55,907.70

Cityset Metro District No.2
January-24

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number	Department
Generator Source	INV30471	8/30/2023	8/30/2023	\$ 806.65	Repairs and Maintenance	9520	1
HD Supply Facilities Maintenance, L	9220816706	11/20/2023	12/20/2023	\$ 749.50	Snow Removal	9530	1
Hilton Garden Inn Denver Cherry	113023	11/30/2023	11/30/2023	\$ 1,800.00	General labor	9545	1
Hilton Garden Inn Denver Cherry	103123	10/31/2023	10/31/2023	\$ 1,800.00	General labor	9545	1
KONE	871249148	1/1/2024	1/31/2024	\$ 581.10	Elevator R&M	9523	1
McGeady Becher, P.C.	12 31 23	12/31/2023	12/31/2023	\$ 964.54	Legal	9300	1
McGeady Becher, P.C.	11 30 23	11/30/2023	11/30/2023	\$ 4,320.13	Legal	9300	1
OmniSite	92287	1/1/2024	1/31/2024	\$ 404.00	Repairs and Maintenance	9520	1
Powder Country LLC	3212	12/30/2023	12/30/2023	\$ 5,187.50	Snow Removal	9530	1
Powder Country LLC	3235	1/10/2024	1/10/2024	\$ 3,197.50	Snow Removal	9530	1
Ramey Environmental Compliance, Inc	26825	12/22/2023	12/22/2023	\$ 612.38	Lift Station Operations	9535	1
Simmons & Wheeler, P.C.	36921	11/30/2023	11/30/2023	\$ 1,753.50	Accounting	9050	1
Sonley Retail LLC	111	12/22/2023	12/22/2023	\$ 3,429.75	Valet Service	9528	1
Sonley Retail LLC	112	1/12/2024	1/12/2024	\$ 3,532.68	Valet Service	9528	1
Sonley Retail LLC	110	12/22/2023	12/22/2023	\$ 3,522.40	Valet Service	9528	1
Special District Management Service	12 31 23	12/31/2023	12/31/2023	\$ 999.20	District Management	9100	1
Special District Management Service	12 31 23	12/31/2023	12/31/2023	\$ 128.00	Election expense	9310	1
Special District Management Service	12 31 23	12/31/2023	12/31/2023	\$ 797.80	Accounting	9050	1
Special District Management Service	12 31 23	12/31/2023	12/31/2023	\$ 13.40	Miscellaneous	9450	1
YESCO LLC	INY-0477673	12/15/2023	12/15/2023	\$ 5,476.50	Repairs and Maintenance	9520	1
				\$ 40,076.53			

Cityset Metro District No.2
January-24

	General	Debt	Capital	Totals
Disbursements	\$ 40,076.53			\$ 40,076.53
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$40,076.53	\$0.00	\$0.00	\$40,076.53

**Cityset Metro District No.2
February-24**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number	Department
Hilton Garden Inn Denver Cherry	123123	12/31/2023	12/31/2023	\$ 1,800.00	General labor	9545	1
Hilton Garden Inn Denver Cherry	13124	1/31/2024	1/31/2024	\$ 1,800.00	General labor	9545	1
KONE	871274696	2/1/2024	3/2/2024	\$ 581.10	Elevator R&M	9523	1
Ramey Environmental Compliance, Inc	26997	1/22/2024	1/22/2024	\$ 655.25	Lift Station Operations	9535	1
Simmons & Wheeler, P.C.	37158	12/31/2023	12/31/2023	\$ 1,323.50	Accounting	9050	1
Special District Management Service	01 31 24	1/31/2024	1/31/2024	\$ 1,944.20	District Management	9100	1
Special District Management Service	01 31 24	1/31/2024	1/31/2024	\$ 16.90	Election expense	9310	1
Special District Management Service	01 31 24	1/31/2024	1/31/2024	\$ 1,550.40	Accounting	9050	1
Special District Management Service	01 31 24	1/31/2024	1/31/2024	\$ 12.00	Miscellaneous	9450	1
				\$ 9,683.35			

Cityset Metro District No.2
February-24

	General	Debt	Capital	Totals
Disbursements	\$ 9,683.35			\$ 9,683.35
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$9,683.35	\$0.00	\$0.00	\$9,683.35

**Cityset Metro District No.2
March-24**

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number	Department
KONE	871300904	3/1/2024	3/31/2024	\$ 581.10	Elevator R&M	9523	1
McGeady Becher, P.C.	01 31 24	1/31/2024	1/31/2024	\$ 1,843.25	Legal	9300	1
Powder Country LLC	3288	2/8/2024	2/8/2024	\$ 4,220.00	Snow Removal	9530	1
Ramey Environmental Compliance, Inc	27161	2/22/2024	2/22/2024	\$ 655.25	Lift Station Operations	9535	1
Simmons & Wheeler, P.C.	37436	1/31/2024	3/1/2024	\$ 1,847.50	Accounting	9050	1
Special District Association	36412	2/14/2024	3/15/2024	\$ 150.00	Insurance	9200	1
Special District Association	SDA-2024	2/13/2024	2/13/2024	\$ 1,173.82	Insurance	9200	1
Special District Management Service	02 29 24	2/29/2024	2/29/2024	\$ 1,482.90	District Management	9100	1
Special District Management Service	02 29 24	2/29/2024	2/29/2024	\$ 770.30	Accounting	9050	1
Special District Management Service	02 29 24	2/29/2024	2/29/2024	\$ 75.50	Miscellaneous	9450	1
				\$ 12,799.62			

Cityset Metro District No.2
March-24

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 12,799.62			\$ 12,799.62
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$12,799.62	\$0.00	\$0.00	\$12,799.62

Cityset Metro District No.2
April-24

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number	Department
Denver Fire Protection LLC	3166	1/26/2024	1/26/2024	\$ 1,910.00	Repairs and Maintenance	9520	1
Hilton Garden Inn Denver Cherry	22924	2/29/2024	2/29/2024	\$ 1,800.00	General labor	9545	1
Hilton Garden Inn Denver Cherry	33124	3/31/2024	3/31/2024	\$ 1,800.00	General labor	9545	1
KONE	871328579	4/1/2024	5/1/2024	\$ 581.10	Elevator R&M	9523	1
McGeady Becher, P.C.	02 29 24	2/29/2024	2/29/2024	\$ 1,060.50	Legal	9300	1
Powder Country LLC	3350	3/26/2024	3/31/2024	\$ 2,120.00	Snow Removal	9530	1
Powder Country LLC	3339	3/19/2024	3/19/2024	\$ 4,035.00	Snow Removal	9530	1
Ramey Environmental Compliance, Inc	27336	3/22/2024	3/22/2024	\$ 655.25	Lift Station Operations	9535	1
Simmons & Wheeler, P.C.	37724	2/29/2024	2/29/2024	\$ 1,842.50	Accounting	9050	1
Sonley Retail LLC	114	3/23/2024	3/23/2024	\$ 3,353.34	Valet Service	9528	1
Sonley Retail LLC	113	2/14/2024	3/13/2024	\$ 4,220.20	Valet Service	9528	1
Special District Management Service	03 31 24	3/31/2024	3/31/2024	\$ 1,591.50	District Management	9100	1
Special District Management Service	03 31 24	3/31/2024	3/31/2024	\$ 596.40	Accounting	9050	1
Special District Management Service	03 31 24	3/31/2024	3/31/2024	\$ 8.80	Miscellaneous	9450	1
				\$ 25,574.59			

Cityset Metro District No.2
April-24

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 25,574.59		\$ -	\$ 25,574.59
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$25,574.59	\$0.00	\$0.00	\$25,574.59

Cityset Metro District No.2
May-24

Vendor	Invoice #	Date	Due Date	Amount	Expense Account	Account Number	Department
Colorado Glass Inc.	17456	8/28/2023	9/27/2023	\$ 395.00	Repairs and Maintenance	9520	1
KONE	871354416	5/1/2024	5/31/2024	\$ 581.10	Elevator R&M	9523	1
McGeady Becher, P.C.	03 31 24	3/31/2024	3/31/2024	\$ 450.46	Legal	9300	1
Ramey Environmental Compliance, Inc	27463	4/22/2024	4/22/2024	\$ 655.25	Lift Station Operations	9535	1
Ramey Environmental Compliance, Inc	27534	5/1/2024	5/31/2024	\$ 1,935.54	Lift Station Operations	9535	1
Ramey Environmental Compliance, Inc	27554	4/30/2024	4/30/2024	\$ 152.58	Lift Station Operations	9535	1
Simmons & Wheeler, P.C.	37940	3/31/2024	3/31/2024	\$ 1,060.00	Accounting	9050	1
Sonley Retail LLC	115	4/23/2024	4/23/2024	\$ 4,780.39	Valet Service	9528	1
Special District Management Service	04 30 24	4/30/2024	4/30/2024	\$ 1,485.70	District Management	9100	1
Special District Management Service	04 30 24	4/30/2024	4/30/2024	\$ 584.40	Accounting	9050	1
Special District Management Service	04 30 24	4/30/2024	4/30/2024	\$ 4.24	Miscellaneous	9450	1
				\$ 12,084.66			

Cityset Metro District No.2
May-24

	<u>General</u>	<u>Debt</u>	<u>Capital</u>	<u>Totals</u>
Disbursements	\$ 12,084.66			\$ 12,084.66
	\$ -		\$ -	\$ -
Total Disbursements from Checking Acct	\$12,084.66	\$0.00	\$0.00	\$12,084.66

CitySet Metropolitan District No. 2
Financial Statements
June 30, 2024

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 ended June 30, 2024, 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 7, 2024
Englewood, Colorado

CitySet Metropolitan District No. 2
 Combined Balance Sheet
 June 30, 2024

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	\$ -	\$ -	\$ 47,619	\$ -	\$ 47,619
Colostrust	86,540	-	-	-	86,540
Zion's Bank	-	-	1,186,228	-	1,186,228
Sales and Lodging Receivable	-	-	71,920	-	71,920
Prop Tax Increment Receivable	-	-	49,314	-	49,314
PIF Receivable	161,677	-	-	-	161,677
	<u>248,217</u>	<u>-</u>	<u>1,355,081</u>	<u>-</u>	<u>1,603,298</u>
Other assets					
Land Easements	-	-	-	3,858,848	3,858,848
Phase I & II - Parking Garage	-	-	-	11,786,861	11,786,861
Lift Station	-	-	-	208,100	208,100
Accumulated Depreciation	-	-	-	(3,400,970)	(3,400,970)
Amount available in debt service fund	-	-	-	1,577,454	1,577,454
Amount to be provided for retirement of debt	-	-	-	15,223,859	15,223,859
	<u>-</u>	<u>-</u>	<u>-</u>	<u>29,254,152</u>	<u>29,254,152</u>
	<u>\$ 248,217</u>	<u>\$ -</u>	<u>\$ 1,355,081</u>	<u>\$ 29,254,152</u>	<u>\$ 30,857,450</u>
Liabilities and Equity					
Current liabilities					
Accounts payable	\$ 25,844	\$ -	\$ -	\$ -	\$ 25,844
Due to/from other funds	222,373	-	(222,373)	-	-
	<u>248,217</u>	<u>-</u>	<u>(222,373)</u>	<u>-</u>	<u>25,844</u>
2020 Bonds	-	-	-	16,690,000	16,690,000
Developer Advance	-	-	-	111,313	111,313
Total liabilities	<u>248,217</u>	<u>-</u>	<u>(222,373)</u>	<u>16,801,313</u>	<u>16,827,157</u>
Fund Equity					
Investment in improvements	-	-	-	12,452,839	12,452,839
Fund balance (deficit)	-	-	1,577,454	-	1,577,454
	<u>-</u>	<u>-</u>	<u>1,577,454</u>	<u>12,452,839</u>	<u>14,030,293</u>
	<u>\$ 248,217</u>	<u>\$ -</u>	<u>\$ 1,355,081</u>	<u>\$ 29,254,152</u>	<u>\$ 30,857,450</u>

CitySet Metropolitan District No. 2
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
For Six Months Ended June 30, 2024
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
PIF Collections	\$ 830,000	\$ 409,287	\$ (420,713)
Developer advances	294,423	-	(294,423)
Transfer from other funds - waterfall	144,361	-	(144,361)
Other income	-	1,657	1,657
Interest income	13,000	7,381	(5,619)
	<u>1,281,784</u>	<u>418,325</u>	<u>(863,459)</u>
Expenditures			
Management	32,000	9,170	22,830
Accounting	21,000	12,711	8,289
Audit	7,300	5,000	2,300
Election Expense	-	17	(17)
Insurance/SDA Dues	31,000	24,094	6,906
Legal	30,000	8,841	21,159
PIF Collection Fee	16,600	8,186	8,414
Miscellaneous	4,000	165	3,835
Repairs & Maintenance	15,000	2,829	12,171
Valet Service	42,000	22,995	19,005
Security Systems Repair & Maintenance	5,000	-	5,000
Landscape Maintenance	30,000	3,858	26,142
Landscape Improvements	-	33,850	(33,850)
Holiday Lighting	10,000	-	10,000
Garage Repair & Maintenance	5,000	-	5,000
Elevator Repair & Maintenance	15,000	3,487	11,513
Surface Parking Repair & Maintenance	15,000	-	15,000
Lift Station Operations	20,000	9,570	10,430
Snow Removal	85,000	13,573	71,427
Furnishings	25,000	-	25,000
General Labor	13,500	10,800	2,700
Developer repayment - principal	310,760	208,227	102,533
Developer repayment - interest	-	19,872	(19,872)
Transfer to Debt Service Fund	692,023	249,179	442,844
Contingency	155,094	-	155,094
Emergency reserve	12,267	-	12,267
	<u>1,592,544</u>	<u>646,424</u>	<u>946,120</u>
Excess (deficiency) of revenues over expenditures	(310,760)	(228,099)	82,661
Fund balance - beginning	<u>310,760</u>	<u>228,099</u>	<u>(82,661)</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, 2024
Capital Projects Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
Revenues			
Developer advances	\$ <u>50,000</u>	\$ <u>-</u>	\$ <u>(50,000)</u>
	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>
Expenditures			
Miscellaneous Improvements	<u>50,000</u>	<u>-</u>	<u>50,000</u>
	<u>50,000</u>	<u>-</u>	<u>50,000</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>\$ -</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, 2024
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	\$ 350,000	\$ 186,302	\$ (163,698)
Property Tax Increment Rev	338,629	338,769	140
Transfer from General Fund	692,023	249,179	(442,844)
Interest income	40,000	24,381	(15,619)
	<u>1,420,652</u>	<u>798,631</u>	<u>(622,021)</u>
Expenditures			
Principal payment - 2020 Bonds	580,000	-	580,000
Interest Expense - 2020 Bonds	689,100	344,550	344,550
TIF Collection Fee	1,750	932	818
PropTax increment collection	1,693	1,694	(1)
Transfer to other funds	144,361	-	144,361
Paying agent fees	4,000	-	4,000
	<u>1,420,904</u>	<u>347,176</u>	<u>1,073,728</u>
Excess (deficiency) of revenues over expenditures	(252)	451,455	451,707
Fund balance - beginning	<u>1,049,269</u>	<u>1,125,999</u>	<u>76,730</u>
Fund balance - ending	<u>\$ 1,049,017</u>	<u>\$ 1,577,454</u>	<u>\$ 528,437</u>

CITYSET METROPOLITAN DISTRICT NO. 2

Financial Statements

Year Ended December 31, 2023

with

Independent Auditor's Report

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
CitySet Metropolitan District No. 2
Arapahoe County, CO

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of CitySet Metropolitan District No. 2 (the "District") as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the CitySet Metropolitan District No. 2 as of December 31, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

