CATHEDRAL PINES METROPOLITAN DISTRICT
NOTICE OF SPECIAL MEETING
BOARD OF DIRECTORS

Cathedral Pines Meeting
Wednesday, January 20, 2021 10:00 AM - 12:30 PM (MDT)

Please join the meeting from your computer, tablet or smartphone.
https://global.gotomeeting.com/join/718770333
You can also dial in using your phone.
United States (Toll Free): 1 866 899 4679
United States: +1 (571) 317-3116
Access Code: 718-770-333

Public Welcome

Board of Directors

Bill Heeter, President	Term Expires May 2022
Lynn Shepherd, Vice President	Term Expires May 2023
Ecton Espenlaub, Treasurer	Term Expires May 2022
John Kelley, Secretary	Term Expires May 2023
Rick Stauch, At Large	Term Expires May 2022

AGENDA

1. **Call to Order**
   a. Meeting operating under previously adopted Emergency Resolution 2020-3-1

2. **Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures**

3. **Approval of Agenda**

4. **Approval of Board Meeting Minutes** – Regular meeting on November 17, 2020 (see attached)

5. **Adoption of Posting Resolution (see attached)**

6. **Election of Board Officers for 2021**
   a. President, Vice President, Secretary/Treasurer, Assistant Secretary (link here to vote: https://form.jotform.com/210064228385048)
   b. Division of responsibilities -landscape, lodge, etc. local community liaison, El Paso County, community issues, HOA liaison, Newsletter

6. **Financial Matters**
   a. Review of Unaudited Financial Statements as of December 31, 2020 (see attached) – Kevin/Ecton
   b. Approval of Payables for the Period Ending December 31 , 2020 (see attached) – Kevin
   c. Review and approval of Bill.com implementation
   d. 2021 Budget Review – Kevin, Ecton, John
   e. Status of COVID-19 Relief Application and FEMA reimbursement – Kevin

7. **Objectives for 2021 - Discussion**

a. Lodge - Lynn
b. Landscaping - Bill
c. Trail Maintenance – Ecton
d. Ancillary Programs (Recycling Event, Holiday Decorating, etc.) – Bill
e. By-Laws and Code of conduct – Bill

7. Status of Metro Contracts for 2021

a. Annual Service contracts (see attached)
   - Walker Schooler District Managers (see attached current and new contract)
   - Warren Management (see attached)
   - White Bear Ankele Law Firm (see attached)
   - Lodge Management – recently amended
   - Landscaping and Snow Removal – A Cut Above (under separate cover)

b. Long term contracts
   - Rental of Storage Shed - A Cut Above
   - Security Servies for Lodge and Storage Shed
   - Fire maintenance
   - Waste Connections
   - Pond management

c. One time contracts/work orders
   - Emergency Repairs, Electrical Concerns, Cleaning, Tree Removal

9. Status of Metro Project Proposals for 2021

a. Tree Trimming and Removal
b. Resealing Asphalt and Addition of Parking Spaces at Lodge
c. Sealing of Exterior of Lodge
d. Pond Maintenance
e. Long-term Landscape Design Plan for Community

10. Lodge Management Update – Lynn/Lina

a. Status of current and future operations – Lina
b. Lodge Improvements for 2021

11. HOA Update – Rick

12. Legal Matters

a. Homeowners' Release from Liability for Maintenance of Adjacent Land – Kevin and Bill

13. New Business

a. Temporary Signage Guidelines - Ecton

14. Public Comment (Items Not on the Agenda Only. Comments limited to 3 minutes per person and taken in Order in Which They Appear on Sign-Up Sheet)

15. Other Business

a. Schedule Board Meetings day/time/dates for balance of 2021

16. Adjournment

WALKER SCHOOLER
DISTRICT MANAGERS

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD NOVEMBER 17, 2020
AT 10:00 A.M.

Pursuant to posted notice, the regular meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Tuesday, November 17th at 10:00 a.m., via telephone and video conference call.

In attendance were Directors:
Bill Heeter
John Kelley
Ecton Espenlaub
Lynn Shepherd

Also in attendance were:
Kevin Walker, Walker Schooler District Managers
Rebecca Hardekopf, Walker Schooler District Managers
Jamie Adams, Warren Management
Lina Hoekman, Lodge Manager

1. Call to Order:
   a. Meeting operating under previously adopted Emergency Resolution 2020-3-1: President Heeter called the meeting to order at 10:00 a.m. and confirmed a quorum.

2. Approval of the Agenda: Director Espenlaub moved to approve the Agenda; seconded by Director Shepherd. Motion passed unanimously.

3. Approval of Board Meeting Minutes – Regular meeting on October 20, 2020: President Heeter clarified the subject is Mr. Ashley from A Cut Above under Management Matters. President Heeter moved to approve the October 20, 2020 Meeting Minutes as amended; seconded by Director Shepherd. Motion passed unanimously.

4. Lodge Management Update:
   a. Status of current operations: Mrs. Hoekman reported there were 4 tours last month and 4 events were booked including a resident event. 5 events were executed and there was one cancellation. She noted the Lodge is now under new COVID mandates which limits the capacity to 25%. There are no scheduled events for November or December.

      Mrs. Hoekman discussed social media and the Facebook Review Rating which is currently a 2.6. She explained that back in the Spring, there was an unhappy client who

did not receive a refund and she had multiple family members leave negative reviews on Facebook. Mrs. Hoekman discussed the implementation of the Client Feedback Survey on Google. She requested the Board review the survey questions and provide suggestions. Director Shepherd discussed the Mrs. Hoekman's 2021 Contract. She recommended they continue with the $3,500 flat rate compensation, but review compensation quarterly for any changes as needed in 2021. The Board discussed changing the Engagement Letter language surrounding compensation to a grant instead of a salary so it can be reimbursed by the Cares Act funds. Director Kelley requested that the monthly status report be sent in advance. The Board discussed the status of the Cares Act application and the requirements in detail. President Heeter moved to authorize the appropriate District officials to modify the contract per Board discussion on grants and the application to the State; seconded by Director Shepherd. Motion passed unanimously.

b. Marketing and Packaging of Future events – update: Mrs. Hoekman discussed the smaller event packages and that there have only been a few inquiries. Director Shepherd discussed the struggles with booking due to the uncertainty of the current environment with COVID-19. Mrs. Hoekman reached out to local hotels who do not have meeting space to possibly partner with them and offer off-site meeting space. Mrs. Hoekman noted she has received interest from brides to book in 2021 and 2022.

c. Status of building of wall in Bridal area: Mrs. Adams reported that she has not heard back from the ABC contractor on timing due to them having staffing issues. Mrs. Hoekman noted she knows of a veteran-owned handyman service, so he will reach out to them.

d. Status of RFPs for Parking Lot sealing/expansion: Mrs. Adams discussed the RFP's for the parking lot sealing and expansion. Her recommendation is Seals and Stripes due to their high-quality product and good reputation. She noted she is still waiting on getting RFP's back. Mrs. Adams will request a bid for curb and gutter from Seals and Stripes as well.

e. Approval of Waste Connections contract for 2021: Mrs. Adams reported they sent the cancellation to Waste Management so they can start the new contract with Waste Connections in January.

f. Update on Security System/Consolidation of Fire Alarm Monitoring etc.: Mr. Walker reported they should receive 3 bids, so they are making progress. President Heeter noted he uses Homerun Electronics at home, and they are very economical and reliable.

5. Financial Matters:

a. Review of Unaudited Financial Statements as of October 30, 2020: Mr. Walker reported they have collected 100% of taxes and revenues for the year. Cash position is good at $128,000 and that includes bills paid in the last few months, and there are no outstanding capital expenditures.

b. Approval of Payables for the Period Ending November 11, 2020: Ms. Hardekopf noted a change to the payables; an increase of $550 due to an event cancellation. Director Espenlaub moved to approve the Payables as presented. Director Kelley asked the Board about A Cut Above charge for ice melt application that costs $1,200. Mr. Walker noted there is no liability if they discontinue the ice melt application. The Board agreed to discontinue the ice melt application for $1,200 and to add a note in the newsletter about contacting the County regarding the roads. The motion was seconded by Director Shepherd. Motion passed unanimously.

c. Public Hearing on the 2021 Budget and 2020 Budget Amendment presentation and

discussion: President Heeter opened the Public Hearing. After no public comment, President Heeter closed the Public Hearing.

- Consider approval of a Resolution amending the 2020 budget and adopting the 2021 budget: Mr. Walker presented the Amended 2020 Budget and 2021 Budget. President Heeter moved to approve the Resolutions amending the 2020 Budget and adopting the 2021 Budget; seconded by Director Espenlaub. Motion passed unanimously.

d. Update on Status of final FEMA claim amount: Mr. Walker noted they are still waiting on the remaining FEMA funds.

e. Status of COVID-19 Relief Application/Discussion of guidelines for usage and reporting: There was no additional discussion. Director Shepherd and Mrs. Hoekman left the meeting.