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



Flynn CPA, LLC

Castle Pines, CO

April 18, 2024

CITYSET METROPOLITAN DISTRICT NO. 2

BALANCE SHEET/STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Net Position</u>
ASSETS						
Cash and cash equivalents	\$ 57,558	\$ -	\$ -	\$ 57,558	\$ -	\$ 57,558
Cash and cash equivalents - restricted	10,630	1,082,110	-	1,092,740	-	1,092,740
Accounts receivable - developer	73,610	-	-	73,610	(73,610)	-
Accounts receivable	102,548	43,889	-	146,437	-	146,437
Prepaid expenses	22,770	-	-	22,770	-	22,770
Capital assets not being depreciated	-	-	-	-	12,452,839	12,452,839
Total Assets	<u>\$ 267,116</u>	<u>\$ 1,125,999</u>	<u>\$ -</u>	<u>\$ 1,393,115</u>	<u>12,379,229</u>	<u>13,772,344</u>
LIABILITIES						
Accounts payable	\$ 39,017	\$ -	\$ -	\$ 39,017	-	39,017
Accrued interest on bonds	-	-	-	-	57,425	57,425
Long-term liabilities:						
Due within one year	-	-	-	-	580,000	580,000
Due in more than one year	-	-	-	-	16,366,160	16,366,160
Total Liabilities	<u>39,017</u>	<u>-</u>	<u>-</u>	<u>39,017</u>	<u>17,003,585</u>	<u>17,042,602</u>
FUND BALANCES/NET POSITION						
Fund balances:						
Nonspendable:						
Prepays	22,770	-	-	22,770	(22,770)	-
Restricted:						
Emergencies	10,630	-	-	10,630	(10,630)	-
Debt service	-	1,125,999	-	1,125,999	(1,125,999)	-
Unassigned	194,699	-	-	194,699	(194,699)	-
Total Fund Balances	<u>228,099</u>	<u>1,125,999</u>	<u>-</u>	<u>1,354,098</u>	<u>(1,354,098)</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 267,116</u>	<u>\$ 1,125,999</u>	<u>\$ -</u>	<u>\$ 1,393,115</u>		
Net Position:						
Restricted for:						
Emergencies					10,630	10,630
Debt service					1,125,999	1,125,999
Unrestricted					<u>(4,406,887)</u>	<u>(4,406,887)</u>
Total Net Position					<u>\$ (3,270,258)</u>	<u>\$ (3,270,258)</u>

The notes to the financial statements are an integral part of these statements.

CITYSET METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES/STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS

For the Year Ended December 31, 2023

	<u>General</u>	<u>Debt Service</u>	<u>Capital Projects</u>	<u>Total</u>	<u>Adjustments</u>	<u>Statement of Activities</u>
EXPENDITURES						
<u>Operating:</u>						
Management	\$ 17,124	\$ -	\$ -	\$ 17,124	\$ -	\$ 17,124
Accounting	20,366	-	-	20,366	-	20,366
Audit	6,100	-	-	6,100	-	6,100
Insurance	29,839	-	-	29,839	-	29,839
Election	2,572	-	-	2,572	-	2,572
Legal	23,996	-	-	23,996	-	23,996
PIF collection fees	16,522	-	-	16,522	-	16,522
Property tax increment/URA collection fees	-	1,741	-	1,741	-	1,741
Sales and lodger's tax collection fees	-	1,745	-	1,745	-	1,745
Paying Agent Fees	-	3,000	-	3,000	-	3,000
Miscellaneous	1,425	-	-	1,425	-	1,425
Repair and maintenance	45,088	-	-	45,088	-	45,088
Elevator repair and maintenance	6,670	-	-	6,670	-	6,670
Surface parking repair and maintenance	8,212	-	-	8,212	-	8,212
Snow removal	37,632	-	-	37,632	-	37,632
Holiday lighting	6,278	-	-	6,278	-	6,278
Landscape maintenance	12,330	-	-	12,330	-	12,330
Landscape improvements	37,816	-	-	37,816	-	37,816
Valet service	41,239	-	-	41,239	-	41,239
Lift Station Operations	19,512	-	-	19,512	-	19,512
General Labor	21,600	-	-	21,600	-	21,600
Bond interest	-	705,725	-	705,725	(1,385)	704,340
Bond principal	-	475,000	-	475,000	(475,000)	-
Depreciation	-	-	-	-	305,077	305,077
Interest on developer advances - operations	-	-	-	-	11,084	11,084
Total Expenditures	<u>354,321</u>	<u>1,187,211</u>	<u>-</u>	<u>1,541,532</u>	<u>(160,224)</u>	<u>1,381,308</u>
GENERAL REVENUES						
Public improvement fees	826,105	-	-	826,105	-	826,105
Sales and lodger's tax increment	-	349,061	-	349,061	-	349,061
Property tax increment/URA	-	348,315	-	348,315	-	348,315
Miscellaneous revenue	7,232	-	-	7,232	-	7,232
Interest income	4,935	55,552	126	60,613	-	60,613
Total General Revenues	<u>838,272</u>	<u>752,928</u>	<u>126</u>	<u>1,591,326</u>	<u>-</u>	<u>1,591,326</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES						
	483,951	(434,283)	126	49,794	160,224	210,018
OTHER FINANCING SOURCES (USES)						
Developer advances	187,669	-	-	187,669	(187,669)	-
Transfers (to)/from other funds	(443,521)	443,647	(126)	-	-	-
Total Other Financing Sources (Uses)	<u>(255,852)</u>	<u>443,647</u>	<u>(126)</u>	<u>187,669</u>	<u>(187,669)</u>	<u>-</u>
NET CHANGES IN FUND BALANCES	228,099	9,364	-	237,463	(237,463)	
CHANGES IN NET POSITION						
					210,018	210,018
FUND BALANCES/NET POSITION						
BEGINNING OF YEAR	<u>-</u>	<u>1,116,635</u>	<u>-</u>	<u>1,116,635</u>	<u>(4,596,911)</u>	<u>(3,480,276)</u>
END OF YEAR	<u>\$ 228,099</u>	<u>\$ 1,125,999</u>	<u>\$ -</u>	<u>\$ 1,354,098</u>	<u>\$ (4,624,356)</u>	<u>\$ (3,270,258)</u>

The notes to the financial statements are an integral part of these statements.

CITYSET METROPOLITAN DISTRICT NO. 2

STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
GENERAL FUND

For the Year Ended December 31, 2023

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Public improvement fees	\$ 820,000	\$ 826,105	\$ 6,105
Miscellaneous revenue	-	7,232	7,232
Interest income	<u>2,000</u>	<u>4,935</u>	<u>2,935</u>
Total Revenues	<u>822,000</u>	<u>838,272</u>	<u>16,272</u>
EXPENDITURES			
Management	24,000	17,124	6,876
Accounting	25,000	20,366	4,634
Audit	6,500	6,100	400
Insurance	29,000	29,839	(839)
Election	3,000	2,572	428
Legal	32,000	23,996	8,004
PIF collection fees	16,400	16,522	(122)
Miscellaneous	4,000	1,425	2,575
Repair and maintenance	15,000	45,088	(30,088)
Security systems repair and maintenance	5,000	-	5,000
Garage repair and maintenance	5,000	-	5,000
Elevator repair and maintenance	15,000	6,670	8,330
Surface parking repair and maintenance	15,000	8,212	6,788
Snow removal	85,000	37,632	47,368
Holiday lighting	10,000	6,278	3,722
Landscape maintenance	30,000	12,330	17,670
Landscape improvements	50,000	37,816	12,184
Valet service	-	41,239	(41,239)
Furnishings	25,000	-	25,000
Lift Station Operations	20,000	19,512	488
General Labor	13,500	21,600	(8,100)
Developer repayment	44,750	-	44,750
Contingency	178,400	-	178,400
Emergency reserve	<u>12,447</u>	<u>-</u>	<u>12,447</u>
Total Expenditures	<u>663,997</u>	<u>354,321</u>	<u>309,676</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	158,003	483,951	325,948
OTHER FINANCING SOURCES			
Developer advances	-	187,669	187,669
Transfers from other funds	224,656	228,225	3,569
Transfers to other funds	<u>(686,062)</u>	<u>(671,746)</u>	<u>14,316</u>
Total Other Financing Sources	<u>(461,406)</u>	<u>(255,852)</u>	<u>205,554</u>
NET CHANGE IN FUND BALANCE	(303,403)	228,099	531,502
FUND BALANCE:			
BEGINNING OF YEAR	<u>303,403</u>	<u>-</u>	<u>(303,403)</u>
END OF YEAR	<u>\$ -</u>	<u>\$ 228,099</u>	<u>\$ 228,099</u>

The notes to the financial statements are an integral part of these statements.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Note 1: Summary of Significant Accounting Policies

The accounting policies of the CitySet Metropolitan District No. 2, located in Arapahoe County, Colorado, conform to the accounting principles generally accepted in the United States of America (“GAAP”) as applicable to governmental units. The Governmental Accounting Standards Board (“GASB”) is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant policies consistently applied in the preparation of financial statements.

Definition of Reporting Entity

CitySet Metropolitan District No. 2 (the District), a quasi-municipal corporation and political subdivision of the State of Colorado, was organized on March 3, 2011 and is governed pursuant to provisions of the Colorado Special District Act (Title 32). The District’s service area is located in the City of Glendale, Colorado. The District operates under a Service Plan to provide for the design, acquisition, construction, installation, financing, relocation and redevelopment, and operation and maintenance of certain water, sanitation, stormwater, street, traffic and safety control, park and recreation, TV and relay, fire protection, safety protection, transportation, and mosquito control improvements.

As required by GAAP, these financial statements present the activities of the District, which is legally separate and financially independent of other state and local governments. The District follows the GASB pronouncements, which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB sets forth the financial accountability of a governmental organization’s elected governing body as the basic criterion for including a possible component governmental organization in a primary government’s legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization’s governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens and fiscal dependency. The pronouncements also require including a possible component unit if it would be misleading to exclude it.

The District is not financially accountable for any other organization. The District has no component units as defined by the GASB.

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

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Basis of Presentation

The accompanying financial statements are presented per GASB Statement No. 34 - Special Purpose Governments.

The government-wide financial statements (i.e. the governmental funds balance sheet/statement of net position and the governmental funds statement of revenues, expenditures, and changes in fund balances/statement of activities) report information on all of the governmental activities of the District. The statement of net position reports all financial and capital resources of the District. The difference between the (a) assets and deferred outflows of resources and the (b) liabilities and deferred inflows of resources of the District is reported as net position. The statement of activities demonstrates the degree to which expenditures/expenses of the governmental funds are supported by general revenues. For the most part, the effect of interfund activity has been removed from these statements.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Expenditures for capital outlay are shown as increases in assets and redemption of long-term debts are recorded as a reduction in liabilities.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The material sources of revenue subject to accrual are public improvement fees and TIF collections. Nearly all revenue items are considered to be measurable and available only when cash is received by the District. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation is paid.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

The District reports the following major governmental funds:

General Fund - The General Fund is the general operating fund of the District. It is used to account for all financial resources not accounted for and reported in another fund.

Debt Service Fund – The Debt Service Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for principal, interest and other debt related costs.

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other assets.

Budgetary Accounting

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

In November of 2023, the District amended its total appropriations in the Debt Service Fund from \$1,413,009 to \$1,600,000 due to increased debt service expenses.

Assets, Liabilities and Net Position

Fair Value of Financial Instruments

The District's financial instruments include cash and investments, accounts receivable and accounts payable. The District estimates that the fair value of all financial instruments at December 31, 2023, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet. The carrying amount of these financial instruments approximates fair value because of the short maturity of these instruments.

Deposits and Investments

The District's cash and investments are considered to be cash on hand and short-term investments with maturities of three months or less from the date of acquisition. Investments for the government are reported at fair value.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

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

Estimates

The preparation of these financial statements in conformity with GAAP requires the District management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has no items that qualify for reporting in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has no items that qualify for reporting in this category.

Capital Assets

Capital assets, which include property, plant, equipment and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the applicable governmental activities columns in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized. Improvements are capitalized and depreciated over the remaining useful lives of the related capital assets, as applicable using the straight-line method.

Depreciation on property that will remain assets of the District is reported on the Statement of Activities as a current charge. Improvements that will be conveyed to other governmental entities are classified as construction in progress and are not depreciated. Land and certain landscaping improvements are not depreciated.

Depreciable lives of capital assets are as follows:

Parking Garage	40 years
Lift Station	20 years

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Fund Equity

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications make the nature and extent of the constraints placed on a government's fund balance more transparent:

Nonspendable Fund Balance

Nonspendable fund balance includes amounts that cannot be spent because they are either not spendable in form (such as inventory or prepaids) or are legally or contractually required to be maintained intact.

The nonspendable fund balance in the General Fund in the amount of \$22,770 represents prepaid expenditures.

Restricted Fund Balance

The restricted fund balance includes amounts restricted for a specific purpose by external parties such as grantors, bondholders, constitutional provisions or enabling legislation.

The restricted fund balance in the General Fund represents Emergency Reserves that have been provided as required by Article X, Section 20 of the Constitution of the State of Colorado. A total of \$10,630 of the General Fund balance has been reserved in compliance with this requirement.

The restricted fund balance in the Debt Service Fund in the amount of \$1,125,999 is restricted for the payment of the debt service costs (see Note 4).

Committed Fund Balance

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

Assigned Fund Balance

Assigned fund balance includes amounts the District intends to use for a specific purpose. Intent can be expressed by the District's Board of Directors or by an official or body to which the Board of Directors delegates the authority.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Unassigned Fund Balance

Unassigned fund balance includes amounts that are available for any purpose. Positive amounts are reported only in the General Fund, all funds can report negative amounts.

Net Position

Net Position represents the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. The District can report three categories of net position, as follows:

Net investment in capital assets – consists of net capital assets, reduced by outstanding balances of any related debt obligations and deferred inflows of resources attributable to the acquisition, construction, or improvement of those assets and increased by balances of deferred outflows of resources related to those assets.

Restricted net position – net position is considered restricted if their use is constrained to a particular purpose. Restrictions are imposed by external organizations such as federal or state laws. Restricted net position is reduced by liabilities and deferred inflows of resources related to the restricted assets.

Unrestricted net position – consists of all other net position that does not meet the definition of the above two components and is available for general use by the District.

When an expense is incurred for purposes for which both restricted and unrestricted net position are available, the District will use the most restrictive net position first.

Note 2: Cash and Investments

As of December 31, 2023, cash and investments is classified in the accompanying financial statements as follows:

Statement of Net Position:	
Cash and cash equivalents	\$ 57,558
Cash and cash equivalents - restricted	<u>1,092,740</u>
Total	<u>\$ 1,150,298</u>

Cash and cash equivalents as of December 31, 2023, consist of the following:

Deposits with financial institutions	\$ 53,981
Investments - COLOTRUST	340,701
Investments – Morgan Stanley	<u>755,616</u>
	<u>\$ 1,150,298</u>

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Deposits

Custodial Credit Risk

The Colorado Public Deposit Protection Act, (“PDPA”) requires that all units of local government deposit cash in eligible public depositories. State regulators determine eligibility. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool is to be maintained by another institution or held in trust for all the uninsured public deposits as a group. The market value of the collateral must be at least equal to 102% of the aggregate uninsured deposits. The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

The District follows state statutes for deposits. None of the District’s deposits were exposed to custodial credit risk.

Investments

Credit Risk

The District has elected to follow state statutes for investments. Colorado statutes specify the types of investments meeting defined rating and risk criteria in which local governments may invest. These investments include obligations of the United States and certain U.S. Government agency entities, certain money market funds, guaranteed investment contracts, and local government investment pools.

Custodial and Concentration of Credit Risk

None of the District’s investments are subject to custodial or concentration of credit risk.

Interest Rate Risk

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors.

Investment Valuation

Certain investments are measured at fair value within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District’s investment is not required to be categorized within the fair value hierarchy. This investment’s value is calculated using the net asset value method (“NAV”) per share.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

As of December 31, 2023, the District had the following investments:

COLOTRUST

As of December 31, 2023, the District invested in the Colorado Local Governmental Liquid Asset Trust (“COLOTRUST”), a local governmental investment vehicle established for local governmental entities in Colorado to pool surplus funds. COLOTRUST offers three investment options, one of which is COLOTRUST PLUS+. As an investment pool, COLOTRUST operates under the Colorado Revised Statutes (24-75-701) and is overseen by the Colorado Securities Commissioner. COLOTRUST PLUS+ may invest in U.S. Treasuries, government agencies, the highest-rated commercial paper, certain corporate securities, certain money market funds, and certain repurchase agreements, and limits its investments to those allowed by State statutes. Purchases and redemptions are available daily at a net asset value (“NAV”) of \$1.00. A designated custodial bank provides safekeeping and depository services to COLOTRUST in connection with the direct investment and withdrawal function of COLOTRUST. The custodian’s internal records identify the investments owned by participating governments. COLOTRUST PLUS+ records its investment at fair value and the District records its investment in COLOTRUST PLUS+ using the net asset value. There are no unfunded commitments and there is no redemption notice period. The weighted average maturity is 60 days or less and is rated AAAM by Standard & Poor’s. At December 31, 2023, the District had \$340,701 invested in COLOTRUST PLUS+.

Morgan Stanley Liquidity Govt ADV MAYXX Fund

During 2023, the District’s funds that were included in the trust accounts at the UMB Bank were invested in Morgan Stanley Liquidity Govt Adv MAYXX Fund. This fund is a money market fund and each share is equal in value to \$1.00. The fund is rated AAAM by Standard & Poor’s with a weighted average maturity of under 60 days and invests exclusively in repurchase agreements collateralized by U.S. Treasury securities and U.S. Treasury debt. At December 31, 2023, the District had \$755,616 invested in this fund.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Note 3: Capital Assets

An analysis of the changes in net capital assets for the year ended December 31, 2023, follows:

<u>Governmental Type Activities:</u>	<u>Balance 1/1/2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 12/31/2023</u>
Capital assets not being depreciated:				
Land	\$ 3,858,848	\$ -	\$ -	\$ 3,858,848
Capital assets, depreciable:				
Lift Station	208,100	-	-	208,100
Parking Garage	11,786,861	-	-	11,786,861
Accumulated depreciation	<u>(3,095,893)</u>	<u>(305,077)</u>	<u>-</u>	<u>(3,400,970)</u>
	<u>8,899,068</u>	<u>(305,077)</u>	<u>-</u>	<u>8,593,991</u>
Governmental Type Assets, net	<u>\$ 12,757,916</u>	<u>\$ (305,077)</u>	<u>\$ -</u>	<u>\$ 12,452,839</u>

Depreciation expense charged in 2023 to the governmental functions of the District was \$305,077.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Note 4: Long-Term Debt

The following is an analysis of changes in long-term debt for the year ending December 31, 2023:

	Balance 1/1/2023	Additions	Reductions	Balance 12/31/2023	Current Portion
<u>General Obligation Bonds:</u>					
Series 2020 Bonds	\$ 17,165,000	\$ -	\$ 475,000	\$ 16,690,000	\$ 580,000
Total General Obligation Bonds	<u>17,165,000</u>	<u>-</u>	<u>475,000</u>	<u>16,690,000</u>	<u>580,000</u>
<u>Other:</u>					
Developer Advances - Principal					
2022 Operation Funding Agreement	28,464	59,064	-	87,528	-
2023 Operation Funding Agreement	-	156,980	-	156,980	-
	<u>28,464</u>	<u>216,044</u>	<u>-</u>	<u>244,508</u>	<u>-</u>
Developer Advances - Accrued Interest					
2022 Operation Funding Agreement	568	6,557	-	7,125	-
2023 Operation Funding Agreement	-	4,527	-	4,527	-
	<u>568</u>	<u>11,084</u>	<u>-</u>	<u>11,652</u>	<u>-</u>
Total Developer Advances and Accrued Interest	<u>29,032</u>	<u>227,128</u>	<u>-</u>	<u>256,160</u>	<u>-</u>
Total	<u>\$ 17,194,032</u>	<u>\$ 227,128</u>	<u>\$ 475,000</u>	<u>\$ 16,946,160</u>	<u>\$ 580,000</u>

A description of the long-term obligations as of December 31, 2023, is as follows:

Limited Tax General Obligation and Special Revenue Refunding and Improvement Bonds, Series 2020

On October 1, 2020, the District issued \$17,615,000 of Limited Tax General Obligation and Special Revenue Refunding and Improvement bonds (“Series 2020 Bonds”). The Series 2020 Bonds were issued to repay the Series 2015 loan with CoBiz Public Finances, Inc., accrued interest on developer advances, certain project and bond issuance costs, and to fund the initial deposit of the Surplus Fund as defined in the Series 2020 Bond indenture.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

The Series 2020 Bonds are limited tax and special revenue obligations of the District secured by and payable from the Pledged Revenue, including (i) the property tax increment revenue, the pledged sales tax increment revenue, and the pledged lodger's tax revenue, (ii) the PIF pledged revenue, (iii) the property tax revenue, (iv) specific ownership tax revenue, which are collected by the District, (v) any other legally available amounts that the District may designate by resolution of the Board, to be paid to the trustee for deposit into the Revenue Fund, or otherwise held under the indenture, and (vi) all income or other gain, if any, from any investment of the foregoing. PIF pledged revenue is defined as the amount received by the District from the Public Improvement Fees (see Note 9), less an amount equal to the operations and maintenance costs, which is limited to \$130,000 in calendar year 2020 and, thereafter, to increase one and one-half percent annually.

The Series 2020 Bonds include interest at rates ranging from 3.500% to 4.500% payable semiannually on each June 1 and December 1, commencing on June 1, 2021, and mature on 2045. The Series 2020 Bonds are subject to both optional and mandatory redemption, in whole or in part, upon payment of par, accrued interest, and a redemption premium. The optional redemption begins December 1, 2025 and the mandatory redemption begins December 1, 2022, December 1, 2031, and December 1, 2041.

Events of default for the Series 2020 Bonds include: (i) failure by the District to impose the required mill levy or to apply the pledged revenue as required by the indenture; (ii) default by the District in the performance of any other of the covenants, agreements, or conditions in the indenture and failure by the District to remedy; or (iii) the District files a petition under federal bankruptcy laws or other applicable bankruptcy laws seeking to adjust the obligation represented by the Series 2020 Bonds.

The following is a summary of the annual long-term debt principal and interest requirements on the Series 2020 Bonds:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	\$ 580,000	\$ 689,100	\$ 1,269,100
2025	605,000	668,800	1,273,800
2026	715,000	647,625	1,362,625
2027	750,000	622,600	1,372,600
2028	795,000	596,350	1,391,350
2029 - 2033	4,620,000	2,511,831	7,131,831
2034 - 2038	4,395,000	1,439,125	5,834,125
2039 - 2043	2,855,000	706,763	3,561,763
2044 - 2045	1,375,000	93,600	1,468,600
	<u>\$ 16,690,000</u>	<u>\$ 7,975,794</u>	<u>\$ 24,665,794</u>

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Developer Advances

The District assumed rights and obligations of that certain Facilities Funding and Acquisition Agreement, as amended, and an Operation Funding Agreement, as amended, (the Funding Agreements) with the Cherry Creek Lodging, LLC; Stonebridge Realty Advisors, Inc.; Sonley Lodging, LLC; Sonley Retail, LLC; Dimond Holdings, LLC; and Group Four Holdings, LLC (collectively, the “Developer”) from CitySet Metropolitan District No. 1 by virtue of that certain Termination, Assignment and Assumption of Facilities Funding, Construction and Operations Agreement dated October 16, 2015 where the Developer is to provide for the advancement of certain monies to the District for capital improvement costs and operation and maintenance costs. The District agrees to repay the Developer, along with accrued interest, at a rate of 12% compounded interest. As of December 31, 2023, no amounts were due under this agreement.

Debt Authorization

On November 2, 2010, qualified electors of the District approved the District to issue debt of up to \$540,000,000 for the purposes of financing construction or acquisition of capital improvements. As of December 31, 2023, the District had \$507,385,000 in authorized but unissued debt. Pursuant to the Intergovernmental Agreement with the City of Glendale, Colorado, the District will not issue more than \$60,000,000 in indebtedness. In the future, the District may issue a portion or all of the remaining authorized but unissued general obligation debt for purposes of providing public improvements to support development as it occurs within the District’s service area; however, as of December 31, 2023, the amount and timing of any debt issuance is not determinable. The District did not budget to issue debt in 2024.

As of December 31, 2023, the District has no lines of credit.

Note 5: Agreements

City of Glendale Intergovernmental Agreement

On April 15, 2011, the District entered into an intergovernmental agreement (the “City IGA”) with the City of Glendale, Colorado (the “City”). The City IGA describes the rights and responsibilities of the District regarding operation and ownership of public facilities, agreements relative to certain regional improvements and continued oversight by the City. The District is to finance such activities through fees and levies imposed by the District. The mill levy of the District is limited to 50 mills and total debt issued may not exceed \$60,000,000.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

Declaration of Covenants Imposing and Implementing the Public Improvement Fees (“PIF Covenant”)

On December 23, 2009, Cherry Creek Lodging, LLC executed the PIF Covenant and caused the same to be recorded in the real property records of Arapahoe County against the real property located in the boundaries of the District (the “PIF Covenant Area”). The PIF Covenant obligates all Retailers located within the PIF Covenant Area to collect a public improvement fee in the amount of: (i) two percent (2%) of all PIF Sales (defined below) that occur within the PIF Covenant Area; and (ii) an additional one percent (1%) (for a total of three percent (3%)) on all Lodging PIF Sales (as defined below) that occur within the PIF Covenant Area (collectively, the “PIF Revenues”). PIF Sales means any exchange of goods or services for money or other media of exchange initiated, consummated, conducted or otherwise occurring from or within the PIF Covenant Area upon which a Sales Tax would be payable pursuant to Sales Tax Ordinances. Lodging PIF Sales means an exchange of services for money or other media of exchange relating to overnight lodging for one or more nights, which is initiated, consummated, conducted, transacted or otherwise occurring from or within the PIF Covenant Area, and that is subject to sales taxation by the City of Glendale pursuant to its Sales Tax Ordinances. Under the PIF Covenant, the PIF Revenues are intended to pay for eligible costs of public improvements.

PIF Collection Agreement

Cherry Creek Lodging, LLC, Cherry Creek-Sonley Public Improvement Corporation and the City of Glendale entered into that certain PIF Collection Agreement dated March 1, 2010 (the “PIF Collection Agreement”). Cherry Creek-Sonley Public Improvement Corporation subsequently assigned its rights and obligations under the PIF Collection Agreement to CitySet Metropolitan District No. 1 by virtue of that certain Assignment of PIF Collection Agreement dated June 18, 2012. CitySet Metropolitan District No. 1 assigned its rights and obligations under the PIF Collection Agreement to the District by virtue of that certain Assignment of PIF Collection Agreement dated October 16, 2015. Under the PIF Collection Agreement the Retailers are to collect and remit the PIF to the PIF Collection Agent. The City has agreed to act as the PIF Collection Agent.

Under the PIF Collection Agreement, the City receives the PIF Revenues and after deduction of the City’s reimbursable expenses, remits the PIF Revenues to the District for payment of eligible costs of public improvements.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Cooperation Agreement

The property within the District is located within the CitySet Urban Renewal Area (the “Plan Area”). The City and the Glendale Economic Redevelopment Authority (the “Authority”) entered into that certain Cooperation Agreement dated August 30, 2011 with respect to the Plan Area. Under the Cooperation Agreement, the City agreed to remit to the Authority the Pledged Sales Tax Increment Revenues and the Pledged Lodger’s Tax Increment Revenues. The Pledged Lodger’s Tax Increment Revenue is 35% of the Lodger’s Tax Increment Revenues and the Pledged Sales Tax Increment Revenues is 35% of the Sales Tax Increment Revenues. The Lodger’s Tax Increment Revenues is the total amount of revenues actually produced from the levy of a Lodger’s Tax within Parcel B in the Plan Area following the Lodger’s Tax Base year. The Sales Tax Increment Revenues is all of that portion of the municipal sales tax revenue above the Sales Base produced by a levy of 3.75% imposed by the City upon all sales transactions subject to the municipal sales tax after deducted from such revenue the actual cost of collection and enforcement of such sales tax revenue. The Sales Tax Base is the amount of revenues actually produced from the levy of the Sales Taxes within Parcel B in the Sales Tax Base Year which amount is zero.

Reimbursement Agreement

The Authority and the CitySet Metropolitan District No. 1 entered into that certain Reimbursement Agreement dated as of August 30, 2011. On October 16, 2015 CitySet Metropolitan District No. 1 assigned its rights and obligations under the Reimbursement Agreement to the District by virtue of that certain Assignment of Reimbursement Agreement.

Pursuant to the Reimbursement Agreement, the Authority has pledged certain revenues to the District for the District’s repayment of bonds issued in connection with the District’s construction of eligible public improvements. Under the Reimbursement Agreement, the Authority agrees to remit to the District: (i) 35% of the incremental revenues collected by the City and received by the Authority from the imposition of the City’s 6.5% Lodger’s Tax on the private improvements on Parcel B within the District’s service area; (ii) 35% of that portion of the municipal sales tax revenue received by the City from a levy of three and three quarters percent (3.75%) imposed by the City upon all transactions subject to municipal sales tax within the private improvements or otherwise on Parcel B within the District’s service area after deducted from such revenue the actual cost of collection and enforcement of such sales tax revenue; (iii) Property Tax Increment Revenue which is equal to the annual ad valorem property tax revenue received by the Authority from the Arapahoe County Treasurer in excess of the amount produced by the levy of those taxing bodies that levy property taxes against the base assessed value of the taxable property in the Urban Renewal Area; (iv) any portion of the Districts’ Debt Service Mill Levy (if imposed) and (v) any funds obtained or actually recovered by the Developer or the Districts as reimbursement for any and all expenditures for eligible public improvements, including amounts recovered from public utility companies, other metropolitan districts and other developers or property owners.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Facilities Funding, Construction and Operations Agreement

The District and CitySet Metropolitan District No. 1 (“District No. 1” and collectively, with the District, the “Districts”) entered into that certain Facilities Funding, Construction and Operations Agreement (the “FFCO”) on November 30, 2011 to coordinate the financing, construction, operation and maintenance of the public improvements within the service area of the Districts and to establish the relationship between the respective responsibilities of the Districts. The FFCO provides a framework for the equitable allocation over time among the Districts of the costs of administration of the Districts and the costs of financing, constructing, operating and maintaining the public improvements contemplated therein. Pursuant to the FFCO, District No. 1 is the “Operating District” and is generally responsible for providing the financing, construction, operations and maintenance of the public infrastructure to serve the service area. The District is the Taxing District and is generally responsible for cooperating with the Operating District to effectuate the financing of the public improvements.

The FFCO is intended to constitute a multiple fiscal year financial obligation of the Districts, and as such, it was submitted to and approved by the electorates of each of the Districts prior to being executed. The FFCO Agreement terminated October 16, 2015, by virtue of that certain Termination, Assignment, and Assumption of FCCO Agreement.