6. Management Matters:

a. Consideration of RFPs for 2020/2021 Landscaping and Snow Removal: Mrs. Adams discussed the RFPs received for landscaping and snow removal and noted that A Cut Above's RFP was the cheapest. After further discussion, the Board agreed to award the contract to A Cut Above for 2021. President Heeter moved to award the 2021 contract to A Cut Above for both landscaping and snow removal with ice melt only upon request by the Board; seconded by Director Espenlaub. Motion passed unanimously.

b. Utilization of Storage Shed: The Board discussed if they use it for storing A Cut Above's equipment, it will need a security system and limited access, as well as draft a rental agreement. The Board agreed to $5 per square foot rental rate for a one-year term.

c. Trails/Community Maintenance – Winter Projects:

d. Landscaping, Irrigation and Ponds
    - Additional tree plantings on median/removal of dead trees: President Heeter discussed the tree transplants and noted the soil is very bad in the medians.
    - Status of Long-term Landscape Strategy RFP: President Heeter discussed the RFPs and will distribute to the Board for review once they are all received.
    - Discussion of 2021 Landscape priorities
        - Install irrigation lines along Lodge Drive for new pines
        - Winslow entrance discussion: President Heeter noted he has not gotten a response back from the homeowner, but he may get a map which will outline which trees are on Metro District property so they can be removed to provide more visibility.

e. Recap of Annual meeting with HOA: President Heeter reported that 2 new HOA Board members were elected by unanimous acclimation, and the HOA Budget was approved as well. Director Kelley commented that he thought there was not going to be a Metro District presentation at the HOA meeting, but there was a presentation given. He would like the Board members to be given the opportunity to review the information that is being presented. President Heeter responded that it was discussed as an informal presentation, but next time he will send out the information beforehand.

f. Renewal of Service Contracts: President Heeter discussed the HVAC contract and needing to get new bids for general maintenance. He also requested new bids for Tall Timbers as well. Mrs. Adams noted they do not have a contract with Tall Timbers, and they are used as needed. Director Kelley discussed the Lodge Manager contract as well as comments on Warren Management and WSDM. He requested a Special Board meeting to discuss those 3 contracts in detail and his recommended changes to them.

The Board will determine which date works best for a special meeting.

- WSDM, LLC
- Warren Management

7. HOA Update: There was no additional discussion.
   a. HOA Annual Meeting
   b. New Board members
   c. 2021 Budget/Priorities for Year

8. Legal Matters:
   a. Land disposition/draft of easement documents: Mr. Walker discussed that he spoke with Mr. Allen regarding an easement document draft that should be available for review soon.

9. New Business: There was no discussion.

10. Public Comment: There was no public comment.

11. Other Business:
   a. Next Regular scheduled Board Meeting on January 19, 2021 10:00 a.m. (No December Meeting)

12. Adjournment: Director Kelley moved to adjourn; seconded by Director Espenlaub. Motion passed unanimously at 11:45 a.m.

Respectfully Submitted,

_____

By: Kevin Walker, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL NOVEMBER 17, 2020 MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:

_____

Bill Heeter, President

_____

Lynn Shepherd, Vice President

_____

Ecton Espenlaub, Treasurer

_____

John Kelley, Director

Rick Stauch, Director

RESOLUTION 2021-01-01
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT

CONCERNING ESTABLSHNG 24 HOUR POSTING LOCATION FOR NOTICE OF REGULAR AND SPECIAL MEETINGS DURING 2021

WHEREAS, the Cathedral Pines Metropolitan District (the "**District**") is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 24-6-402(2)(C)(IV), C.R.S., the District is a local public body and subject to the provisions of §§ 24-6-401, et seq., C.R.S.; and

WHEREAS, § 24-6-402(2)(c)(I), C.R.S. requires that any meetings at which the adoption of any proposed policy, position, resolution, rule, regulation, or formal action occurs or at which a majority or quorum of the Board of Directors (the "**Board**") is in attendance, or is expected to be in attendance, shall be held only after full and timely notice to the public; and

WHEREAS, pursuant to § 24-6-402(2)(c)(I), C.R.S., the District shall be deemed to have given full and timely notice if the notice of the meeting is physically posted in a designated public place within the boundaries of the District no less than twenty-four hours prior to holding the meeting; and

WHEREAS, the Colorado Legislature recently enacted House Bill 19-1087 (effective August 2, 2019) declaring its intent that local governments transition from posting physical notices of public meetings in physical locations to posting notices on a website, social media account, or other official online presence of the local government to the greatest extent practicable; and

WHEREAS, § 24-6-402(2)(c)(I), C.R.S., provides that, in addition to any other means of full and timely notice, a local public body shall be deemed to have given full and timely notice if, on or after July 1, 2019, the notice of the meeting, with specific agenda information if available, is posted on a public website of the local public body no less than twenty-four hours prior to the holding of the meeting; and

WHEREAS, the Board has determined to begin posting notices for all regular and special meetings starting August 2, 2019 on a public website in accordance with § 24-6-402(2)(c)(I), C.R.S.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The Board hereby designates the following public website for the posting of its regular and special meeting notices: https://cathedralpinesmd.colorado.gov/

2. The Board hereby directs WSDM, LLC (the "**District Manager**"), to the extent feasible, to make the notices searchable by type of meeting, date of meeting, time of meeting, agenda contents, and other category deemed appropriate by the Board and Manager.

3. The Board hereby directs the District Manager to provide the District's website, to the department of local affairs for inclusion in the inventory maintained pursuant to § 24-32-116, C.R.S.

4. If the District is unable to post notices on a public website in exigent or emergency circumstances such as power outage or an interruption in internet service, the Board hereby designates the following location for posting of its regular and special meeting notices:

Postal Boxes
13975 Milam Rd.
Colorado Springs, CO 80908

5. All postings pursuant to this Resolution shall commence after the effective date of House Bill 19-1087.

ADOPTED this 20th day of January, 2021.

CATHEDRAL PINES METROPOLITAN DISTRICT

By: _____
Officer of the District

Attest:

By: _____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

_____
General Counsel to the District

Cathedral Pines Metropolitan District

PAYMENT REQUEST

1/20/2021

GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
A Cut Above Lawn Services	22995	1/11/2021	$ 392.89	GF - landscape maintenance
A Cut Above Lawn Services	23016	1/12/2021	$ 105.00	Lodge - Snow removal
A Cut Above Lawn Services	22984	1/10/2021	$ 225.00	Lodge - Snow removal
A Cut Above Lawn Services	22839	12/11/2020	$ 5,117.00	GF/ Lodge - Snow Removal
A Cut Above Lawn Services	22905	12/28/2020	$ 150.00	Lodge - Snow removal
A Cut Above Lawn Services	22940	12/30/2020	$ 340.00	Lodge - Snow removal
A Cut Above Lawn Services	23010	1/12/2021	$ 630.00	GF/ Lodge - Snow Removal
ADT Security	403079811	1/15/2021	$ -	Lodge - Security (Auto-Pay Credit)
Black Hills Energy	10302	1/5/2021	$ 229.81	Lodge - Utilities
Lina Hoekman	LCP112020	12/31/2020	$ 3,500.00	Lodge - Booking fee
Mountain View Electric	ACH	1/7/2021	$ 470.03	Lodge - Utilities (Auto-Pay Credit)
Mountain View Electric	ACH	1/7/2021	$ 527.29	GF - Utilities (Auto-Pay)
Stratus IQ	7699	1/1/2021	$ 240.30	Lodge - Utilities
Walker Schooler District Managers	6658	12/31/2020	$ 3,500.00	GF - Management/ reimbursement
Warren Management	15448	12/31/2020	$ 2,000.00	Lodge - repairs/ Maintenance
Waste Management	6614952-2528-5	12/28/2020	$ 650.26	Lodge - Trash
White Bear Ankele Tanaka Waldron	13669	12/31/2020	$ 1,191.11	GF - Legal
TOTAL			$ 19,268.69	

BONDS REVENUE FUND ACCOUNT

Description	Date	Amount	Comments
UMB Bank NA			Interest Payment
TOTAL		$ -	

TOTAL $ 19,268.69

4:10 PM
01/13/21
Accrual Basis

Cathedral Pines Metropolitan District
Profit & Loss Budget vs. Actual
January through December 2020

	Jan - Dec 20	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
1-100 · GF INCOME				
1-105 · GF Prop Tax Revenue	200,607.84	201,148.05	-540.21	99.7%
1-110 · Specific Ownership Taxes	48,112.34	45,000.00	3,112.34	106.9%
1-115 · Delinquent Tax and Interest	208.10			
1-120 · Rental Income - Lodge Events	57,784.00	130,000.00	-72,216.00	44.4%
1-140 · FEMA Funds	78,459.81			
1-145 · Sales of Product Income	0.00	3,000.00	-3,000.00	0.0%
1-150 · Insurance Reimbursement	74.00			
Total 1-100 · GF INCOME	385,246.09	379,148.05	6,098.04	101.6%
1-180 · CVRF Grant	36,831.76			
2-100 · DS INCOME				
2-105 · DS Prop Tax Revenue	280,847.14	281,607.27	-760.13	99.7%
2-130 · DS Interest Income	1,866.42			
Total 2-100 · DS INCOME	282,713.56	281,607.27	1,106.29	100.4%
Total Income	704,791.41	660,755.32	44,036.09	106.7%
Gross Profit	704,791.41	660,755.32	44,036.09	106.7%
Expense				
1-1000 · SERVICES				
1-1005 · Audit	8,100.00	8,250.00	-150.00	98.2%
1-1010 · Management Expense	42,000.00	42,000.00	0.00	100.0%
1-1015 · Maintenance Management	24,000.00	25,000.00	-1,000.00	96.0%
1-1020 · Legal Fees	12,332.98	10,000.00	2,332.98	123.3%
Total 1-1000 · SERVICES	86,432.98	85,250.00	1,182.98	101.4%
1-2000 · LODGE				
1-2001 · Lodge Management	31,765.50	48,800.00	-17,034.50	65.1%
1-2010 · Booking Fee	1,150.00			
1-2015 · Event Hosting/ Attendant Fee	7,851.57			
1-2020 · Event Supplies	615.01	3,000.00	-2,384.99	20.5%
1-2025 · Cleaning	685.00			
1-2030 · Repairs and Maintenance	9,362.25	15,000.00	-5,637.75	62.4%
1-2035 · Utilities	6,256.57	8,000.00	-1,743.43	78.2%
1-2040 · Security	1,831.68	4,500.00	-2,668.32	40.7%
1-2043 · Capital Improvements - O&M	10,193.18	25,000.00	-14,806.82	40.8%
1-2044 · Landscape Maintenance	15,614.16	5,000.00	10,614.16	312.3%
1-2045 · Snow Removal	8,362.50	10,000.00	-1,637.50	83.6%
1-2050 · Trash	6,272.93	8,000.00	-1,727.07	78.4%
1-2055 · Telephone	2,769.98	3,300.00	-530.02	83.9%
1-4030 · Lodge Contingency	0.00	10,000.00	-10,000.00	0.0%
Total 1-2000 · LODGE	102,730.33	140,600.00	-37,869.67	73.1%
1-3000 · GF EXPENSES				
1-3005 · Landscape Maintenance	29,286.99	35,000.00	-5,713.01	83.7%
1-3010 · Repair & Maintenance - O&M	59,668.69	35,000.00	24,668.69	170.5%
1-3015 · Snow Removal - O&M	20,031.76	16,000.00	4,031.76	125.2%
1-3020 · Utilities - O&M	16,865.60	27,500.00	-10,634.40	61.3%
1-3025 · Infrastructure Replacement	4,940.19	10,000.00	-5,059.81	49.4%
1-3030 · Election	208.08	3,000.00	-2,791.92	6.9%
1-3035 · GF - Contingency	1,200.00	10,000.00	-8,800.00	12.0%
Total 1-3000 · GF EXPENSES	132,201.31	136,500.00	-4,298.69	96.9%
1-4000 · OTHER				
1-4005 · Bank Charges	430.00	500.00	-70.00	86.0%
1-4010 · Insurance/ Fees	9,912.47	12,000.00	-2,087.53	82.6%
1-4015 · Office Expenses	473.61	500.00	-26.39	94.7%
1-4020 · Collection Fee GF(Treasurer)	6,728.86	3,017.22	3,711.64	223.0%
Total 1-4000 · OTHER	17,544.94	16,017.22	1,527.72	109.5%

Cathedral Pines Metropolitan District
Profit & Loss Budget vs. Actual
January through December 2020

	Jan - Dec 20	Budget	$ Over Budget	% of Budget
2-1000 · DS EXPENSES				
2-1005 · Trustee Fees	0.00	800.00	-800.00	0.0%
2-1010 · Collection Fee DS (Treasurer)	496.07	4,224.11	-3,728.04	11.7%
2-1015 · Bond Principal Pmts	0.00	65,000.00	-65,000.00	0.0%
2-1030 · Interest Expense DS	219,762.50	219,762.50	0.00	100.0%
2-1035 · DS - Contingency	0.00	1,000.00	-1,000.00	0.0%
Total 2-1000 · DS EXPENSES	220,258.57	290,786.61	-70,528.04	75.7%
Total Expense	559,168.13	669,153.83	-109,985.70	83.6%
Net Ordinary Income	145,623.28	-8,398.51	154,021.79	-1,733.9%
Net Income	145,623.28	-8,398.51	154,021.79	-1,733.9%

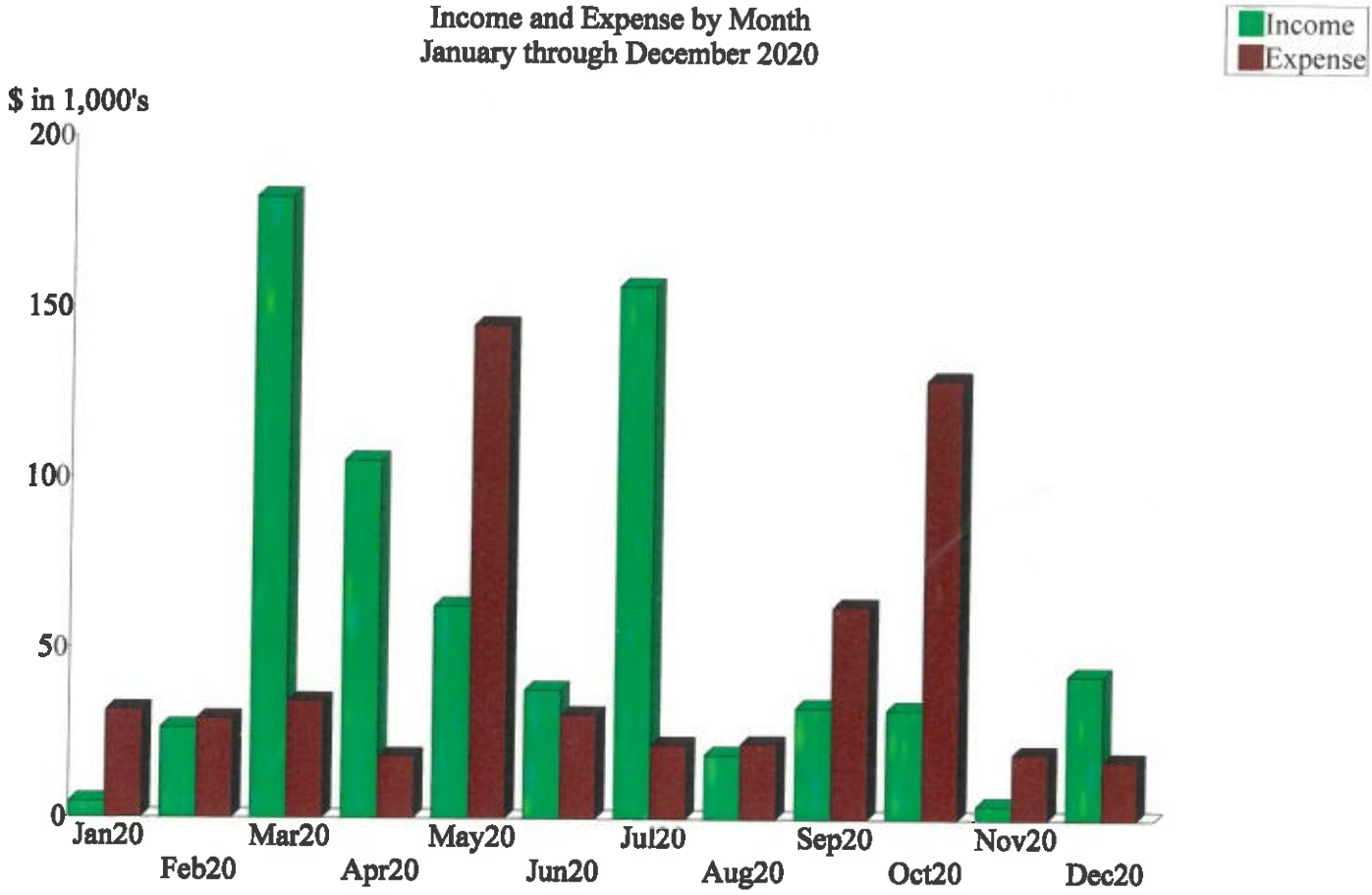
Cathedral Pines Metropolitan District
Balance Sheet
As of December 31, 2020

		Dec 31, 20
ASSETS		
Current Assets		
Checking/Savings		
ECB Debt Service Fund		154,350.32
ECB General Fund		138,538.72
MM - CSafe Bond Fund UMB		0.53
Total Checking/Savings		292,889.57
Accounts Receivable		
Accounts Receivable		9,706.00
Total Accounts Receivable		9,706.00
Other Current Assets		
Prop Tax Rec - Debt Svc		311,843.19
Prop Tax Rec - Gnl Fund		169,611.81
12000 · Undeposited Funds		1,237.50
Total Other Current Assets		482,692.50
Total Current Assets		785,288.07
Fixed Assets		
Community Center		
Accum Depreciation	-531,599.00	
Original Cost	1,328,384.00	
Total Community Center		796,785.00
Equipment		
Accum Depreciation	-2,683.00	
Equipment - Other	13,922.00	
Total Equipment		11,239.00
Parks, Trails & Monument		
Accum Depreciation	-540,161.00	
Original Cost	897,354.77	
Parks, Trails & Monument - Other	69,594.64	
Total Parks, Trails & Monument		426,788.41
Total Fixed Assets		1,234,812.41
TOTAL ASSETS		2,020,100.48
LIABILITIES & EQUITY		
Liabilities		
Current Liabilities		
Accounts Payable		
Accounts Payable (A/P)		25,827.66
Total Accounts Payable		25,827.66
Other Current Liabilities		
Accrued Interest - DSvc		18,737.67
Deferred Prop Tax - DSvc		311,843.19
Deferred Prop Tax - Gnl		169,611.81
Deposits- Lodge Events		25,950.00
Total Other Current Liabilities		526,142.67
Total Current Liabilities		551,970.33

Cathedral Pines Metropolitan District
Balance Sheet
As of December 31, 2020

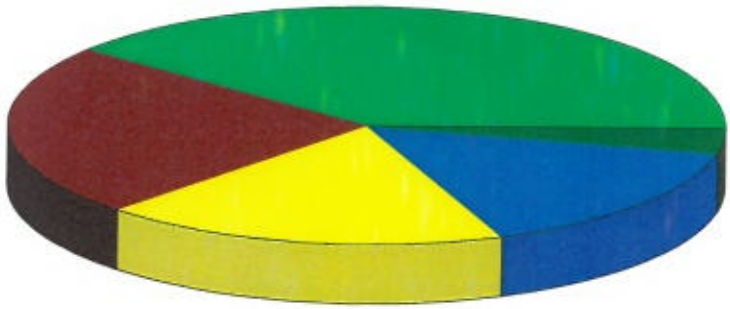
		Dec 31, 20
Long Term Liabilities		
Bonds Payable 2016		
Bond Premium 2016		
A/A Bond Premium 2016	-65,260.36	
Bond Premium 2016 - Other	414,881.70	
Total Bond Premium 2016		349,621.34
Bonds Payable 2016 - Other		4,475,000.00
Total Bonds Payable 2016		4,824,621.34
Total Long Term Liabilities		4,824,621.34
Total Liabilities		5,376,591.67
Equity		
Debt Svc / Cap Proj Funds		155,805.00
General Fund-Restricted		8,054.00
General Fund-Unrestricted		33,873.00
Gov't Wide Fund Balance		-3,741,036.79
32000 · Retained Earnings		41,190.32
Net Income		145,623.28
Total Equity		-3,356,491.19
TOTAL LIABILITIES & EQUITY		2,020,100.48