2011-2012 Operation Funding Agreement

On March 3, 2011, CitySet Metropolitan District No. 1, Cherry Creek Lodging, LLC and Stonebridge Realty Advisors, Inc., entered into that certain 2011-2012 Operation Funding Agreement (the “OFA”). The OFA was amended by that certain First Amendment dated effective November 11, 2011 and that certain Second Amendment dated effective November 30, 2011 which added the following parties as the Developer: Sonley Retail, LLC, Sonley Lodging, LLC, Dimond Holdings, LLC and Group Four Holdings, LLC (collectively, with Cherry Creek Lodging, LLC and Stonebridge Realty Advisors, Inc., the “Developer”). CitySet Metropolitan District No. 1 assigned its rights and obligations under the OFA to the District by virtue of that certain Termination, Assignment and Assumption of Facilities Funding, Construction and Operations Agreement dated October 16, 2015.

2021 Operation Funding Agreement

The District and Stonebridge Realty Advisors, Inc. (“Stonebridge”) entered into a 2021 Operation Funding Agreement dated and effective January 1, 2021, (the “2021 OFA”). Pursuant to the 2021 OFA, Stonebridge agreed to advance funds to the District for operation and maintenance expenses for fiscal year 2021 up to the Shortfall Amount of \$200,000. The District agrees to reimburse Stonebridge for the amounts advanced under the 2021 OFA together with accrued interest of 8% per annum. The 2021 OFA does not constitute a debt, but is an annual appropriation intended to be repaid to the extent the District has funds available. The obligation of the District to reimburse Stonebridge for advances made under the 2021 OFA expires on December 31, 2061, and any amounts of principal or interest outstanding on such date are deemed to be forever discharged and satisfied. As of December 31, 2023, no amounts were due under this agreement.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

2022 Operation Funding Agreement

The District and Oxbridge Properties, Inc. (“Oxbridge”) entered into a 2022 Operation Funding Agreement dated November 17, 2021, and effective January 1, 2022, (the “2022 OFA”). Pursuant to the 2022 OFA, Oxbridge agreed to advance funds to the District for operation and maintenance expenses for fiscal year 2022 up to the Shortfall Amount of \$155,000. The District agrees to reimburse Oxbridge for the amounts advanced under the 2022 OFA together with accrued interest of 8% per annum. The 2022 OFA does not constitute a debt, but is an annual appropriation intended to be repaid to the extent the District has funds available. The obligation of the District to reimburse Oxbridge for advances made under the 2022 OFA expires on December 31, 2062, and any amounts of principal or interest outstanding on such date are deemed to be forever discharged and satisfied.

As of December 31, 2023, a total of \$94,653 was due under this agreement, consisting of \$87,528 of principal and \$7,125 of accrued interest.

2023 Operation Funding Agreement

The District and Oxbridge entered into a 2023 Operation Funding Agreement dated November 16, 2022, and effective January 1, 2023, as amended by that First Amendment to 2023 Operation Funding agreement dated November 28, 2023, with an effective date of January 1, 2023 (the “2023 OFA”). Pursuant to the 2023 OFA, Oxbridge agreed to advance funds to the District for operation and maintenance expenses for fiscal year 2023 up to the Shortfall Amount of \$360,000. The District agrees to reimburse Oxbridge for the amounts advanced under the 2023 OFA together with accrued interest of 8% per annum. The 2023 OFA does not constitute a debt, but is an annual appropriation intended to be repaid to the extent the District has funds available. The obligation of the District to reimburse Oxbridge for advances made under the 2023 OFA expires on December 31, 2063, and any amounts of principal or interest outstanding on such date are deemed to be forever discharged and satisfied.

As of December 31, 2023, a total of \$161,507 was due under this agreement, consisting of \$156,980 of principal and \$4,527 of accrued interest.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Facilities Funding and Acquisition Agreement

CitySet Metropolitan District No. 1 and Cherry Creek Lodging, LLC and Stonebridge Realty Advisors, Inc., entered into a Facilities Funding and Acquisition Agreement dated October 11, 2011 (the “FFAA”). The FFAA was amended by a First Amendment dated November 11, 2011 to add the following parties as the Developer: Sonley Retail, LLC, Sonley Lodging, LLC, Dimond Holdings, LLC and Group Four Holdings, LLC (collectively, with Cherry Creek Lodging, LLC and Stonebridge Realty Advisors, Inc., the “Developer”). Pursuant to the FFAA, District No. 1 acknowledged that the Developer expended certain funds for Organizational Expenses. In addition, District No. 1 and the Developer agreed that the Developer would design, construct and complete certain public improvements. The FFAA provided for District No. 1’s acquisition of the public improvements from the Developer and repayment of the Organizational Expenses. The interest rate on such amounts is established at 12% per annum on the amounts outstanding commencing from the date(s) set forth in the FFAA. The agreement was further amended on December 2, 2013, to set the priority of payments as being first applied to principal and second to accrued and unpaid interest. CitySet Metropolitan District No. 1 assigned its rights and obligations under the FFAA to the District by virtue of that certain Termination, Assignment and Assumption Agreement as to Facilities Funding, Construction and Operations Agreement dated October 16, 2015.

Note 6: Related Parties

One of the Developers of the property which constitutes the District is Stonebridge Realty Advisors, Inc. The members of the Board of Directors of the District are officers, employees or otherwise associated with the Developer and may have conflicts of interest in dealing with the District.

Note 7: Risk Management

Except as provided in the Colorado Governmental Immunity Act, 24-10-101, et seq., CRS, the District may be exposed to various risks of loss related to torts, theft of, damage to, or destruction of assets; errors or omissions; injuries to agents; and natural disasters. The District has elected to participate in the Colorado Special Districts Property and Liability Pool (“Pool”) which is an organization created by intergovernmental agreement to provide common liability and casualty insurance coverage to its members at a cost that is considered economically appropriate. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements December 31, 2023

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

Note 8: Tax, Spending and Debt Limitations

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

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

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

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

Note 9: Transfers

The transfer of \$671,746 from the General Fund to the Debt Service Fund was transferred for the purpose of transferring the excess PIF revenues during 2023. The transfer of \$126 from the Capital Projects Fund to the General Fund was transferred to transfer interest earned on Capital Projects funds during 2023. The transfer of \$228,099 from the Debt Service Fund to the General Fund was transferred as the result of the excess waterfall as determined by the Bond Trustee.

CITYSET METROPOLITAN DISTRICT NO. 2

Notes to Financial Statements
December 31, 2023

Note 10: Reconciliation of Government-Wide Financial Statements and Fund Financial Statements

The Governmental Funds Balance Sheet/Statement of Net Position includes an adjustments column. The adjustments have the following elements:

- 1) capital improvements used in government activities are not financial resources and, therefore are not reported in the funds; and
- 2) long-term liabilities such as bonds and developer advances payable and accrued interest payable are not due and payable in the current period and, therefore, are not in the funds.

The Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances/Statement of Activities includes an adjustments column. The adjustments have the following elements:

- 1) governmental funds report capital outlays as expenditures, however, in the statement of activities, the costs of those assets are held as construction in process pending transfer to other governmental entities or depreciated over their useful lives;
- 2) governmental funds report interest expense on the modified accrual basis; however, interest expense is reported on the full accrual method on the Statement of Activities;
- 3) governmental funds report developer advances and/or bond proceeds as revenue; and,
- 4) governmental funds report long-term debt payments as expenditures, however, in the statement of activities, the payment of long-term debt is recorded as a decrease of long-term liabilities.

SUPPLEMENTAL INFORMATION

CITYSET METROPOLITAN DISTRICT NO. 2

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
DEBT SERVICE FUND

For the Year Ended December 31, 2023

	Original <u>Budget</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES				
Sales and lodger's tax increment	\$ 395,000	\$ 340,000	\$ 349,061	\$ 9,061
Property tax increment/URA	330,640	348,500	348,315	(185)
Interest income	<u>5,000</u>	<u>40,000</u>	<u>55,552</u>	<u>15,552</u>
Total Revenues	<u>730,640</u>	<u>728,500</u>	<u>752,928</u>	<u>24,428</u>
EXPENDITURES				
Property tax increment/URA collection fees	1,653	1,743	1,741	2
Sales and lodger's tax collection fees	1,975	1,700	1,745	(45)
Paying Agent Fees	4,000	4,000	3,000	1,000
Bond interest	705,725	705,725	705,725	-
Bond principal	<u>475,000</u>	<u>475,000</u>	<u>475,000</u>	<u>-</u>
Total Expenditures	<u>1,188,353</u>	<u>1,188,168</u>	<u>1,187,211</u>	<u>957</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES				
	(457,713)	(459,668)	(434,283)	25,385
OTHER FINANCING SOURCES (USES)				
Transfers from other funds	686,062	679,062	671,746	(7,316)
Transfers to other funds	<u>(224,656)</u>	<u>(411,832)</u>	<u>(228,099)</u>	<u>183,733</u>
Total Other Financing Sources (Uses)	<u>461,406</u>	<u>267,230</u>	<u>443,647</u>	<u>176,417</u>
NET CHANGE IN FUND BALANCE	3,693	(192,438)	9,364	201,802
FUND BALANCE:				
BEGINNING OF YEAR	<u>749,269</u>	<u>1,116,635</u>	<u>1,116,635</u>	<u>-</u>
END OF YEAR	<u>\$ 752,962</u>	<u>\$ 924,197</u>	<u>\$ 1,125,999</u>	<u>\$ 201,802</u>

The notes to the financial statements are an integral part of these statements.

CITYSET METROPOLITAN DISTRICT NO. 2

SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL -
CAPITAL PROJECTS FUND

For the Year Ended December 31, 2023

	Original & Final <u>Budget</u>	<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
REVENUES			
Interest income	\$ 75	\$ 126	\$ 51
Total Revenues	<u>75</u>	<u>126</u>	<u>51</u>
EXPENDITURES			
Miscellaneous improvements	<u>15,420</u>	<u>-</u>	<u>15,420</u>
Total Expenditures	<u>15,420</u>	<u>-</u>	<u>15,420</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(15,345)	126	15,471
OTHER FINANCING SOURCES (USES)			
Transfers (to)/from other funds	<u>-</u>	<u>(126)</u>	<u>(126)</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(126)</u>	<u>(126)</u>
NET CHANGE IN FUND BALANCE	(15,345)	-	15,345
FUND BALANCE:			
BEGINNING OF YEAR	<u>15,345</u>	<u>-</u>	<u>(15,345)</u>
END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The notes to the financial statements are an integral part of these statements.

CHANGE ORDER

Change Order No: 3	Date Issued: September 11, 2023
Name of Agreement: Service Agreement for Interior Landscaping (Holiday Lighting)	
Date of Agreement: September 15, 2020	District(s): CitySet Metropolitan District No. 2
Other Party/Parties: Ambius	

CHANGE IN SCOPE OF SERVICES (describe):

See attached proposal dated September 11, 2023

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$ 7,542.00	Original Term: Upon Completion
Increase of this Change Order: \$ 6,277.50	New Term: Upon Completion
Price with all Approved Change Orders: \$ 31,323.50	Agreement Time with all Approved Change Orders: Upon Completion

APPROVED:	
By:	
	District

APPROVED:	
By:	
	Consultant

PROPOSAL
For Interior Landscaping
Short Term Rental

STONEBRIDGE COMPANIES
600 S COLORADO BLVD
DENVER, CO 80246-1503

Proposed to BILL MARTINIC
by SARAH MARX

Ambius
445 Bryant Street, Unit 2
Denver, CO 80204-4800
Telephone: (303) 825-0421
Fax: (303) 825-0422
www.ambius.com

	Quantity
COLORADO BLVD - EAST FACE	
XMAS WREATH - ART. DECOR. 48"	3
WHITE LIGHTS-MULTI COLOR BALLS	
POWER FROM HVAC ON ROOF	
XMAS WREATH - ART. DECOR. 36"	4
WHITE LIGHTS-MULTI COLOR BALLS	
COLO BLVD LARGE SIGNAGE	
GARLAND ARTIFICIAL LIT	6
DRAPE GARLAND ACROSS TOP OF	
SIGN- DECORATE WITH MULTI COLOR BALLS/WHITE LIGHTS	
ENTRANCE SIGNS THROUGHOUT	
ARTIFICIAL GARLAND-PRICE/FOOT	10
18' PER SIGN-MULTI COLOR BALLS	
LAY ON TOP OF SIGNAGE	
VALET BED	
8.5' PRELIT CHRISTMAS TREE W/ SKIRT	1
MULTI COLOR BALLS	
POWER IN VALET STAND	
VALET BED	
7.5' PRELIT CHRISTMAS TREE W/ SKIRT	1
MULTI COLOR BALLS	
POWER IN VALET STAND	
VALET BED	
6' PRELIT CHRISTMAS TREE W/ SKIRT	1
MULTI COLOR BALLS	
POWER IN VALET STAND	
XMS INSTALLATION LABOR	20
BUILD, DELIVER, INSTALL AND	
TAKE DOWN	



Ambius
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Denver, CO 80204-4800
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Fax: (303) 825-0422
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DELIVERY & INSTALLATION	<u>0.00</u>
PROPOSED TOTAL	6,277.50

(Excludes any applicable taxes)

Ambius
445 Bryant Street, Unit 2
Denver, CO 80204-4800
Telephone: (303) 825-0421
Fax: (303) 825-0422
www.ambius.com

ANNUAL RENTAL AGREEMENT

This agreement (the "Agreement") is made as of the date of acceptance indicated below, and is by and between Ambius, a registered trade name of Rentokil North America, Inc. ("Ambius" or the "Company") and the customer identified below (the "Customer" or "You") on the terms and conditions set forth in this Agreement.

Ambius will provide - - - - - CITY SET- - - - - with all service necessary to prepare, freshen, install and remove the holiday decor.

Ambius proposes to:

Rent the attached listed holiday decor for \$6,277.50* annually.

Charge for delivery and installation is \$0.00*.

(*) These prices exclude applicable taxes.

1. **THE SERVICES.** Ambius will provide You with the holiday decor, replicas and further items described and for the prices set forth on the attached Quote.
2. **PAYMENT TERMS.** Ambius will provide You with an annual, one-time invoice for the Services and items set forth on Quote. You agree to pay the invoice within ten (10) days. You will be liable for any returned check fees and any collection costs, including reasonable attorney fees and court costs, for any invoices not otherwise timely paid, and interest at the rate of 1% per month may be added to all unpaid invoices. You may pay these invoices by 1) Electronic Funds Transfer (please contact eft.coordinator-us@ambius.com for information); 2) direct debit on the 22nd of each month under this Agreement; 3) bank check; or 4) credit card.
3. **TERM AND EXPIRATION.** This Agreement will be for a 36 month term unless otherwise set forth on Quote. All property being provided to You under this Agreement will remain the property of Ambius and, You will be responsible for any property that is damaged beyond reasonable use or otherwise not able to be recovered by Ambius at the end of this term. To the extent that You cancel this Agreement prior to the expiration of the term or a renewal term for no fault of Ambius, You agree to pay Ambius for 50% of the amount to be invoiced for the remainder of that term or renewal term. This amount constitutes liquidated damages and not a penalty, and is in recognition of the difficulty of Ambius in establishing the amount of damages or costs for any such early termination.
4. **INSURANCE AND LIMITATION OF LIABILITY.** The Company will maintain general liability and property damage insurance as necessary given the scope and nature of the Services. The Company will be responsible for those damages, claims, causes of action, injuries or legal costs, whether incurred by You or a third party, to the extent of its own direct negligence or misconduct, and then only to an amount not to exceed the annual value of this Agreement. In no event will any party to this Agreement be liable to the other for incidental, consequential or purely economic damages. Additionally, Ambius is not responsible for any damage or harm to walls or structures caused by removal of material therefrom. Ambius accepts no responsibility for decorative containers supplied by You or by Ambius once outside of their manufacturer's warranty.