Income and Expense by Month
January through December 2020



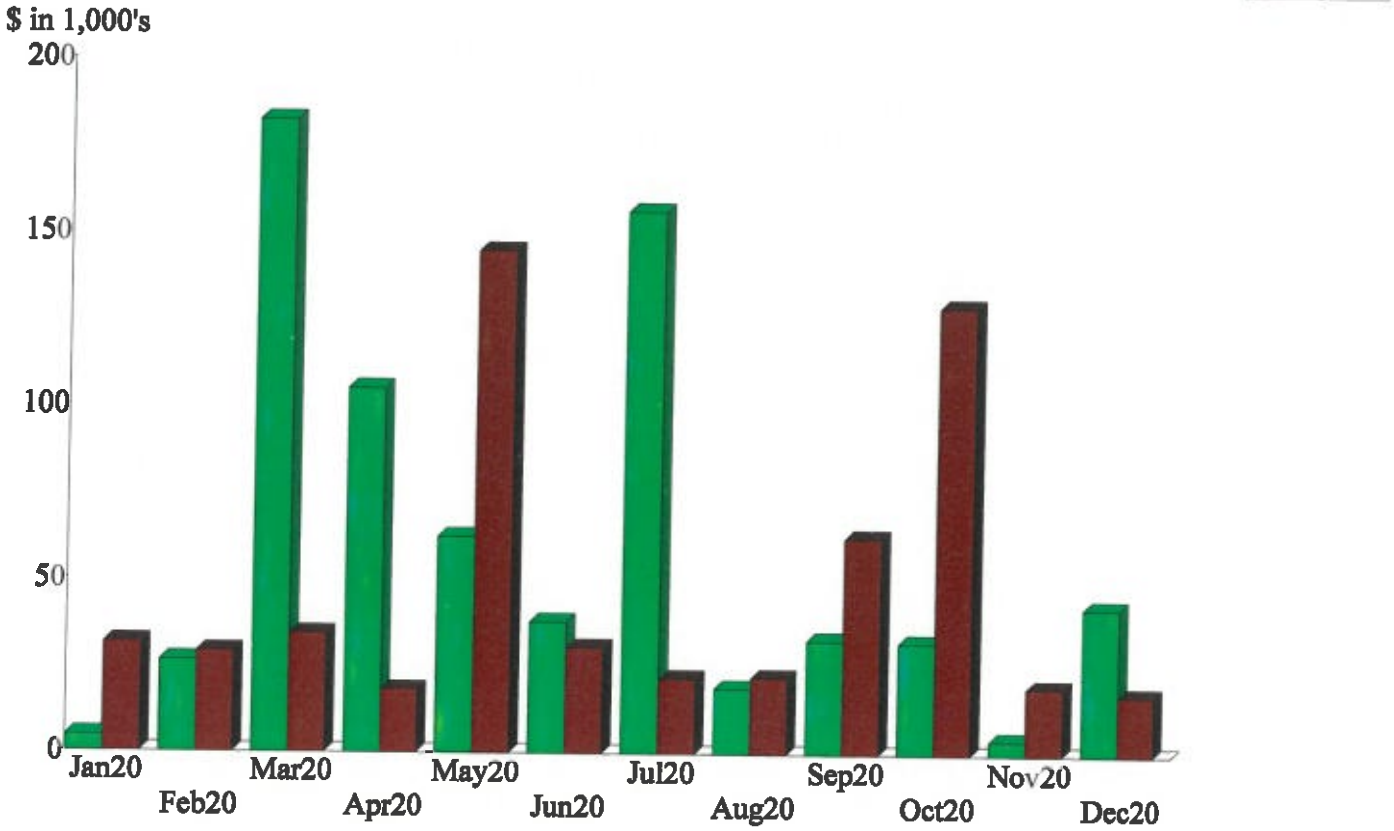
Expense Summary
January through December 2020

2-1000 · DS EXPENSES	39.39%
1-3000 · GF EXPENSES	23.64
1-2000 · LODGE	18.37
1-1000 · SERVICES	15.46
1-4000 · OTHER	3.14
Total	$559,168.13



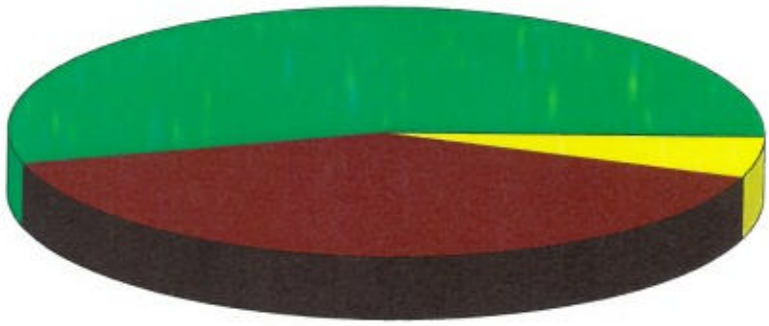
By Account

Income and Expense by Month
January through December 2020



Income Summary
January through December 2020

1-100 · GF INCOME	54.66%
2-100 · DS INCOME	40.11
1-180 · CVRF Grant	5.23
Total	$704,791.41



By Account

PROFESSIONAL SERVICES AGREEMENT BETWEEN CATHEDRAL PINES METROPOLITAN DISTRICT AND WALKER SCHOOLER DISTRICT MANAGERS

THIS PROFESSIONAL SERVICES AGREEMENT (***"Agreement"***) is made and entered into this 6TH day of DECEMBER 2017, and shall commence on January 1, 2018, 2017 (***"Effective Date"***) by and between the **CATHEDRAL PINES METROPOLITAN DISTRICT ("CATHEDRAL PINES")** a quasi-municipal entity and political subdivision of the State of Colorado, and **SCHOOLER & ASSOCIATES, INC. DBA WALKER SCHOOLER DISTRICT MANAGERS** a Colorado corporation (the "***Company***"). Cathedral Pines and the Company may be collectively referred to as the "***Parties***" and each individually as "***Party***".

RECITALS AND REPRESENTATIONS

WHEREAS, Cathedral Pines desires to retain the Company to provide Cathedral Pines with services of a professional, qualified District Manager and other services to Cathedral Pines as directed by the Board of Directors of Cathedral Pines; and

WHEREAS, the Company represents that the Company has the personnel, skill, ability, and expertise to perform the services described in this Agreement; and

WHEREAS, Cathedral Pines desires to engage the Company to provide the services described in this Agreement subject to the terms and conditions of the Agreement.

NOW, THEREFORE, in consideration of the terms and conditions contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, it is mutually agreed by and between the Parties as follows:

1. **LINE OF AUTHORITY:** For purposes of this Agreement, the Company's designated representative is Kevin Walker and Lori VonFeldt (either the ***"Company Authorized Representative")***

2. **SCOPE OF SERVICES:** Company shall perform all services described in **Exhibit A** diligently and professionally and to the extent as may be directed by the Board of Directors of Cathedral Pines.

Cathedral Pines may, from time to time, request changes to the Services to be performed hereunder. If agreed to by both Parties, Company will, within a reasonable time period, provide to Cathedral Pines in writing a price and modification to services for the proposed addition to Services. Such changes, including any increase or decrease in the amount of the Company's compensation, when mutually agreed upon between Cathedral Pines and Company, shall become an amendment to and part of this Agreement, provided any such change is approved by Cathedral Pines in writing and signed by Cathedral Pines Authorized Representative and by the Company Authorized Representative. Unless otherwise stated in the written amendment, Company will invoice Cathedral Pines on the next billing cycle after completion of the addition to Services or if the change involves an ongoing new addition to the Services, Company will include the associated adjustment to the monthly compensation amount.

3. **COMPENSATION FOR SERVICES:** In consideration for the provision of Services described in **Exhibit A**, Cathedral Pines agrees to compensate the Company based on the following:

a. The Company shall submit invoices to Cathedral Pines in accordance with the terms of this Agreement. Invoices will be billed to Cathedral Pines within 5 days of the end of every calendar

month. Cathedral Pines agrees to pay Company for services rendered no more than 30 days from receipt of invoice from the Company.

b. Company's invoices shall be in a format acceptable to Cathedral Pines, shall be supported by information in such detail as may be required by Cathedral Pines and shall be sufficient to substantiate that the Company has performed the Services described in **Exhibit A**. With each invoice, if requested by the Board of Directors, the Company shall submit an activity service report detailing the Services provided in accordance with **Exhibit A**.

4. **TERM:** It is mutually agreed by the Parties that the term of this Agreement shall commence as of the Effective Date and shall be in full force until terminated by the Board of Directors or by the Company. The Term shall extend a the calendar year and be extended by agreement of both parties for the following year unless otherwise amended.

5. **CONFLICT OF INTEREST:** The Company agrees that no official, officer or employee of Cathedral Pines shall have any personal or beneficial interest whatsoever in the Services described herein, and the Company further agrees not to hire, pay, or contract for services of any official, officer or employee of Cathedral Pines. A conflict of interest shall include transactions, activities or conduct that would affect the judgment, actions or work of the Company by placing the Company's own interests, or the interest of any party with whom the Company has a contractual arrangement, in conflict with those of Cathedral Pines.

6. **INDEPENDENT CONTRACTOR:** The Company shall perform the Services as an Independent Contractor. Cathedral Pines shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Company or the Company's employees, sub-Company's, agents, or representatives, including coverage or benefits related but not limited to: local, state, or federal income or other tax contributions; insurance contributions (e.g., FICA); workers' compensation; disability, injury, or health; Company liability insurance, errors and omissions insurance.

7. **INDEMNIFICATION:** The Company shall defend, indemnify and hold harmless Cathedral Pines, its elected officials, officers, directors, agents, and employees from any and all claims, demands, suits, actions or proceedings of any kind or nature whatsoever, in any way resulting from or arising from this Agreement; provided, however, that the Company need not indemnify or save harmless Cathedral Pines, its officers, agents and employees from damages resulting from the negligence of Cathedral Pines elected officials, officers, directors, agents, and employees. Company's defense, indemnification and insurance obligations shall be to the fullest extent permitted by law and nothing in this Agreement shall be construed as requiring the Company to defend in litigation, indemnify or insure Cathedral Pines against liability arising out of the death or bodily injury to person or damage to property caused by the negligence or fault of Cathedral Pines or any third party exclusively under the control or supervision of the District.

8. **INSURANCE:** The Company shall obtain and maintain the types, forms, and coverage(s) of insurance deemed by the Company to be sufficient to meet or exceed the Company's minimum statutory and legal obligations arising under this Agreement, including the indemnification obligations set forth in Section 7. At a minimum, Company shall maintain Professional Liability Insurance Coverage (errors and omissions coverage) in an amount of Five Hundred Thousand Dollars ($500,000.00). The Company shall be solely responsible for any insurance deductible. The Company's failure to obtain and continuously maintain policies of insurance in accordance with this Section shall not limit, prevent, preclude, excuse, or modify any liability, claims, demands, or other obligations of the Company arising from performance or non-performance of this Agreement.

9. **NO WAIVER OF GOVERNMENTAL IMMUNITY ACT:** The Parties hereto understand and agree that Cathedral Pines, its elected officials, directors, agents and employees, are relying on, and do not waive or intend to waive by any provisions of this Agreement, the monetary limitations or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, §§ 24-10-101 to 120, C.R.S., as the same may be amended from time to time, or otherwise available to the District.

10. **ASSIGNMENT:** The Company covenants and agrees that it will not assign or transfer its rights hereunder, either in whole or in part without the prior written approval of Cathedral Pines. Any attempt by the Company to assign or transfer its rights hereunder shall, at the option of Cathedral Pines Authorized Representative, void the assignment or automatically terminate this Agreement and all rights of the Company hereunder.

11. **CATHEDRAL PINES REVIEW OF RECORDS:** The Company agrees that, upon a reasonable request of the Authorized Representative, at any time during the term of this Agreement or three (3) years thereafter, will make available for inspection and audit upon request by Cathedral Pines Authorized Representative, those books and records of the Company's work performed under this Agreement. Nothing construed herein shall be construed as a requirement that Company shall provide its financial records determined to be proprietary by the Company. The Company shall maintain such records until the expiration of the three (3) years following the end of the term of this Agreement.

12. **OWNERSHIP OF DOCUMENTS:** Working papers, reports and other documents prepared by the Company in connection with this Agreement shall be the property of Cathedral Pines. The Company shall provide Cathedral Pines with copies of any documents produced in association with the Company's Services within five (5) business days upon written request of the District. Company shall provide any documents that may be required for disclosure pursuant to the Colorado Open Records Act.

13. **TERMINATION:** Cathedral Pines and the Company shall have the right to terminate this Agreement, with or without cause, by giving written notice to the affected party of such termination and specifying the effective date thereof, which notice shall be given at least thirty (30) calendar days before the effective date of such termination. In such event, all finished or unfinished documents, data, studies, and reports which are considered to be documents subject to the Colorado Open Records Act shall become the District's property. The Company shall be entitled to receive compensation in accordance with this Agreement for any satisfactory work completed pursuant to the terms of this Agreement prior to the date of notice of termination and at the established compensation rate for the 60 days thereafter. Notwithstanding the above, the Company shall not be relieved of liability to Cathedral Pines for damages sustained by Cathedral Pines by virtue of any breach of the Agreement by the Company. The Company's indemnification obligations hereunder shall survive termination of this Agreement

14. **NOTICES:** Notices concerning termination of this Agreement, notices of alleged or actual violations of the terms or provisions of this Agreement, and all other notices shall be made as follows:

To Cathedral Pines Metropolitan District:	CATHEDRAL PINES METROPOLITAN DISTRICT 6265 Lehman Dr. Suite 100 Colorado Springs, CO 80918
With a Copy to District Counsel:	Susemihl, McDermott & Cowan, P.C. 660 Southpointe Court, Suite 210

Colorado Springs, CO 80906
Attn: Peter Susemihl

To the Company: Walker Schooler District Managers
614 N. Tejon St.
Colorado Springs, CO 80903

Said notices shall be delivered personally during normal business hours to the appropriate office above, or by prepaid first-class U.S. mail, via facsimile, email or other suitable electronic method, or other method authorized in writing by Cathedral Pine's Authorized Representative and the Company's Authorized Representative. Mailed notices shall be deemed effective upon receipt or three (3) working days after the date of mailing, whichever is earlier. The Parties may from time to time designate substitute addresses or persons where and to whom such notices are to be mailed or delivered, but such substitutions shall not be effective until actual receipt of written notification.

15. **NONDISCRIMINATION:** In connection with the performance of work under this Agreement, the Company agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, marital status, or physical or mental disability.

16. **ILLEGAL ALIENS:** Company shall not knowingly employ or contract with an illegal alien to perform work under this Agreement. Company shall not contract with a subcontractor that fails to certify that the subcontractor does not knowingly employ or contract with any illegal aliens. By entering into this Agreement, Company certifies that it has verified, or attempted to verify, through participation in the basic pilot program that the Company does not employ any illegal aliens. If the Company is not accepted into the basic pilot program, the Company shall apply to participate in the basic pilot program every three months until the Company is accepted, or this Agreement had been completed, whichever is earlier. The Company is prohibited from using the basic pilot program procedures to undertake pre-employment screening of job applicants while this Agreement is being performed. If the Company obtains actual knowledge that a subcontractor performing work under this Agreement knowingly employs or contracts with an illegal alien, the Company shall be required to notify the subcontractor and Cathedral Pines within three (3) days that the Company has actual knowledge that a subcontractor is employing or contracting with an illegal alien. The Company shall terminate the subcontract if the subcontractor does not stop employing or contracting with the illegal alien within three (3) days of receiving the notice regarding Company's actual knowledge. The Company shall not terminate the subcontract if, during such three days, the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien. The Company is required to comply with any reasonable request made by the Department of Labor and Employment made in the course of an investigation undertaken to determine compliance with this provision and applicable state law. If the Company violates this provision, Cathedral Pines may terminate this Agreement, and the Company may be liable for actual and/or consequential damages incurred by the District, notwithstanding any limitation on such damages provided by such Agreement.

17. **GOVERNING LAW; VENUE:** This Agreement shall be deemed to have been made in, and construed in accordance with the laws of the State of Colorado. Venue for any action hereunder shall be in the District Court, County of El Paso, State of Colorado. The Company expressly waives the right to bring any action in or to remove any action to any other jurisdiction, whether state or federal.

18. **COMPLIANCE WITH ALL LAWS AND REGULATIONS:** All of the work performed under this Agreement by the Company shall comply with all applicable laws, rules, regulations and codes of the United States and the State of Colorado. The Company shall also comply with all applicable ordinances, regulations, and resolutions of Cathedral Pines and shall commit no trespass on any public or private property in the performance of any of the work embraced by this Agreement.

19. **SEVERABLITY:** In the event any of the provisions of this Agreement are held to be unenforceable or invalid by any court of competent jurisdiction, the validity of the remaining provisions shall not be affected, provided that the remaining provisions without the invalidated provisions are consistent with the Parties' intent. Should either party fail to enforce a specific term of this Agreement it shall not be a waiver of a subsequent right of enforcement, nor shall it be deemed a modification or alteration of the terms and conditions contained herein.

20. **NO THIRD PARTY BENEFICIARIES:** The enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement, shall be strictly reserved to Cathedral Pines and the Company, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person under such Agreement.

21. **HEADINGS; RECITALS:** The headings contained in this Agreement are for reference purposes only and shall not in any way affect the meaning or interpretation of this Agreement. The Recitals to this Agreement are incorporated herein.

22. **ENTIRE AGREEMENT:** The Parties acknowledge and agree that the provisions contained herein constitute the entire agreement and that all representations made by any elected official, officer, director, agent or employee of the respective parties unless included herein are null and void and of no effect. No alterations, amendments, changes or modifications to this Agreement, except those which are expressly reserved herein to Cathedral Pines Authorized Representative and/or the Company Authorized Representative, shall be valid unless they are contained in writing and executed by all the Parties with the same formality as this Agreement.

23. **FORCE MAJEURE:** Neither Party shall be liable for damages, delays, or failure to perform its obligations under this Agreement if performance is made impractical or impossible, or unpredictably and abnormally difficult or costly, as a result of any unforeseen occurrence, including but not limited to fire, flood, acts of God, civil unrest, failure of a third party to cooperate in providing services other than Company's subcontractors, or other occurrences beyond the reasonable control of the party invoking this Force Majeure clause. The Party invoking this Force Majeure clause shall notify the other Party immediately by verbal communication and in writing of the nature and extent of the contingency within five (5) business days after its occurrence or discovery of its occurrence, and shall take reasonable measures to mitigate any impact of the event that triggered the invoking of this Force Majeure clause. If the Force Majeure event shall impact schedule or increase the costs incurred by Company, such items shall be handled in accordance with Section 2 and 3.