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Denver, CO 80204-4800
Telephone: (303) 825-0421
Fax: (303) 825-0422
www.ambius.com

5. **CUSTOMER RESPONSIBILITIES.** Ambius assumes all responsibility for the care and maintenance of the plants and associated material being provided under this Agreement. Further, Ambius is not responsible for damage to the material related to temperature extremes, light levels changed since installation, catastrophic events such as fire, floods or unexpected freezes, malicious or accidental damage by third parties, or interference by Your employees in the maintenance of the provided plants. Ambius is also not responsible for any damage or harm to walls or structures to the extent any material is required to be removed or taken down after being attached thereto. You will provide Ambius access to water. You must allow unrestricted access to the plants during normal working hours.

6. **FORCE MAJEURE.** The Company shall not be liable for any delay in performing the Services, nor liable for any failure to provide the Services, due to any cause beyond its reasonable control.

7. **ANTI-CORRUPTION AND BRIBERY.** Each party represents that neither it nor anyone acting on its behalf has offered, given, requested or accepted any undue financial or other advantage of any kind in entering into this Agreement, and that it will comply with all applicable laws and regulations pertaining to corruption, competition and bribery in carrying out the terms and conditions of this Agreement.

8. **GOVERNING LAW.** This Agreement shall be governed and construed in accordance with the laws of the state in which the Services are performed.

9. **ENTIRE AGREEMENT.** This Agreement and its Quote constitute the entire agreement between the parties with respect to the subject matter and replaces any prior agreements or understandings, whether in writing or otherwise. This Agreement may not be modified or amended except by written agreement executed by both parties. In the event that any provision of this Agreement is determined to be void, invalid, or unenforceable, the validity and enforceability of the remaining provisions of this Agreement shall not be affected.

10. **NOTICE.** Any written notice provided under this Agreement may be sent via overnight mail, certified mail, hand delivery or electronic mail with delivery confirmation, to the individuals and addresses listed below.

11. **BINDING.** This Agreement shall inure to the benefit of and be binding upon the legal representatives and successors of the parties.



Ambius
445 Bryant Street, Unit 2
Denver, CO 80204-4800
Telephone: (303) 825-0421
Fax: (303) 825-0422
www.ambius.com

Authorization of this agreement indicates acceptance of the terms and requirements.

BILLING INFORMATION:
014756
STONEBRIDGE COMPANIES
4949 S. Niagara St. Ste. 300
Denver CO 80237-0000

SERVICE ADDRESS:
CITY SET
600 S COLORADO BLVD
DENVER CO 80246-1503

AMBIUS

CUSTOMER

By: _____
Printed Name:
Title:
Electronic Mail:

By: _____
Printed Name:
Title:
Electronic Mail:

Address:

Address:

Date Accepted by Customer: _____

SERVICE AGREEMENT FOR SNOW REMOVAL SERVICES

THIS SERVICE AGREEMENT FOR SNOW REMOVAL SERVICES (“**Agreement**”) is entered into and effective as of the 3rd day of November, 2023, by and between **CITYSET METROPOLITAN DISTRICT NO. 2**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **POWDER COUNTRY, LLC**, a Colorado Corporation (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. The District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities and improvements in accordance with its service plan.

B. Pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts and agreements affecting the affairs of the District.

C. The Consultant has experience in providing the services, as set forth in **Exhibit A** hereto, attached and incorporated herein (the “**Services**”), and is willing to provide such Services to the District for reasonable consideration.

D. The Parties desire to enter into this Agreement to establish the terms by which the Consultant will provide the Services to the District.

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

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

(a) Perform the Services, safely and in accordance with the highest standard of care, skill, and diligence provided by a professional consultant in performance of work similar to the Services.

(b) Be properly qualified to perform the Services. The Consultant does hereby warrant that the quality of the Services shall be as specified in this Agreement, shall conform in all respects to the requirements of this Agreement and shall be free of defects and deficiencies.

(c) Take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required under Section 4.2 hereof.

(d) Advise the District of the status of the Services required by this Agreement on a regular basis and work in coordination with the District’s consultants to

assure that the District has the most complete information available for the exercise of the District's powers and discretionary authority.

(e) Refrain from entering into any contract, oral or written, in the name of the District, and from incurring any debt, liability or obligation for or on behalf of the District. All obligations incurred by the Consultant shall be obligations of the Consultant and the Consultant shall hold the District harmless therefrom.

1.2 Limitations on Authority.

(a) The Consultant shall have no right or authority, expressed or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement or specifically authorized or ratified by the board of directors of the District as reflected in the minutes of the District board meetings. The Consultant shall at all times conform to the stated policies established and approved by the District.

(b) Independent Contractor Status. The Consultant is an independent contractor, as provided in Section 8-40-202(2)(b)(I)-(IV), C.R.S., as amended, and nothing herein contained shall constitute or designate the Consultant or any of its employees, agents, subcontractors or suppliers as employees of the District. The Services to be performed by the Consultant shall be at its sole cost, risk and expense, and no part of the cost thereof shall be charged to the District, except the payments to be made by the District to the Consultant for the Services performed as provided herein. The District shall not be responsible for the Consultant's means, methods, techniques, sequences or procedures of work or for safety precautions incident thereto. **The Consultant is not entitled to workers' compensation benefits and the Consultant is obligated to pay federal and state income taxes on moneys earned pursuant to this Agreement.**

1.3 Compliance with Applicable Law. The Consultant shall provide the Services set forth herein in full compliance with all applicable laws, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction over the activities of the District.

1.4 No Right or Interest in District Assets. The Consultant shall have no right or interest in any of the District's assets, nor any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated herein.

1.5 Work Product. "**Work Product**" shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain reproducible copies of any test results and logs which it obtains and shall make them available for the District's use, and shall provide such copies to the District upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the District. If requested by the District, Consultant shall execute and deliver such documents as shall be necessary in the District's sole discretion, to

assign, transfer and convey all rights in the Work Product to the District or its assignee. If Consultant fails to execute any documents required under this Section 1.5, then Consultant hereby irrevocably appoints the District its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.5. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the District immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit A** attached hereto on a time and materials basis, unless otherwise approved in advance by the District through a written change order in form substantially as attached hereto as **Exhibit B** (“**Change Order**”).

2.2 Monthly Invoices and Payments. The Consultant shall submit to the District a monthly invoice, in a form acceptable to the District. Invoices shall be submitted and paid no more frequently than once a month.

2.3 Expenses. The Consultant is responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as set forth in **Exhibit A**, unless otherwise approved in advance by the District in writing.

2.4 Subject to Annual Budget and Appropriation; District Debt. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The performance of those obligations of the District hereunder requiring budgeting and appropriation of funds is subject to annual budgeting and appropriation. Nothing herein constitutes or creates an indebtedness or debt of the District within the meaning of any Colorado constitutional provision or statutory limitation.

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on date satisfactory completion of the Services. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

3.2 Termination.

(a) The District may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Consultant at least Thirty (30) days prior to the effective date of such termination. The Consultant may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the District at least Thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

(b) Notwithstanding any provision herein to the contrary, the Agreement shall terminate automatically and be of no further force or effect upon the occurrence of (a) the

Consultant's voluntary dissolution, liquidation, winding up, or cessation to carry on business activities as a going concern; or (b) administrative dissolution (or other legal process not initiated by the Consultant dissolving the Consultant as a legal entity) that is not remedied or cured within sixty (60) days of the effective date of such dissolution or other process.

The District shall pay the Consultant for all Services satisfactorily performed through the termination date.

IV. INDEMNIFICATION AND INSURANCE

4.1 Indemnification. The Consultant hereby agrees to indemnify, defend and hold the District and its affiliated entities or other persons or entities designated by the District, and their respective directors, trustees, officers, members, managers, agents and employees (collectively, the "**Indemnitees**"), harmless from any and all liability for damage, including, but not limited to, the reimbursement of attorneys' fees and costs, arising out of death or bodily injury to persons or damage to property, in such amount that is represented by the degree or percentage of negligence or fault attributable to the Consultant and/or its agents, representatives, subcontractors, or suppliers.

4.2 Insurance Requirements. The Consultant shall procure, at its sole cost and expense, the insurance coverages set forth below, which insurance shall be placed with insurance companies rated at least "A:XIII" by A.M. Best Company. The Consultant shall give notice to the District at least thirty (30) days prior to the cancellation or nonrenewal of such policies. The Consultant shall give notice to the District within five (5) business days, or as soon as practicable, of any modification of any such policies. Consultant's cost of maintaining the insurances required hereunder shall not be considered a reimbursable expense of the Consultant. The Consultant shall, upon request, promptly furnish the District with copies of policies obtained pursuant to this Section 4.2. Prior to commencing the Services, the Consultant shall furnish the District with certificates evidencing such insurance and provided further, however, with respect to the Workers' Compensation Insurance required below, the Consultant must furnish to the District, prior to the commencement of any Services, duly executed and validated forms as prescribed by the state authority having jurisdiction evidencing that such insurance is in full force and effect. The District shall not pay any invoices until Consultant provides the certificates evidencing such insurance and Workers' Compensation coverage.

(a) Liability Insurance Coverage.

(i) Workers' Compensation Insurance. A Workers' Compensation Insurance Policy in form and substance reasonably acceptable to the District and in an amount not less than the statutory benefits, including Employer's Liability Insurance with limits of liability of not less than (i) \$500,000 for bodily injury by accident, each accident; (ii) \$500,000 for bodily injury by disease, each employee; and (iii) \$500,000 aggregate liability for disease. The Workers' Compensation Insurance Policy, or an endorsement to such policy, must include a waiver of subrogation in favor of the District.

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the District, which policy shall include, without limitation, the District as an additional insured, a waiver of subrogation endorsement in favor of the District, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the District, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the District; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

(iii) Automobile Liability Insurance. An Automobile Liability Insurance Policy written on a per accident basis, in form and substance reasonably acceptable to the District. The Automobile Liability Insurance Policy must provide coverage for all owned, hired, rented and nonowned automobiles, and must include uninsured motorist coverages. The Automobile Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each accident for bodily injury and/or property damage.

(iv) Excess Liability Insurance. An Excess Liability Insurance Policy written in excess of the coverages provided by the insurance policies described in the preceding Subsections 4.2(a)(i) - (iii), in form and substance reasonably acceptable to the District, which policy will include the District as additional insured. The Excess Liability Insurance Policy must be written with a combined single limit of not less than \$1,000,000 for each occurrence of bodily injury/or property damage and annual aggregate.

(b) Failure to Obtain and Obligation to Maintain Insurance. If the Consultant fails to furnish and maintain insurance as required by this Section 4.2, the District may purchase such insurance on behalf of the Consultant and deduct the cost of such insurance premium(s) from the compensation otherwise owed to the Consultant, and the Consultant shall furnish to the District any information needed to obtain such insurance. Except as otherwise expressly provided herein, all insurance policies required by the terms of this section shall be kept in full force and effect until the date of final payment to the Consultant for the Services specified in this Agreement. Notwithstanding anything to the contrary contained in this Agreement, the foregoing insurance requirements are in no way intended to, and will not in any manner, limit or qualify the liabilities and/or indemnities assumed by the Consultant under or pursuant to this Agreement.

(c) Effect of Approval or Acceptance of Insurance. District acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

5.1 Assignment. The Consultant shall not assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and of no effect.

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

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

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

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

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

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

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

To District: Cityset Metropolitan District No. 2
141 S. Union Blvd., #150
Lakewood, CO 80228
Phone: 303.987.0835
Email: dsolin@sdmsi.com
Attn: David Solin

With a Copy To: McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203
Phone: (303) 592-4380
Email: legalnotices@specialdistrictlaw.com

To Consultant: Powder Country LLC
9778 Mayfair Street, Suite B
Englewood, CO 80112
Phone: 303.447.0090
Email: shane@powdercountry.net
Attn: Shane Landenberger

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

5.9 Default/Remedies. If either Party fails to perform any of its responsibilities, obligations or agreements to be performed in accordance with the provisions of this Agreement, and if such failure of performance continues for a period of thirty (30) days following written notice of default from the other Party (or such additional period of time as may reasonably be required to cure such default; provided that the curative action is commenced within such thirty (30) day period and is diligently and continuously pursued to completion), then the non-defaulting Party, at its option, may elect (i) to treat this Agreement as remaining in full force and effect; or (ii) terminate this Agreement as of any specified date. The non-defaulting Party shall additionally be entitled to exercise all remedies available at law or in equity. In the event of any litigation or other proceeding to enforce the terms, covenants or conditions hereof, the non-defaulting Party in any such litigation or other proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

5.10 Instruments of Further Assurance. Each Party covenants it will do, execute, acknowledge, and deliver or cause to be done, executed, acknowledged, and delivered, such acts, instruments, and transfers as may reasonably be required for the performance of their obligations hereunder.

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

5.12 Non-Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed to be a waiver of any subsequent default hereunder. Notwithstanding any provision to the contrary in this Agreement, no term or condition of this Agreement shall be construed or interpreted as a waiver, either expressed or implied, of any of the immunities, rights, benefits or protection provided to the District under the Colorado Governmental Immunity Act.

5.13 Inurement. This Agreement shall inure to and be binding on the heirs, executors, administrator, successors, and permitted assigns of the Parties hereto.

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

5.15 Conflicts. If any term or provision(s) in any Exhibit attached as part of this Agreement conflicts with any term or provision(s) in the body of this Agreement, the term or provision(s) contained in the body of this Agreement shall control.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

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

Consultant:

POWDER COUNTRY, LLC

By: Kathleen Branson

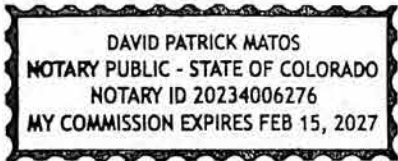
Its: V.P. Ops

STATE OF COLORADO)
) ss.
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 29 day of April, 2024, by Kathleen Branson as VP Ops of Powder Country, LLC

Witness my hand and official seal.

My commission expires: 02/15/2027



[Signature]

Notary Public

District:

CITYSET METROPOLITAN DISTRICT NO. 2

By: _____
President

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, as _____ of _____ Metropolitan District.

Witness my hand and official seal.

My commission expires: _____

Notary Public

[SIGNATURE PAGE TO SERVICE AGREEMENT]

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

Consultant:

POWDER COUNTRY, LLC

By: _____

Its: _____

STATE OF COLORADO)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, as _____ of _____.

Witness my hand and official seal.

My commission expires: _____

Notary Public

District:

**CITYSET METROPOLITAN DISTRICT
NO. 2**

By: _____

President

STATE OF COLORADO)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____, as _____ of _____ Metropolitan District.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A
SCOPE OF SERVICES/COMPENSATION



SNOW REMOVAL CONTRACT

Metropolitan District
600 South Colorado Blvd.
Denver, Colorado 80246



Prepared by
Shane Landenberger



2023 – 2024 SNOW REMOVAL CONTRACT

THIS AGREEMENT is a **SNOW REMOVAL ONLY CONTRACT** between **City Set metropolitan districe** hereinafter called “owner/owner representative” whose address is **600 S Colorado Blvd. Denver, Co 80246** 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 Metropolitan District– 600 South Colorado Blvd

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.

- 1. 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: **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
b) 4x4 Truck w/ 9’ Blade	\$105.00 per hour
c) Semi End Dump	\$225.00 per hour
d) Dump Trucks	\$195.00 per hour
e) Front End Loader w/ blade	\$275.00 per hour
f) Skid Steer Loader	\$165.00 per hour
g) Snow Box	\$55.00 per hour
h) Dry Material Applicator	\$155.00 per hour
i) Ice Slicer	\$0.24/lb 1 ton (2000lbs) minimum
j) Ice-Melt	\$0.00 per hour \$0.85/lb
k) Snow Removal Labor	\$55.00 per hour

- 2.** 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 2023-2024 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.

HILTON GARDEN INN / CITY SET

POWDER COUNTRY PROPERTY SERVICES

DATED: _____

DATED: _____

BY: _____

BY: _____

EXHIBIT B
FORM OF CHANGE ORDER

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

CHANGE IN SCOPE OF SERVICES (describe):
--

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$ _____	Original Term: Expires _____, 20____
Increase of this Change Order: \$ _____	New Term: Expires _____, 20____
Price with all Approved Change Orders: \$ _____	Agreement Time with all Approved Change Orders: _____

APPROVED:	
By:	_____
	District

APPROVED:	
By:	_____
	Consultant

CHANGE ORDER

Change Order No: 3	Date Issued: July 26, 2023
Name of Agreement: Service Agreement for Landscape Maintenance	
Date of Agreement: January 1, 2023	District(s): CitySet Metropolitan District No. 2
Other Party/Parties: Powder Country LLC	

CHANGE IN SCOPE OF SERVICES (describe):

Install parking blocks for 63 identified spaces:
 West of Jax: 2
 South side of building A: 16
 East side of building A: 10
 North West Residents Inn: 5
 West building C: 3
 South West Residents Inn: 3
 North building C: 4
 West side of HGI: 4
 North side of HGI: 3

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$14,680.00_	Original Term: Expires _____, 20__
Increase of this Change Order: \$ 7,497.00	New Term: Expires _____, 20__
Price with all Approved Change Orders: \$35,890.75	Agreement Time with all Approved Change Orders:

APPROVED:

By: _____

District

APPROVED:

By: _____

Consultant

CHANGE ORDER

Change Order No: 4	Date Issued: March 4, 2024
Name of Agreement: Service Agreement for Landscape Maintenance	
Date of Agreement: January 1, 2023	District(s): CitySet Metropolitan District No. 2
Other Party/Parties: Powder Country LLC	


CHANGE IN SCOPE OF SERVICES (describe):

Landscape enhancements as described below:

1. Colorado Blvd. refresh per proposal dated 5/16/2023 in the amount of \$8,969.80.
2. East entrance enhancement per proposal dated 7/25/2023 in the amount of \$900.00.
3. Exposition refresh per proposal dated 7/25/2023 in the amount of \$2,750.00.
4. Elevator building area enhancement per proposal dated 7/25/2023 in the amount of \$1,115.00.
5. North East entrance refresh per proposal dated 7/25/2023 in the amount of \$4,710.00.
6. North West entrance refresh per proposal dated 7/25/2023 in the amount of \$5,960.00.
7. South East entrance refresh per proposal dated 7/25/2023 in the amount of \$500.00.
8. South West Monument sign refresh per proposal dated 7/25/2023 in the amount of \$3,930.00.
9. South West entrance refresh per proposal dated 7/25/2023 in the amount of \$500.00.


CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$14,680.00_	Original Term: Expires <u>April</u> , 20 <u>24</u>
Increase of this Change Order: \$ 29,334.80	New Term: Expires _____, 20__ *To expire once all work is performed
Price with all Approved Change Orders: \$65,225.55	Agreement Time with all Approved Change Orders:

APPROVED:

By: 

District

APPROVED:

By: 

Consultant



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
5/16/2023	1123

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Foliage refresh along Colorado Blvd as discussed. Demolition of existing area including removal of dead bushes and grasses to accommodate new plants Soil amendment and grading to accommodate new plant Delivery and installation of 36 "Hardy" fountain grass, 30 "Heavy Metal" switch grass, and 70 "May Night" purple salvia. 1 replacement "Chanticleer" Pear Irrigation adjustments to accommodate plants Total Investment			
		8,969.80	8,969.80
		Total	\$8,969.80



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
7/25/2023	1155

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Clean up East entry way including sod and rock bed and South East corner monument sign.			
Remove dead foliage at base of monument sign on South side of entryway. Remove dead foliage in sod area and in rock bed along Ash street. Add rock as needed.		450.00	450.00
Prune bushes and trees on corner of Ash and Exposition around monument sign. Add rock as needed.		450.00	450.00
		Total	\$900.00



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
7/25/2023	1151

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Refresh area along Exposition between South West entrance and South East entrance.			
Deep clean up including removing all dead, shaping and pruning all existing foliage and disposal.		1,500.00	1,500.00
Delivery and installation of 2 ton of 3/4" granite to fill.		400.00	400.00
Delivery and installation of replacement foliage including 18 Burning bush euonymus.		850.00	850.00
Irrigation to be billed as time and materials.			
		Total	\$2,750.00



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
7/25/2023	1149

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Refurbished mulch bed to the east of the parking garage elevator.			
Remove dead grasses. Prune and shape existing foliage		300.00	300.00
Deliver and install 2 cubic yards of mulch.		380.00	380.00
Delivery and installation of additional foliage including trumpet vine, cone flowers and replacement grasses.		435.00	435.00
Irrigation repair will be billed as time and materials.			
		Total	\$1,115.00



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
7/25/2023	1154

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Refresh North East entry way. This will include North East corner of the building.			
Remove dead and dying foliage including juniper bushes. Pruning and shaping remaining foliage. Disposal included		650.00	650.00
Delivery and installation of approximately 5 cubic yard		860.00	860.00
Delivery and installation of replacement plants including 35 maiden grasses, 6 lil kim lilac, 10 mountain geraniums, 25 day lilies, creeping euonymus.		3,200.00	3,200.00
		Total	\$4,710.00



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
7/25/2023	1153

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Refresh North west entrance including curb with boulders			
Remove all dead and dying foliage. Prune and shape remaining foliage including disposal		750.00	750.00
Delivery and installation of approximately 5 cubic yards of mulch.		860.00	860.00
Delivery and installation of replacement plants including 70 grasses, 30 cone flower, 20 mountain geranium, 15 lil' kim lilacs		2,850.00	2,850.00
Reposition boulder on curb, bury exposed irrigation line, refill 3/4" granite per need. installation of traffic control bollard.		1,500.00	1,500.00
		Total	\$5,960.00



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
7/25/2023	1150

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Repair construction damage to south east entrance.			
Reset boulder. Remove dead grasses. Burry exposed irrigation line. Remove exposed concrete form on Dunkin' sign.		375.00	375.00
Delivery and installation of approximately 1/2 ton of 1 1/2" multi colored cobble.		125.00	125.00
		Total	\$500.00



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
7/25/2023	1152

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Redesign south west corner around monument sign.			
Remove dead and dying foliage. Prune and shape remaining foliage including trees and disposal.		1,500.00	1,500.00
Delivery and installation of 2 cubic yards of mulch		380.00	380.00
Delivery and installation of 1 ton of 3/4" granite.		200.00	200.00
Delivery and installation of replacement foliage including sand cherry's, day lilies, daises, and creeping euonymus.		1,850.00	1,850.00
		Total	\$3,930.00



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
7/25/2023	1150

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Repair construction damage to south west entrance.			
Rest boulder. Remove dead grasses. Burry exposed irrigation line. Remove exposed concrete from Dunkin' sign.		375.00	375.00
Delivery and installation of approximately 1/2 ton of 1 1/2" multi colored cobble.		125.00	125.00
		Total	\$500.00

CHANGE ORDER

Change Order No: 5	Date Issued: April 5, 2024
Name of Agreement: Service Agreement for Landscape Maintenance	
Date of Agreement: January 1, 2023	District(s): CitySet Metropolitan District No. 2
Other Party/Parties: Powder Country LLC	

CHANGE IN SCOPE OF SERVICES (describe):

2024 Landscape Maintenance per attached contract proposal dated February 14, 2024 for \$27,393.75. Annual flowers per attached estimate #1165 dated December 11, 2023 for \$13,985.00.

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$14,680.00	Original Term: Expires April, 2024
Increase of this Change Order: \$ 41,378.75 <i>(per Approved Budget)</i>	New Term: Expires April, 2025
Price with all Approved Change Orders: \$106,604.30	Agreement Time with all Approved Change Orders: April 2024-April 2025

APPROVED:

By: 
District

APPROVED:

By: _____
Consultant

CHANGE ORDER

Change Order No: 5	Date Issued: April 5, 2024
Name of Agreement: Service Agreement for Landscape Maintenance	
Date of Agreement: January 1, 2023	District(s): CitySet Metropolitan District No. 2
Other Party/Parties: Powder Country LLC	

CHANGE IN SCOPE OF SERVICES (describe):

2024 Landscape Maintenance per attached contract proposal dated February 14, 2024 for \$27,393.75. Annual flowers per attached estimate #1165 dated December 11, 2023 for \$13,985.00.

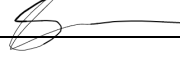
CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$14,680.00	Original Term: Expires April, 2024
Increase of this Change Order: \$ 41,378.75	New Term: Expires April, 2025
Price with all Approved Change Orders: \$106,604.30	Agreement Time with all Approved Change Orders: April 2024-April 2025

APPROVED:

By: _____

District

APPROVED:



By: _____

Consultant



2024 LANDSCAPE MAINTENANCE CONTRACT

For

City Set Metro District

THIS AGREEMENT is between City Set Metropolitan District No. 2, hereinafter called "owner," whose address is: 141 Union Blvd. Suite 150 Lakewood, Co. 80228 and **POWDER COUNTRY, LLC.** hereinafter called "Contractor," whose address is 9778 Mayfair st. Suite B, Englewood CO. 80112

1. **DESCRIPTION OF THE WORK:** Contractor will furnish all labor, tools, specialized equipment, supervision and transportation required to maintain the landscape in an attractive condition throughout the year (hereinafter call "The Service") upon the following described real property:

600 S. Colorado Blvd, Glendale, Co. 80246.

2. Work will be separated into two categories: Base or scheduled services and extras. Scheduled services include: 1) Lawn Care Service (Mowing, trimming & edging), 2) Fertilization, 3) Aeration, 4) Shrub Care/Seasonal Clean-ups, and 5) Irrigation Activation/De-Activation. Extras might include, but are not limited to, mulch, thatch removal, irrigation repairs, spraying to control insects and disease, additional landscaping or colorscaping (annual plantings) and snow removal. The project will be maintained according to technical specifications and addenda prepared by Powder Country, LLC, the Professional Grounds Management Society and generally accepted industry practices as described herein and known as the "Technical Specifications".
3. **PAYMENT:** Owner will pay Contractor the sum of **\$14680.00** in 8 equal installments of **\$1835.00** This will constitute the base contract price. Any invoices which become past due arising out of or relating to this contract will be charged a SERVICE CHARGE of the greater of \$10 or 2% per month on the past due balance.
4. **TERM:** The term of this agreement shall be for 12 months beginning April 1st 2024
5. **DELAY:** The contractor shall not be held liable for delays in completion of contracted items, due to, but not limited to: acts of God; acts of owners; weather conditions, acts of public utilities; or any other unforeseen items beyond the reasonable control of the contractor.
6. **EXTRA WORK:** Should the owner, construction lender, or any public body or inspector direct any modification or addition to the base services under section 1 covered by this contract, the contract price shall be adjusted accordingly. Modifications or additions to the work shall be executed only when authorized by the owner or owner's representative. 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 all labor, equipment, subcontractors and materials plus 25%. In the event that gasoline prices should rise above \$3.50 a gallon, a fuel surcharge will be applied.
7. **INSURANCE:** Contractor shall carry and pay for (1) Worker's Compensation Insurance, and (2) Comprehensive General and Automobile Liability Insurance providing bodily injury and property damage coverage including contractual liability coverage. The Contractor shall furnish Owner with copies of said policies and expiration dates, upon request.
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. **CLEAN UP:** Upon completion of the work, Contractor will remove debris and surplus material created by its operation from Owner's property and leaves it in a neat and clean condition.
10. **ASSIGNMENT:** Neither party may assign this contract without written consent of the other party.

11. **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. Should it become necessary to refer this account for collection, owner hereby agrees to pay all reasonable attorney fees, court costs, and any other expenses of collection incurred by the contractor.
12. **TERMINATION:** Either party may terminate this agreement without cause, by sending written notice to the other party at the respective address herein stated. Notice is to be given at least 30 days prior to effective date of termination. Full payment for services performed or material provided becomes due and payable on, or before, date of termination.
13. **ARBITRATION:** Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance with the procedures of the Arbitration Committee of the Associated Landscape Contractors of Colorado, and judgment upon the award rendered by the Arbitrator(s) may be entered in any Court having jurisdiction thereof.
14. **NOTICES:** All notices required hereunder shall be in writing and shall be sent by United States certified return-receipt requested mail.
15. **SUBSTITUTE WORK:** The parties acknowledge the possibility that drought conditions may make impossible, imprudent or unnecessary for Contractor to provide certain of the Service described in Section 1 above, from time-to-time or during the entire year. By way of example and not limitation, drought may prevent operation of irrigation system as anticipated, or may make turf mowing and/or aeration unnecessary or imprudent. In that event, and upon request of the owner, Contractor agrees to consult with the owner and jointly identify Substitute Service to be accomplished by Contractor, of a nature that can be reasonably accomplished with the labor that Contractor would have used to accomplish the Service, or a substitute labor reasonably available to Contractor. In such event, the parties will enter to a Temporary Substitute Schedule A. By way of example and not limitation, such Substitute Service may involve hand watering of trees and/or shrubs, waterway maintenance and improvements, work toward creation of Xeriscape areas and removal of turf overlying greenbelt pathways. The dollar value of the Substitute Service agreed upon shall be roughly equivalent to, but not greater than, the dollar value of the Service. The owner shall be given a credit for materials scheduled for but not used in any Service, and/or offset against the cost of materials actually used in Substitute Service.

DATE: 02/14/2024__

DATE: _____

OWNER: POWDER COUNTRY, LLC

OWNER: _____

BY: Shane Landenberger

BY: _____

TECHNICAL SPECIFICATIONS

MOWING: Mow all turf areas weekly, or as needed, during the growing season. The contractor will determine mowing height. Frequency of mowing will vary in the spring and fall, due to seasonal weather conditions and growth rate of turf. Grass catches will be used only if there is a specific need and will be used at the discretion of the contractor. Excessive clippings will always be removed from the turf. Contractor reserves the right to leave unmowed any areas that would be unsafe to mow due to but not limited to the following: Areas in use at the time of mowing by large groups, areas excessively wet due to improper drainage not caused by the contractor, areas under construction or areas with large concentrations of pet droppings.

TRIMMING: Trim all turf areas inaccessible to mowing equipment as needed to maintain a neat, well-groomed appearance. Where practical, contractor may use an approved herbicide and/or growth regulator around fences, trees and other obstacles that may be damaged by the repeat use of string trimmers. After mowing operations are completed, all grass clippings will be blown and/or removed from the walks, drives and other common areas.

EDGING: Edging of walks, curbs, swimming pool decks, will be done through the use of a steel blade edger. Edging is limited to concrete areas, in order to avoid damage to irregular asphalt, flagstone, brick, wood walks and decks. Concrete drainage pans/spillways will not be edged, unless otherwise specified.

DEBRIS REMOVAL: Normal debris and trash will be removed as part of the contracted services. This, however, does not include the clean up of drives unless otherwise directed as an addition to this contract. The clean up of debris due to vandalism, dumping, improperly contained dumpsters, pet droppings, and acts of God will be extra to this contract.

TURF FERTILIZATION: Fertilize all turf areas four times during the mowing season. Provide a quality-balanced fertilizer. In the event iron is used in the fertilizer formulation, clean fertilizer off all sidewalks, patios, pool decks, etc. to minimize the possibility of iron stains. However, even the utmost care some staining may still occur and is not the responsibility of the contractor. Weeds in the grass areas will be spot sprayed as needed.