24. **INCORPORATION OF EXHIBITS:** All exhibits referenced in this Agreement and attached hereto shall be incorporated into this Agreement for all purposes.

IN WITNESS WHEREOF, Cathedral Pines and the Company have executed this Professional Services Agreement as of the above date.

COMPANY:

Schooler and Associates, Inc., dba Walker Schooler District Managers, a Colorado corporation

BY: _____

Kevin J. Walker

DATE: 12/6/17

CATHEDRAL PINES METROPOLITAN DISTRICT

BY: _____

CATHEDRAL PINES METROPOLITAN DISTRICT

ATTEST: _____

DATE: 12/6/17

EXHIBIT "A"

SCOPE OF WORK

Cathedral Pines Metropolitan District
Management Company Scope of Services

This list of services is refined to reflect our understanding of the needs of the District. Some services may not be needed and additional services may be added as needed and identified.

a. District Management

i. Standard Services

(a) Coordinate Board meetings, prepare and distribute meeting agenda. Preparation, filing and posting of legal notices required in conjunction with the meeting.

(b) Ensure meeting notices are properly and timely posted.

(c) Contact Board members 72 hours prior to a scheduled meeting to ensure a quorum will be present. In the event of a cancelation of a meeting, contact and advise all parties of the cancelation and any changes to the meeting date, time and place, if available.

(d) Meeting packets will be distributed by U.S. Mail and/or email, as determined by the Board, one week in advance of each meeting.

(e) Prepare for and attend regular and special meetings of the Board.

(f) Draft, revise and finalize the minutes of the meeting and circulate to the attorney for review and comment to ensure all statutory requirements have been met.

(g) Prepare and maintain a record of all Board members, consultants and vendors. Direct and oversee all service providers, consultants and employees.

(h) Prepare and make annual compliance filings (but not judicial filings) with the various State and County officials, as required. Coordinate review and approval of annual compliance filings with the attorney.

(i) Respond to inquiries made by various officials, property owners or consultants in a timely and professional manner.

(j) Set up and maintain the official records of the District and service as official custodian for same pursuant to the Colorado Open Records Act.

(k) Monitor requirements pertaining to HB 1343 (Illegal Aliens).

(l) Insurance administration, including evaluating risks, comparing coverage, process claims, completing applications, monitoring expiration dates, processing routine written and telephone correspondence. Ensure that all District contractors and subcontractors maintain required coverage for the District's benefit. Obtain quotes for insurance annually.

b. Accounting

i. Standard Services

(a) Accounting

I. Prepare monthly, quarterly and annual financial statements for inclusion in

monthly meeting packets.

II. Reconcile monthly bank statements and trustee statements.

III. Coordinate bank account setup and maintenance of signature cards.

IV. Prepare and file Continuing Disclosure Notices with the Trustee and other required parties. Coordinate review with legal counsel.

V. Coordinate capital project draws and requisitions.

VI. Reconcile bonds and other debt service payment obligations for accuracy and timely payments.

VII. Respond to bondholder and other interested parties' requests for financial information.

VIII. Review all payments of claim prior to release to ensure funds are available.

IX. Monthly review of all expenditures and coordinate preparation and distribution of same with the manager for the District to prevent exceeding budgeted and appropriated expenditures.

(b) Accounts Payable

I. Receive and review invoices for accuracy and appropriateness for payment. Code the invoices in accordance with the budgeted line item.

II. Prepare issuance of checks to be presented to the Board for approval and signatures. The claims list should be included in the monthly meeting packets.

III. Prepare funding requests, if required.

IV. Release checks to vendors when all approvals and funding have been received.

(c) Accounts Receivable

I. Process deposit of revenues.

II. Process bank charges and other miscellaneous accounts receivable matters.

(d) Financial Projections

I. Upon request, provide multi-year forecasting.

II. Upon request, provide utility consumption and water rate analysis.

III. Upon request, provide commercial billing analysis and rate structure.

(e) Budgets

I. Prepare annual budget and budget message for approval by the Board and coordinate with legal counsel for same.

II. Prepare or assist in the preparation of supplemental and/or amended budgets and accompanying documents, if required.

(f) Audits

I. Obtain proposals for conduct of audit for consideration at budget hearing meeting. Proposals should be included in the meeting packet.

II. Coordinate and participate in audit bids, engagements, fieldwork and audit draft review.

III. Assist the auditor in performing the annual audit, to accomplish timely completion and filing by statutory deadline.

c. Other Services available but not specifically included in this proposal

Utility and other Billing and Collections

Covenant Enforcement

Development Consulting and Review

Construction Management

FEES AND WORK SCHEDULE

- **FEES**

$2,000.00 per month for District Management services as described in the Scope of Work.

Mileage Reimbursement (not to include mileage between the home and/or the Home Office located in Colorado Springs and the Cathedral Pines Metropolitan District's Meeting locations) will be paid at the then current Federal Mileage Rate currently at $0.54 per mile along with miscellaneous justified business expenses at cost.

INDEPENDENT CONTRACTOR AGREEMENT
(Management, Accounting and Billing Services)

This **INDEPENDENT CONTRACTOR AGREEMENT**, including any and all exhibits attached hereto (the "Agreement"), is entered into as of the _____ day of _____, 2021, by and between the **Cathedral Pines Metropolitan District**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District"), and **WSDM, LLC**, a Colorado Limited Liability Company (the "Contractor"). The District and the Contractor are referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

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

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

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

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

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

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

TERMS AND CONDITIONS

1. SCOPE OF SERVICES. The Contractor shall perform the services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the "Services"):

(a) in a competent, conscientious and professional manner using the degree of skill and knowledge customarily employed by other professionals performing similar services in the area of the District;

(b) within the time period and pursuant to the Scope of Services specified in said **Exhibit A**;

(c) in such a manner as to minimize any annoyance, interference or disruption

to the residents, tenants, occupants and invitees within the District; and

(d) in compliance with all applicable federal, state, county and local or municipal body or agency statutes, ordinances and regulations, including, without limitation, any licensing, bonding, and permit requirements, and any such laws relating to storage, use or disposal of hazardous wastes, substances or materials.

In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in **Exhibit A**, the terms in the body of this Agreement shall govern. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement.

2. TERM/RENEWAL. This Agreement shall be effective as of the date hereof and shall terminate on the earlier to occur of: (i) termination pursuant to Section 18 hereof; (ii) completion of the Services; or (iii) December 31, 2021. Notwithstanding the foregoing, unless terminated pursuant to (i) or (ii) above, or unless the District determines not to appropriate funds for this Agreement for the next succeeding year, this Agreement shall automatically renew on January 1st of each succeeding year for an additional one (1) year term.

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

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

5. GENERAL PERFORMANCE STANDARDS.

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

(b) The Services of the Contractor shall be undertaken and completed to assure their expeditious completion in light of the purposes of this Agreement. If performance of the Services by the Contractor is delayed due to factors beyond the Contractor's reasonable control, or if conditions of the scope or type of services are expected to change, Contractor shall give timely notice to the District of such a delay or change and receive an equitable adjustment of time and/or compensation, as negotiated between the Parties.

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

(d) The Contractor declares that it has complied with all Federal, State and local laws, rules, regulations, ordinances and/or similar directives regarding business permits, certificates and licenses that are required to provide the Services under this Agreement.

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

(f) In the event the Contractor's performance of any duties or responsibilities necessary to carry out the Services are conditioned upon the District's prior performance of any customary duty or obligation of the District, whether imposed by law or contract, then the compensation to which Contractor is entitled pursuant to this Agreement, shall not be reduced, delayed, or otherwise effected as a result of Contractor failing to perform any applicable duty or responsibility associated with the Services where such failure is due to the District's failure to perform any such precedent duty or obligation. Any reduction, delay or withholding of compensation by the District and due to Contractor pursuant to this subsection 5(f) shall constitute a default by the District under this Agreement.

6. MONTHLY STATUS REPORT. The Contractor shall report to the District, at the District's request, at the Districts monthly meeting (if any), a narrative and status report describing work in progress and results achieved during the reporting period, including a description of the Services performed during the invoice period and the Services anticipated to be performed during the ensuing invoice period ("Monthly Report").

7. COMPENSATION AND INVOICES.

(a) Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit B**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in Exhibit B of this Agreement, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor's actual cost, provided that the Contractor shall notify the District of the estimated amount of such reimbursable costs (or any material adjustments thereto subsequently identified) prior to commencing the requested services.

(b) Invoices. Invoices for the Services shall be submitted monthly at the deadline established by the Board for authorized payment during the term of the Agreement and shall contain the following information:

i. An itemized statement of the Services performed.

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

The District shall be charged only for the services rendered per **Exhibit A** and direct costs incurred for the performance of the Services. Invoices received by the District after their deadline each month shall be processed no later than the following month.

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

9. INDEPENDENT CONTRACTOR. The Contractor is an independent contractor and nothing herein shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor shall have full power and authority to select the means, manner and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained. The District shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to: local, state or federal income or other tax contributions, insurance contributions (e.g. FICA taxes), workers' compensation, disability, injury, health or life insurance, professional liability insurance, errors and omissions insurance, vacation or sick-time benefits, retirement account contributions, or any other form of taxes, benefits or insurance. The Contractor shall be responsible for its safety, the safety of its employees, the public and the work site in general and shall comply with all applicable provisions of local, state and federal laws, regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970 (OSH Act). All personnel furnished by the Contractor will not for any purpose be considered employees or agents of the District. Contractor will comply with all employment laws relative to any employees of Contractor, including but not limited to Wage and Hour laws, Worker Compensation Laws, Immigration Laws and OSHA-type laws. **The Contractor is not entitled to worker's compensation benefits or unemployment insurance benefits, unless unemployment compensation coverage is provided by the Contractor or some other entity other than the District, and the Contractor is obligated to pay federal and state income taxes on moneys earned pursuant to this Agreement.**

10. EQUAL OPPORTUNITY; EMPLOYMENT ELIGIBILITY. This Agreement is subject to all applicable laws and executive orders relating to equal opportunity and non-discrimination in employment and the Contractor represents and warrants that it will not discriminate in its employment practices in violation of any such applicable law or executive order. The Contractor hereby states that it does not knowingly employ or contract with illegal aliens and that the Contractor has participated in or has attempted to participate in the E-Verify Program or Department Program (formerly known as the Basic Pilot Program) (as defined in §8- 17.5-101, C.R.S.) in order to verify that it does not employ any illegal aliens. The Contractor affirmatively makes the follow declarations:

(a) The Contractor shall not knowingly employ or contract with an illegal alien who will perform work under the public contract for services contemplated herein and will participate in the E-Verify Program or Department Program (as defined in §8-17.5-101, C.R.S.) in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services contemplated herein.

(b) The Contractor shall not knowingly enter into a contract with a subcontractor that fails to certify to the Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform the services contemplated herein.

(c) The Contractor has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services through participation in either the E-Verify Program or the Department Program.

(d) The Contractor is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while this Agreement is being performed.

(e) If the Contractor obtains actual knowledge that a subcontractor performing the services under this Agreement knowingly employs or contracts with an illegal alien, the Contractor shall be required to:

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

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

(f) The Contractor shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that such Department is undertaking pursuant to the authority established in §8-17.5-102, C.R.S.

(g) If the Contractor violates a provision of the Agreement pursuant to §8-17.5-102, C.R.S., the District may terminate the Agreement. If the Agreement is so terminated, the Contractor shall be liable for actual and consequential damages to the District.

11. CONTRACTOR'S INSURANCE.

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

(b) The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations contained herein; nor shall the purchase of the required insurance

serve to limit the Contractor's liability under any provision herein. The Contractor shall be responsible for the payment of any deductibles on issued policies.

12. CONFIDENTIALITY AND CONFLICTS.

(a) Confidentiality. During the performance of this Agreement, if the Contractor is notified that certain information is to be considered confidential, the Contractor, on behalf of its employees, agrees to enter into a commercially reasonable confidentiality agreement. Any information deemed confidential by the District and given to the Contractor by the District, or developed by the Contractor as a result of the performance of a particular task, shall remain confidential. In addition, the Contractor shall hold in strict confidence, and shall not use in competition, any information which the Contractor becomes aware of under or by virtue of this Agreement which the District deems confidential, or which the District has agreed to hold confidential, or which, if revealed to a third party, might reasonably be construed to be contrary to the best interests of the District, unless the Contractor obtains the District's prior written consent to the contrary.

(b) Conflicts. Prior to the execution of, and during the performance of this Agreement and prior to the execution of future agreements with the District, the Contractor agrees to notify the owner of conflicts that impact the Services to the District.

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

14. LIENS AND ENCUMBRANCES. The Contractor shall not have any right or interest in any District assets, nor any claim or lien with respect thereto, arising out of this Agreement or the performance of the services contemplated herein. The Contractor, for itself, hereby waives and releases any and all statutory or common law mechanic's, materialmen's or other such lien claims, or rights to place a lien upon the District's property or any improvements thereon in connection with any Services performed under or in connection with this Agreement, and the Contractor shall cause all permitted subcontractors, suppliers, materialmen, and others claiming by, through or under the Contractor to execute similar waivers prior to commencing any work or providing any materials in connection with the Services. The Contractor further agrees to execute an affidavit respecting the payment and lien releases of all subcontractors, suppliers and materialmen, and release of lien respecting the Services at such time or times and in such form as may be reasonably requested by the District. The Contractor will provide indemnification against all such liens for labor performed, materials supplied or used by the Contractor and/or any other person working on behalf of Contractor in connection with the Services undertaken by the Contractor, in accordance with Section 15(b) below.

15. INDEMNIFICATION.

(a) The Contractor shall defend, indemnify and hold harmless the District and each of its directors, officers, contractors, employees, agents and consultants, from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses, including reasonable legal expenses and attorneys' fees, arising directly or indirectly, in whole or in part, out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents or employees, in connection with this Agreement and/or the Contractor's performance of the Services or work pursuant to this Agreement. The Contractor is not obligated to indemnify the District for the District's own negligence.

(b) The Contractor will at all times indemnify, defend and hold the District and its directors, officers, managers, agents and employees harmless against any liability for claims and liens for labor performed or materials used or furnished in the performance of Contractor's Services, including any costs and expenses incurred in the defense of such claims and liens, reasonable attorneys' fees and any damages to the District resulting from such claims or liens. After written demand by the District, the Contractor will immediately cause the effect of any suit or lien to be removed from the District's property. In the event the Contractor fails to do so, the District is authorized to use whatever means in its discretion it may deem appropriate to cause said lien or suit to be removed or dismissed, and the costs thereof, together with reasonable attorneys' fees, will be immediately due and payable by the Contractor or may, at the District's option, be offset against any sums due and payable to Contractor pursuant to this Agreement. In the event a suit on such claim or lien is brought, the Contractor will, at the option of the District, defend said suit at its own cost and expense, with counsel reasonably satisfactory to the District and will pay and satisfy any such claim, lien, or judgment as may be established by the decision of the Court in such suit. The Contractor may litigate any such lien or suit, provided the Contractor causes the effect thereof to be removed promptly in advance from the District's property.

(c) This indemnity coverage shall also cover the District's defense costs in the event that the District, in its sole discretion, elects to provide its own defense. The District retains the right to disapprove counsel, if any, selected by the Contractor to fulfill the foregoing defense indemnity obligation, which right of disapproval shall not be unreasonably exercised. Insurance coverage requirements specified herein shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary for the District's protection in the performance of this Agreement. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

(d) To the maximum extent permitted by law, The District shall indemnify, defend and hold harmless the Contractor from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses, including reasonable legal expenses and attorneys' fees, arising directly or indirectly, in whole or in part, out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the District or any of its directors, officers, managers, agents and employees in connection with this Agreement. This

defense and indemnification obligation shall survive the expiration or termination of this Agreement.

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

17. SUB-CONTRACTORS. The Contractor is solely and fully responsible to the District for the performance of all Services under this Agreement, whether performed by the Contractor or a subcontractor engaged by the Contractor. The Contractor shall not subcontract any Services without prior written approval by the District. The Contractor agrees that each and every agreement of the Contractor with any subcontractor to perform Services under this Agreement shall contain an indemnification provision identical to the one contained herein holding the District harmless for the acts of the subcontractor. The Contractor further agrees that any such subcontract shall be terminable for cause or convenience and that, unless directed otherwise by the District, the Contractor shall immediately terminate all such subcontracts immediately upon termination of this Agreement. Prior to commencing any Services, a subcontractor shall provide evidence of insurance coverage to the District. The Contractor further agrees that all such subcontracts shall provide that they may be terminated immediately without further cost upon termination of this Agreement. Neither the District's approval of any subcontractors, suppliers or materialmen, nor the failure of performance thereof by such parties, will relieve, release or affect in any manner any of the Contractor's duties, liabilities or obligations under this Agreement, and the Contractor will at all times be and remain fully liable. The Contractor agrees that each of its employees, and any subcontractors, suppliers and materialmen will be properly qualified and will use reasonable care in the performance of their duties.

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

19. DEFAULT. If either Party fails to perform in accordance with the terms, covenants and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the

address specified in Section 20 below, and the defaulting party will have fifteen (15) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such fifteen (15)-day period and the defaulting party gives written notice to the non-defaulting party within such fifteen (15)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the fifteen (15)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in additional to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

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

If intended for Seller, to:

_____

_____

_____

with a copy to:

_____

_____

_____

If intended for Contractor, to:

WSDM, LLC,
d/b/a Walker Schooler District Managers
614 N. Tejon Street
Colorado Springs, CO 80903
Attn: Kevin Walker

Phone: (719) 447-1777
Email: kevin.w@wsdistricts.co

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

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

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

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

25. GOVERNING LAW / DISPUTES. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-convenient* or otherwise. At the District's request, the Contractor shall carry on its duties and obligations under this Agreement during any legal proceedings and the District shall continue to pay for the Services performed under this Agreement until and unless this Agreement is otherwise terminated. If it becomes necessary for either party to enforce the provisions of this Agreement or to obtain redress for the breach or violation of any of its provisions, whether by litigation, arbitration or other proceedings, the prevailing party shall be entitled to recover from the other party all costs and expenses associated with such proceedings, including reasonable attorney's fees. For purposes of this Agreement, "prevailing party" shall mean the party in whose favor a judgment, decree, or final order is rendered, either by an arbitrator or the court, after appeal, if any. In the event both Parties prevail on one or more claims, the prevailing party shall mean the net winner of a dispute, taking into account the claims pursued, the claims on which the pursuing party was successful, the amount of money sought, the amount of money awarded, and offsets or counterclaims pursued (successfully or unsuccessfully) by the other Party. Notwithstanding the foregoing, if a written offer of compromise made by either Party is not accepted by the other Party within thirty (30) days after receipt and the Party not accepting such offer fails to obtain a more favorable judgment, the non-accepting Party shall not be entitled to recover its costs of suit and reasonable attorney's fees and costs (even if it is the prevailing party) and shall be obligated to pay the costs of suit and reasonable attorney's fees and costs incurred by the offering Party. At the District's request, the Contractor will consent to being joined in litigation between the District and third parties, but such consent shall not be construed as an admission of fault or liability. The Contractor shall not be responsible for delays in the performance of the Services caused by factors beyond its reasonable control including delays caused by Act of God, accidents, failure of any governmental or other regulatory authority to act in a timely manner or failure of the District to furnish timely information or to approve or disapprove of Contractor's Services in a timely manner.