AERATION: Every attempt shall be made by the contractor to avoid obstacles such as but not limited to sprinkler heads, piping, valve boxes, electrical lines and invisible dog fences. Therefore, the contractor shall not be held accountable for damage to obstacles in the landscape except where there is gross negligence on the part of the contractor. Contractor shall use core type aerification equipment that shall provide at least 1" of penetration; cores shall be left on site to be re-incorporated in the landscape.

SHRUB CARE: Contractor shall prune shrubs on the property, with the exception of plant material over eight feet in height. Plant material over eight feet will be handled on a time and materials basis unless otherwise specified. Prune plants in accordance with regularly accepted industry standards for pruning. Pruning is done to promote healthy growth; to prevent weak or abnormal limb structure; to control unwanted leggy growth and to maintain the natural growth habit of plants. In order to prevent damage by mowers and trimmers to trees and shrubs planted in turf areas, provide and maintain a grass free area around all trees and shrubs. Contractor assumes no liability for damage to trees and shrubs not properly protected. Due to the variable and unpredictable nature of insect and disease problems, trees and shrubs will be sprayed on a time and materials basis as directed by owner.

SEASONAL CLEAN-UPS: Contractor will provide the following two seasonal services: a spring clean up which includes perennial care, raking and light adjustments needed within the beds. A fall clean up to include perennial care, shrub shaping, weeding, debris removal and leaf raking.

IRRIGATION ACTIVATION: Contractor will activate the irrigation system at the appropriate time when irrigation is required. Activation occurs usually between April and May depending on weather conditions. At the time of activation, all necessary repairs will be made to make the system operational. Repairs will be done on a time and materials basis.

IRRIGATION DE-ACTIVATION: Winterize the system at the appropriate time as determined by the contractor, usually between October 15 and December 1. Winterize water lines by use of compressed air and will be performed on a time and materials basis.

Initials _____

SERVICE FREQUENCY SUMMARY:

Services	Frequency
Lawn Mowing, Trimming, Blowing	26
Edging – Steel Edge Along Walks & Curbs	13
Lawn Aeration	2
Native Mowing	0
Native Beauty Band Mowing	0
Lawn Fertilization	3
Lawn Pre-Emergent Weed Control	1
Lawn Post-Emergent Weed Control	1
Bed Pre-Emergent Weed Control	1
Bed Management (Manual & Post-Emergent Chemical Weed Control, Perennial Maint.)	26
Sidewalk & Driveway Weed Control	26
Tree/Shrub Fertilization	0
Pest/Disease Control	0
Site Visitation/Inspections	6
Shrub Pruning (Aesthetic, Shaping)	2
Tree Pruning Under 8' (Clearance, Suckers)	1
Sprinkler Activation	1
Sprinkler-Certified Backflow Testing	0
Sprinkler Monitoring	6
Sprinkler-Meter Reading, Usage Tracking	0
Sprinkler Winterization	1
Sprinkler-Winter Backflow Wrapping	0
Growing Season Debris Removal (Landscaped Areas)	26
Dormant Season Debris Removal (Landscaped Areas)	12
Dumpster Enclosure Debris Removal	0
Pet Waste Station Maintenance (Restock Pet Waste Stations)	0
Pet Waste Trash Can Maintenance (Remove Pet Waste from Designated Trash Cans)	0
Spring Cleanup (Landscaped Areas – Includes Cutting Back Perennial Grasses)	1
Fall Cleanup (Landscaped Areas – Includes Cutting Back Perennial Flowers)	1
Water Feature Spring Start-up and Clean-out	0
Water Feature Maintenance (Inspection for Proper Operation and Chemical Application)	0
Water Feature Shut Down/ Winterization	0
Winter Tree Wrapping	Optional
Winter Tree Watering	Optional

Itemized Services

QUANTITY	SERVICE DESCRIPTION	UNIT PRICE	PACKAGE PRICE
26	Lawn Maintenance: Weekly mowing, trimming, and blowing	\$235.00	\$6,110.00
13	Edging – Steel Edge Along Walks & Curbs (Included)	\$0.00	\$0.00
3	Fertilization: Three professional grade applications per year	\$300.00	\$900.00
2	Aeration: Spring & Fall (refer to addendum for details)	\$250.00	\$500.00
1	Sprinkler Activation: Labor only	\$180.00	\$180.00
1	Sprinkler De-activation: Labor Only	\$350.00	\$350.00
6	Sprinkler Monitoring & Check: Labor Only	\$90.00	\$540.00
12	Dormant Season Debris Removal (Landscaped Areas)	\$150.00	\$1,800.00
2	Clean-ups: Spring & Fall: remove fallen leaf material	\$2,150.00	\$4,300.00
		Subtotal	\$14,680.00
ADDITIONAL AVAILABLE SERVICES NOT INCLUDED IN ABOVE PACKAGE:			
	Services listed below will be billed after work is performed.		
	Field Mowing: mow native areas of property	\$0.00	\$0.00
	Fungicide and Insectide Turf Applications: please call	\$0.00	\$0.00
	Sod Removal & Replacement: (200 SF minimum)	\$0.00	\$0.00
	Overseeding: Perennial Rye / Kentucky Blue Mix	\$0.00	\$0.00
	Hand Weeding: \$45.00 / hour (2 hour minimum)	\$0.00	\$0.00
	Irrigation Repairs: \$75/hour (does not include materials)	\$0.00	\$0.00
	Rototilling: \$65 / hour (2 hour minimum)	\$0.00	\$0.00
	Additional cleanups (2 hr min.) - Equipment & Dump Fees Extra	\$0.00	\$0.00
	Landscape Lighting Maint.: \$75/hr (does not include materials)	\$0.00	\$0.00
	Annuals: 100 Flats: Includes soil amendment, fertilizer, winter removal	\$0.00	\$12,713.75
	Fall Bulbs & Winter Pansies (call for quote)	\$0.00	\$0.00
	Retention pond clean up	\$350.00	\$0.00
		Subtotal	\$12,713.75
COMMENTS OR SPECIAL INSTRUCTIONS:		TOTAL	\$27,393.75

Hourly Rates and fees

General Labor	<u>\$45.00</u>
Mowing / Trimming Including Equipment	<u>\$65.00</u>
Landscape Lighting Maintenance	<u>\$75.00</u>
Supervisor with Truck	<u>\$75.00</u>
Water Feature / Certified Technician	<u>\$75.00</u>
Irrigation Technician	<u>\$75.00</u>
After Hours Emergency Calls – 2 Hour Minimum	<u>\$75.00</u>
Winter Watering	<u>\$55.00</u>
Chemical Application	<u>\$85.00</u>
Certified Backflow Testing (Per Backflow)	<u>\$85.00</u>
Holiday Lighting	<u>Ask for Pricing</u>
Parking Lot Sweeping	<u>Ask for Pricing</u>

Powder Country LLC. hours of operation are Monday through Friday 8:00a.m. – 5:00p.m. Services performed on Holidays will be billed at 2 times the normal rate. A one-hour minimum charge per person applies.



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate






Date	Estimate #
12/11/2023	1165

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
<p>Delivery and installation of annual flowers throughout the property including Jax fish house bed.</p> <p>All beds will be turned, fertilized and irrigation systems checked when planting.</p> <p>Plants that do not survive planting will be replaced at no cost. Plants that are damaged or die due to weather related, or other outside influence are not covered by warranty</p>		13,985.00	13,985.00
		Total	\$13,985.00

Title	CitySet 2024 Landscape Maintenance and Summer Annuals Change...
File name	CO__5__2024_Lands...ERVICE_AGREEM.pdf
Document ID	bde78fa4e8a54d0ec036a3e42f78fb64172c49ae
Audit trail date format	MM / DD / YYYY
Status	● Pending signature

Document History

 SENT	04 / 05 / 2024 17:50:42 UTC	Sent for signature to Bill Martinic (bmartinic@stonedevco.com) and Katie Bronson (katie@powdercountry.net) from dsolin@sdmsi.com IP: 50.78.200.153
 VIEWED	04 / 05 / 2024 20:28:49 UTC	Viewed by Katie Bronson (katie@powdercountry.net) IP: 172.59.225.85
 SIGNED	04 / 05 / 2024 20:29:58 UTC	Signed by Katie Bronson (dsolin@sdmsi.com) IP: 172.59.225.85
 SENT	04 / 10 / 2024 15:07:34 UTC	A new document has been created based off of an existing document with ID bde78fa4e8a54d0ec036a3e42f78fb64172c49ae IP: 50.78.200.153
 EDITED	04 / 10 / 2024 15:07:34 UTC	Edited by David Solin (dsolin@sdmsi.com) IP: 50.78.200.153

Title	CitySet 2024 Landscape Maintenance and Summer Annuals Change...
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Document History



04 / 10 / 2024
15:07:34 UTC

Signature request resent by David Solin (dsolin@sdmsi.com)
IP: 50.78.200.153



04 / 10 / 2024
15:17:22 UTC

Signed by Katie Bronson (katie@powdercountry.net)
IP: 73.181.86.72



04 / 10 / 2024
15:17:22 UTC

This document has not been fully executed by all signers.



2024 LANDSCAPE MAINTENANCE CONTRACT

For

City Set Metro District

THIS AGREEMENT is between City Set Metropolitan District No. 2, hereinafter called "owner," whose address is: 141 Union Blvd. Suite 150 Lakewood, Co. 80228 and **POWDER COUNTRY, LLC**, hereinafter called "Contractor," whose address is 9778 Mayfair st. Suite B, Englewood CO. 80112

1. **DESCRIPTION OF THE WORK:** Contractor will furnish all labor, tools, specialized equipment, supervision and transportation required to maintain the landscape in an attractive condition throughout the year (hereinafter call "The Service") upon the following described real property:

600 S. Colorado Blvd, Glendale, Co. 80246.

2. Work will be separated into two categories: Base or scheduled services and extras. Scheduled services include: 1) Lawn Care Service (Mowing, trimming & edging), 2) Fertilization, 3) Aeration, 4) Shrub Care/Seasonal Clean-ups, and 5) Irrigation Activation/De-Activation. Extras might include, but are not limited to, mulch, thatch removal, irrigation repairs, spraying to control insects and disease, additional landscaping or colorscaping (annual plantings) and snow removal. The project will be maintained according to technical specifications and addenda prepared by Powder Country, LLC, the Professional Grounds Management Society and generally accepted industry practices as described herein and known as the "Technical Specifications".
3. **PAYMENT:** Owner will pay Contractor the sum of **\$14680.00** in 8 equal installments of **\$1835.00** This will constitute the base contract price. Any invoices which become past due arising out of or relating to this contract will be charged a **SERVICE CHARGE** of the greater of \$10 or 2% per month on the past due balance.
4. **TERM:** The term of this agreement shall be for 12 months beginning April 1st 2024
5. **DELAY:** The contractor shall not be held liable for delays in completion of contracted items, due to, but not limited to: acts of God; acts of owners; weather conditions, acts of public utilities; or any other unforeseen items beyond the reasonable control of the contractor.
6. **EXTRA WORK:** Should the owner, construction lender, or any public body or inspector direct any modification or addition to the base services under section 1 covered by this contract, the contract price shall be adjusted accordingly. Modifications or additions to the work shall be executed only when authorized by the owner or owner's representative. 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 all labor, equipment, subcontractors and materials plus 25%. In the event that gasoline prices should rise above \$3.50 a gallon, a fuel surcharge will be applied.
7. **INSURANCE:** Contractor shall carry and pay for (1) Worker's Compensation Insurance, and (2) Comprehensive General and Automobile Liability Insurance providing bodily injury and property damage coverage including contractual liability coverage. The Contractor shall furnish Owner with copies of said policies and expiration dates, upon request.
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. **CLEAN UP:** Upon completion of the work, Contractor will remove debris and surplus material created by its operation from Owner's property and leaves it in a neat and clean condition.
10. **ASSIGNMENT:** Neither party may assign this contract without written consent of the other party.

11. **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. Should it become necessary to refer this account for collection, owner hereby agrees to pay all reasonable attorney fees, court costs, and any other expenses of collection incurred by the contractor.
12. **TERMINATION:** Either party may terminate this agreement without cause, by sending written notice to the other party at the respective address herein stated. Notice is to be given at least 30 days prior to effective date of termination. Full payment for services performed or material provided becomes due and payable on, or before, date of termination.
13. **ARBITRATION:** Any controversy or claim arising out of or relating to this contract, or the breach thereof, shall be settled by arbitration in accordance with the procedures of the Arbitration Committee of the Associated Landscape Contractors of Colorado, and judgment upon the award rendered by the Arbitrator(s) may be entered in any Court having jurisdiction thereof.
14. **NOTICES:** All notices required hereunder shall be in writing and shall be sent by United States certified return-receipt requested mail.
15. **SUBSTITUTE WORK:** The parties acknowledge the possibility that drought conditions may make impossible, imprudent or unnecessary for Contractor to provide certain of the Service described in Section 1 above, from time-to-time or during the entire year. By way of example and not limitation, drought may prevent operation of irrigation system as anticipated, or may make turf mowing and/or aeration unnecessary or imprudent. In that event, and upon request of the owner, Contractor agrees to consult with the owner and jointly identify Substitute Service to be accomplished by Contractor, of a nature that can be reasonably accomplished with the labor that Contractor would have used to accomplish the Service, or a substitute labor reasonably available to Contractor. In such event, the parties will enter to a Temporary Substitute Schedule A. By way of example and not limitation, such Substitute Service may involve hand watering of trees and/or shrubs, waterway maintenance and improvements, work toward creation of Xeriscape areas and removal of turf overlying greenbelt pathways. The dollar value of the Substitute Service agreed upon shall be roughly equivalent to, but not greater than, the dollar value of the Service. The owner shall be given a credit for materials scheduled for but not used in any Service, and/or offset against the cost of materials actually used in Substitute Service.

DATE: 02/14/2024__

DATE: _____

OWNER: POWDER COUNTRY, LLC

OWNER: _____

BY: Shane Landenberger

BY: _____

TECHNICAL SPECIFICATIONS

MOWING: Mow all turf areas weekly, or as needed, during the growing season. The contractor will determine mowing height. Frequency of mowing will vary in the spring and fall, due to seasonal weather conditions and growth rate of turf. Grass catches will be used only if there is a specific need and will be used at the discretion of the contractor. Excessive clippings will always be removed from the turf. Contractor reserves the right to leave unmowed any areas that would be unsafe to mow due to but not limited to the following: Areas in use at the time of mowing by large groups, areas excessively wet due to improper drainage not caused by the contractor, areas under construction or areas with large concentrations of pet droppings.

TRIMMING: Trim all turf areas inaccessible to mowing equipment as needed to maintain a neat, well-groomed appearance. Where practical, contractor may use an approved herbicide and/or growth regulator around fences, trees and other obstacles that may be damaged by the repeat use of string trimmers. After mowing operations are completed, all grass clippings will be blown and/or removed from the walks, drives and other common areas.

EDGING: Edging of walks, curbs, swimming pool decks, will be done through the use of a steel blade edger. Edging is limited to concrete areas, in order to avoid damage to irregular asphalt, flagstone, brick, wood walks and decks. Concrete drainage pans/spillways will not be edged, unless otherwise specified.

DEBRIS REMOVAL: Normal debris and trash will be removed as part of the contracted services. This, however, does not include the clean up of drives unless otherwise directed as an addition to this contract. The clean up of debris due to vandalism, dumping, improperly contained dumpsters, pet droppings, and acts of God will be extra to this contract.

TURF FERTILIZATION: Fertilize all turf areas four times during the mowing season. Provide a quality-balanced fertilizer. In the event iron is used in the fertilizer formulation, clean fertilizer off all sidewalks, patios, pool decks, etc. to minimize the possibility of iron stains. However, even the utmost care some staining may still occur and is not the responsibility of the contractor. Weeds in the grass areas will be spot sprayed as needed.

AERATION: Every attempt shall be made by the contractor to avoid obstacles such as but not limited to sprinkler heads, piping, valve boxes, electrical lines and invisible dog fences. Therefore, the contractor shall not be held accountable for damage to obstacles in the landscape except where there is gross negligence on the part of the contractor. Contractor shall use core type aerification equipment that shall provide at least 1" of penetration; cores shall be left on site to be re-incorporated in the landscape.

SHRUB CARE: Contractor shall prune shrubs on the property, with the exception of plant material over eight feet in height. Plant material over eight feet will be handled on a time and materials basis unless otherwise specified. Prune plants in accordance with regularly accepted industry standards for pruning. Pruning is done to promote healthy growth; to prevent weak or abnormal limb structure; to control unwanted leggy growth and to maintain the natural growth habit of plants. In order to prevent damage by mowers and trimmers to trees and shrubs planted in turf areas, provide and maintain a grass free area around all trees and shrubs. Contractor assumes no liability for damage to trees and shrubs not properly protected. Due to the variable and unpredictable nature of insect and disease problems, trees and shrubs will be sprayed on a time and materials basis as directed by owner.

SEASONAL CLEAN-UPS: Contractor will provide the following two seasonal services: a spring clean up which includes perennial care, raking and light adjustments needed within the beds. A fall clean up to include perennial care, shrub shaping, weeding, debris removal and leaf raking.

IRRIGATION ACTIVATION: Contractor will activate the irrigation system at the appropriate time when irrigation is required. Activation occurs usually between April and May depending on weather conditions. At the time of activation, all necessary repairs will be made to make the system operational. Repairs will be done on a time and materials basis.

IRRIGATION DE-ACTIVATION: Winterize the system at the appropriate time as determined by the contractor, usually between October 15 and December 1. Winterize water lines by use of compressed air and will be performed on a time and materials basis.

Initials _____

SERVICE FREQUENCY SUMMARY:

Services	Frequency
Lawn Mowing, Trimming, Blowing	26
Edging – Steel Edge Along Walks & Curbs	13
Lawn Aeration	2
Native Mowing	0
Native Beauty Band Mowing	0
Lawn Fertilization	3
Lawn Pre-Emergent Weed Control	1
Lawn Post-Emergent Weed Control	1
Bed Pre-Emergent Weed Control	1
Bed Management (Manual & Post-Emergent Chemical Weed Control, Perennial Maint.)	26
Sidewalk & Driveway Weed Control	26
Tree/Shrub Fertilization	0
Pest/Disease Control	0
Site Visitation/Inspections	6
Shrub Pruning (Aesthetic, Shaping)	2
Tree Pruning Under 8' (Clearance, Suckers)	1
Sprinkler Activation	1
Sprinkler-Certified Backflow Testing	0
Sprinkler Monitoring	6
Sprinkler-Meter Reading, Usage Tracking	0
Sprinkler Winterization	1
Sprinkler-Winter Backflow Wrapping	0
Growing Season Debris Removal (Landscaped Areas)	26
Dormant Season Debris Removal (Landscaped Areas)	12
Dumpster Enclosure Debris Removal	0
Pet Waste Station Maintenance (Restock Pet Waste Stations)	0
Pet Waste Trash Can Maintenance (Remove Pet Waste from Designated Trash Cans)	0
Spring Cleanup (Landscaped Areas – Includes Cutting Back Perennial Grasses)	1
Fall Cleanup (Landscaped Areas – Includes Cutting Back Perennial Flowers)	1
Water Feature Spring Start-up and Clean-out	0
Water Feature Maintenance (Inspection for Proper Operation and Chemical Application)	0
Water Feature Shut Down/ Winterization	0
Winter Tree Wrapping	Optional
Winter Tree Watering	Optional

Itemized Services

QUANTITY	SERVICE DESCRIPTION	UNIT PRICE	PACKAGE PRICE
26	Lawn Maintenance: Weekly mowing, trimming, and blowing	\$235.00	\$6,110.00
13	Edging – Steel Edge Along Walks & Curbs (Included)	\$0.00	\$0.00
3	Fertilization: Three professional grade applications per year	\$300.00	\$900.00
2	Aeration: Spring & Fall (refer to addendum for details)	\$250.00	\$500.00
1	Sprinkler Activation: Labor only	\$180.00	\$180.00
1	Sprinkler De-activation: Labor Only	\$350.00	\$350.00
6	Sprinkler Monitoring & Check: Labor Only	\$90.00	\$540.00
12	Dormant Season Debris Removal (Landscaped Areas)	\$150.00	\$1,800.00
2	Clean-ups: Spring & Fall: remove fallen leaf material	\$2,150.00	\$4,300.00
		Subtotal	\$14,680.00
ADDITIONAL AVAILABLE SERVICES NOT INCLUDED IN ABOVE PACKAGE:			
	Services listed below will be billed after work is performed.		
	Field Mowing: mow native areas of property	\$0.00	\$0.00
	Fungicide and Insectide Turf Applications: please call	\$0.00	\$0.00
	Sod Removal & Replacement: (200 SF minimum)	\$0.00	\$0.00
	Overseeding: Perennial Rye / Kentucky Blue Mix	\$0.00	\$0.00
	Hand Weeding: \$45.00 / hour (2 hour minimum)	\$0.00	\$0.00
	Irrigation Repairs: \$75/hour (does not include materials)	\$0.00	\$0.00
	Rototilling: \$65 / hour (2 hour minimum)	\$0.00	\$0.00
	Additional cleanups (2 hr min.) - Equipment & Dump Fees Extra	\$0.00	\$0.00
	Landscape Lighting Maint.: \$75/hr (does not include materials)	\$0.00	\$0.00
	Annuals: 100 Flats: Includes soil amendment, fertilizer, winter removal	\$0.00	\$12,713.75
	Fall Bulbs & Winter Pansies (call for quote)	\$0.00	\$0.00
	Retention pond clean up	\$350.00	\$0.00
		Subtotal	\$12,713.75
COMMENTS OR SPECIAL INSTRUCTIONS:		TOTAL	\$27,393.75

Hourly Rates and fees

General Labor	<u>\$45.00</u>
Mowing / Trimming Including Equipment	<u>\$65.00</u>
Landscape Lighting Maintenance	<u>\$75.00</u>
Supervisor with Truck	<u>\$75.00</u>
Water Feature / Certified Technician	<u>\$75.00</u>
Irrigation Technician	<u>\$75.00</u>
After Hours Emergency Calls – 2 Hour Minimum	<u>\$75.00</u>
Winter Watering	<u>\$55.00</u>
Chemical Application	<u>\$85.00</u>
Certified Backflow Testing (Per Backflow)	<u>\$85.00</u>
Holiday Lighting	<u>Ask for Pricing</u>
Parking Lot Sweeping	<u>Ask for Pricing</u>

Powder Country LLC. hours of operation are Monday through Friday 8:00a.m. – 5:00p.m. Services performed on Holidays will be billed at 2 times the normal rate. A one-hour minimum charge per person applies.



Powder Country LLC
 9778 Mayfair Street Suite B
 Englewood Co, 80112
 720-307-7799

Estimate

Date	Estimate #
12/11/2023	1165

Name / Address
City Set Metropolitan District c/o David Solin dsolin@sdmsi.com

Description	Qty	Rate	Total
Delivery and installation of annual flowers throughout the property including Jax fish house bed. All beds will be turned, fertilized and irrigation systems checked when planting. Plants that do not survive planting will be replaced at no cost. Plants that are damaged or die due to weather related, or other outside influence are not covered by warranty		13,985.00	13,985.00
		Total	\$13,985.00

CHANGE ORDER

Change Order No: 3	Date Issued: April 12, 2024
Name of Agreement: Service Agreement for Operator Services	
Date of Agreement: January 1, 2023	District(s): CitySet Metropolitan District No. 2
Other Party/Parties: Ramey Environmental Compliance, Inc.	

<p>CHANGE IN SCOPE OF SERVICES (describe):</p> <p style="text-align: center; margin-top: 20px;">As Per Attached Proposal (ESD-7215) dated January 1, 2024.</p>

CHANGE IN AGREEMENT PRICE:	CHANGE IN TERM OF AGREEMENT:
Original Price: \$ <u>7,348.56</u>	Original Term: Expires <u>December 31</u> , 20 <u>23</u>
Increase of this Change Order: \$ <u>1,350.00</u>	New Term: Expires <u>December 31</u> , 20 <u>24</u>
Price with all Approved Change Orders: \$ <u>10,487.31</u>	Agreement Time with all Approved Change Orders: *

APPROVED:	
By:	
District	

APPROVED:	
By:	<i>Linda Ramey</i>
Consultant	



Ramey Environmental Compliance, Inc.
 PO Box 99, Firestone, CO 80520
 Office: 303-833-5505
 Fax: 303-833-5535

Estimate: ESD-7215

DATE: 1/23/2024

****ESTIMATE IS VALID FOR 30 DAYS****

NAME / ADDRESS
City Set Metropolitan District #1 & 2 c/oSpecial District Management Services, 141 Union Blvd, Suite 150 Lakewood,CO 80228

Estimated Delivery Time: TBD

(Subject to prior sales per manufacturer) Estimated delivery times may vary. There is no way to guarantee actual delivery dates.

Customer PO No.:	
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***Note: All applicable Freight Charges, Taxes and Permit Fees will be added.**

EQUIPMENT SERVICES DIVISION (ESD) PROJECT			
DESCRIPTION	QTY	COST	TOTAL
City Set Lift Station - Gorman Rupp PM 2024			
Pump #1 Pump #2 Gorman Rupp Gorman Rupp Model: T6A3S-B/F Model: T6A3S-B/F S/N: 1525812N S/N: 1525811N			
This PM will consist of one visit to perform the following for each pump listed above:			
*Check motor insulation values to ground using megger *Check voltage supply (pumps off) *Check voltage supply (pumps on) *Check for correct rotation of equipment *Check condition of volute face in respect to discharge connection *Check amperage draw on all three phases for proper balance *Check winding resistance of motors through pump cables *Check condition of level sensing equipment *Check condition of oil in each pump & change oil in each pump *O-Rings	1	1,167.50	1,167.50
Confined Space Entry to check floats.	0.5	365.00	182.50

Limited to Manufacturer Warranty on parts
 Limited 90 day Warranty on Labor - REC Equipment Services Only
 All Labor Warranty is void if serviced by another vendor
 Due to supply chain issues, material and shipping charges are subject to change at the time of delivery. This is unfortunately out of our control

TOTAL: \$1,350.00

(If this estimate is acceptable, please sign and return via email or fax)

_____ Authorized Signature	_____ Date
--------------------------------------	----------------------



GENERATOR SOURCE
SALES · RENTALS · SERVICE

625 Baseline Rd
Brighton CO
80603
United States

Quote

#QUO2174

Date : 06/06/2024

Bill To :
SDMSI Inc.
141 Union Blvd
Denver CO 80228
United States

Ship To :
City Set
600 South Colorado Blvd
Denver CO 80246
United States

Contact: 2664:1 CitySet Metropolitan District No. 2 : David Solin

Contact Phone: (303) 987-0835

Terms	Due Date	PO #	Sales Rep	Shipping Method
Net on Rec	07/06/2024		Carrie Schara	

Unit #	Make	Serial Number	kW	Hours	Customer Asset	Tech Reminders
UNIT-060131-NS	Onan	J810595332	50	827		Lock Code = 5505

Service Notes:

PM Agreement For (12) Month Period Starting June 2024 Ending May 2025

****Quote Acceptance Must Be Received Within 60 Days Otherwise Quote Will Expire****

**** All Services To Be Performed During Normal Hours Monday-Friday 7:00am To 4:00pm ****

*** Annual Inspection PM2 Service:
Perform Visual Inspection Of Unit - Stationary/Running Conditions
Perform 30 Point Inspection.
Replace:
- Oil
- Oil Filters
- Fuel Filters
- Coolant Filter (If/As Equipped/Needed)**

**Collect - Coolant & Oil Samples. Fuel Samples Collected At Additional Cost.
Perform Breaker Integrity Test
(Air Filters Will Be Inspected & Replaced At Additional Cost) If/As Needed
(Belts Will Be Inspected & Replaced At Additional Cost Parts/Labor As If Needed.)**

*** (4) Hour Load Bank Test:
Start & Run Unit Up To Operating Temperature. Perform Visual Inspection. Apply Various Loads Starting At 25% Up To 50% To 75% Up To 80% Rated kW. Verify The Stability Of Volts/Hz In Which The Unit Responds To Various Loads Being Applied/Removed. Report Any/All Areas Of Concern In Need Of Adjustment/Repair If/As Needed.**

****Generator Source Is Not Responsible For Any Mechanical Failure While Performing Load Bank Test****

*** Semi-Annual Inspection PM/Service:
Perform 30 Point Inspection
Perform Functionality Test
Collect - Coolant & Oil Samples**

**** All Services To Be Performed During Normal Hours Monday-Friday 7:00am To 4:00pm ****

Disclaimer: By the acceptance of the equipment listed in this sales invoice (the "Equipment"), and by the payments of the amount required under this sales invoice, the above named buyer acknowledges and agrees that (a) Generator Source ("Seller") has not made, and specifically negates and disclaims, any representations, warranties, covenants or any implied warranty of merchantability of fitness for a particular purpose; (b) the equipment is being acquired by buyer on an "as-is" "where-is" basis with all faults; and any damages to a person or a property (including without limitation actual, consequential, exemplary or punitive damages), which arise out of, or relate to: (i) any damage which may be caused to the equipment during the manufacturing, repair, reconditioning, or shipping of the same; or (ii) the use, installation, operation, maintenance or removal of the equipment by buyer, its agent, employees or contractors. I understand that all the deposits are non-refundable. I have read and understand the above disclaimer.
All sales final. Thanks for your business!



625 Baseline Rd
Brighton CO
80603
United States

Quote

#QUO2174

Date : 06/06/2024

Qty	Item	Description	Amount
1	PM Labor	Annual PM2	\$605.00
1	PM Labor	Semi-Annual PM2	\$346.50
1	Loadbank	4 Hour Load Bank Test	\$1,250.00
164	Mileage	Mileage - 2 Trips	\$451.00
4	Travel Time	Travel Time - 2 Trips	\$440.00
1	SSDF Shop Supplies/ Disposal Fee	SSDF - To Be Determined	\$0.00
2	0D6666 Coolant Sample Analysis Kit	Coolant Sample Analysis Kit	\$0.00
2	0D8011 Oil Sample Analysis Kit	Oil Sample Analysis Kit	\$0.00
1	LF739 Oil Filter	Oil Filter	\$0.00
1	AF257 Air Filter	Air Filter	\$20.00
2	15W40 Shell Rimula 15W40 Engine Oil	Shell Rimula 15W40 Engine Oil	\$0.00

Signature: _____

Date: _____

Subtotal : \$3,112.50
Sales Tax: \$0.00
:
Total : \$3,112.50

Onboarding Link:

Payment Remittance

If by Check:	If by Domestic Wire:	If by International Wire:
Payable To: Generator Source LLC 625 Baseline Rd Brighton CO 80603	Bank:Amegy Bank Account Name:Generator Source LLC Account Number:5797105169 Bank ABA(Routing):113011258 Address:625 Baseline Rd Address Cont.:Brighton CO 80603	Bank:Amegy Bank Account Name:Generator Source LLC Account Number:5797105169 Bank ABA(Routing):113011258 SWIFT:ZFNBUS55 Address:625 Baseline Rd Address Cont.:Brighton CO 80603

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All sales final. Thanks for your business!