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

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

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

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

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

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

under this Agreement shall be deemed to be an incidental beneficiary only.

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

33. TAX EXEMPT STATUS. The District is exempt from Colorado State sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District. The District shall, upon request, furnish Contractor with a copy of its certificate of tax exemption. Contractor and subcontractors shall apply to the Colorado Department of Revenue, Sales Tax Division, for an Exemption Certificate and purchase the materials tax free. Pursuant to § 39-26-1 14(1)(a)(XIX)(A), C.R.S., Contractor and subcontractors shall be liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate.

34. COUNTERPART EXECUTION. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

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

"DISTRICT"

CATHEDRAL PINES METROPOLITAN DISTRICT,
a quasi-municipal corporation and political subdivision of the State of Colorado

By: _____
Name: _____
Officer of the District

ATTEST:

By: _____
Name: _____

"CONTRACTOR"

WSDM, LLC,
a Colorado limited liability company
d/b/a Walker Schooler District Managers

By: _____
Name: _____
Title: _____

EXHIBIT A

Scope of Services

Cathedral Pines Metropolitan District

EXHIBIT B

Proposed Fee Arrangement

GENERAL TERMS

(a) Billing will be delivered by the 5th of the first month of the quarter

(b) Hourly billing (see attached billing rates) will be documented and accompany the monthly invoice

(c) Payable within 30 days of receipt of billing

(d) Subject to a late fee of 1% per month if later than 30 days

(e) Other costs (bank fees, checks, etc.) if needed will be billed at cost

BILLING RATE SCHEDULE AND ADMINISTRATIVE CHARGES

EXHIBIT C

Insurance Requirements

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

1. Standard Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor involved with the performance of the Services, with policy amounts and coverage in compliance with the laws of the jurisdiction in which the Services will be performed.

2. Commercial General Liability Insurance with minimum limits of liability of not less than $1,000,000 per occurrence for bodily injury and property damage liability; $2,000,000 designated location, general aggregate. Such insurance will include coverage for contractual liability, personal injury and broad form property damage, and shall include all major divisions of coverage and be on a comprehensive basis including, but not limited to:

a. premises operations;
b. personal injury liability without employment exclusion;
c. blanket contractual;
d. broad form property damages, including completed operations;
e. medical payments;
f. products and completed operations;
g. independent consultant's coverage; and
h. coverage inclusive of construction means, methods, techniques, sequences, and procedures, employed in the capacity of a construction consultant.

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

3. Comprehensive Automobile Liability Insurance covering all owned, non-owned and hired automobiles used in connection with the performance of the Services, with limits of liability of not less than $1,000,000 combined single limit bodily injury and property damage. **This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**

4. If applicable: Contractor shall secure and maintain a third-party fidelity bond in favor of the District covering the Contractor and its employees and agents who may provide or be responsible for the provision of Services where such activities contemplate the responsibility for money or property of the District. Such bond shall protect the District against any fraudulent or dishonest act which may result in the loss of money, securities, or other property belonging to or in the possession of the District. Said bond shall be in an amount as determined by the District, from a surety acceptable to the District.

5. Any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement.

Management Agreement Renewal

The Warren Management Group, Inc. AAMC
an Accredited Association Management Company

This Agreement is made by and between **The Warren Management Group, Inc** (hereafter referred to as "WMG"), and **The Cathedral Pine Metropolitan District**, (hereafter referred to as the "District"). WMG and the District are hereafter referred to as "Party" and collectively referred to as "Parties."

RECITALS

1. The District, having responsibilities of ownership of property within the Cathedral Pines community and the duty to maintain such property, hereby desires to continue its engagement with WMG as its managing agent for certain services; and

2. WMG desires to accept this continued engagement upon the terms and conditions set forth in this Agreement.

NOW THEREFORE, for and in consideration of the mutual promises contained in this Agreement and the performances to be made by the Parties, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

Section 1: Manner of Engagement

1.1 Communication Between the Parties.
The Board has the requisite authority to act on behalf of the District in all instances under this Agreement. WMG will communicate to the District through the President of the Board. WMG personnel shall be under no obligation to follow directives from other Board members without confirmation from the President.

1.2 Agent of the Association.
WMG will perform all obligations under this Agreement as the agent for the District. All obligations or expenses incurred by WMG will be for the account, on behalf of, and at the expense of the District on a case by case by basis; provided, however, WMG will not be obligated to advance sums for nor will WMG be obligated to incur any liability or obligation of the District, without assurance that the necessary funds for the discharge thereof will be provided. All authority conferred upon WMG pursuant to this Agreement is limited in scope to the authority conferred upon the Board.

Section 2: Standards of Engagement

WMG warrants that it has the personnel, knowledge, training, expertise, facilities and equipment for the professional management of the common area property owned by the District. During the term of this Agreement, WMG will utilize its professional diligence to operate and maintain the Property according to the terms of this Agreement and according to such reasonable written standards established by the Board and provided to WMG.

Section 3: Documentation

The District shall furnish all necessary documentation necessary for WMG to be capable of performing its duties under this Agreement, including maintenance records, warranty records (if any), contractor information of installers, etc.

Section 4: Services Provided by WMG during the Term of This Agreement

4.1 Property Maintenance:

A. One of the functions of the District is to maintain the Property owned by the District in a first-class condition for the benefit of the all Owners and residents of Cathedral Pines. These responsibilities include:

   1. All grounds maintenance owned by the Metro District (e.g the landscape medians and roundabouts throughout the community, landscape around all Cathedral Pines monuments)
      a. Maintenance to include grass mowing, mulching, native area mowing, weed control, irrigation system management, various shrubs and trees, etc.
      b. Spring refresh of all mulch beds, flower plantings, removal of dead plant material & replacement as authorized
      c. Fall maintenance of all grounds, including trimming of shrubs & trees and proper winterization of the irrigation system.

   2. Oversight of the well system

   3. Trail maintenance and grading

   4. Pond maintenance, including annual spring fish restocking

The Warren Management Group, Inc. AAMC
an Accredited Association Management Company

5. Management of lodge maintenance, both interior and exterior

6. Snow removal management throughout the community on streets and lodge parking lots.

7. Management upkeep of community signage as needed (streets, trails, lodge, mailbox, etc.)

8. Management of holiday décor set up & removal, as directed by the Board.

B. WMG shall negotiate bids and contracts for such maintenance services from suitable contractors that have the expertise to service the needs of the District through detailed Requests for Proposals. WMG may seek details from the Board regarding specific expectations regarding a particular service so that the contractor knows up front the expectations of the client. WMG understands that Cathedral Pines desires to be a first-class, luxury home community, and it is WMG's intention to ensure that the services of its property matches the expectations of the residents through the management of the District Board. WMG shall not enter into contracts on behalf of the District; all contracts shall be subject to Board approval and execution.

C. WMG shall exercise reasonable care in reviewing the activities of the contractor(s) for compliance with the terms of the Agreement, reporting accordingly to the Board of Directors.

D. Expenses not specifically approved by the annual budget shall be authorized in accordance with a procedural policy established by the Board, unless such repairs are of an emergency nature, which require timely action by WMG to provide for the safety and welfare of the community and/or its residents.

E. WMG shall perform general site inspections of the common area with sufficient frequency (not less than once a month) and shall report updates at District Board meetings on all maintenance activities. WMG shall not be responsible for any "technical" inspections of common area elements; the District agrees that it shall rely solely upon the advice of professionals specifically trained to repair and maintain such elements.

F. WMG also shall report to the residents of the Cathedral Pines community via the community website to promote positive interaction/communication with the residents, clarifying the priorities of the District and encouraging interaction by residents to identify problems rather than letting them go unmentioned.

4.2 Communication Between the Parties

Email Communication: WMG asks that emails sent by Members of the Board be directed as follows:

If the Sender is seeking a response from the Manager, please show the Manager in the "TO" portion of the email heading. This will let the Manager know that a response is being sought.

1. If the Sender is including the Manager on the email in order to keep the Manager in the loop on communication, but not for the purpose of obtaining a response from the Manager, please show the Manager in the "CC" portion of the email heading. The Manager can then spend time reading the email at a later time.

   Managers are not expected to be accessible at all hours of the day and night. Managers shall be available for communication with the Board during standard business hours (8 a.m. – 5 p.m.) weekdays. All other communications received outside of standard business hours shall be replied to the following business day, unless of an emergency nature.

2. Managers that share their cell phone number with the Board members do so with the professional understanding that:
   i. Their personal cell phone number will not be shared with anyone else, and
   ii. Their personal time will be respected, using their cell phone for communication during business hours only except to leave a message.

Section 5: Insurance

Employees of WMG shall be insured by a sufficient amount of fidelity coverage with a company of WMG's choice in accordance with any applicable requirements under law. A Certificate of Insurance validating such coverage shall be provided upon request.

Section 6: Term of Agreement

This Agreement shall be effective on January 1, 2020 and extend for a period of one (1) year. This Agreement shall then renew ***automatically*** for a period of one (1) year unless otherwise amended, replaced or terminated.

Section 7: Termination

In the event it is alleged or charged that an act by one of the parties is in violation of any of the requirements or any constitutional provision, statute, ordinance, law or regulation of any governmental body or public authority or official thereof having or claiming to have jurisdiction thereof, and the other Party, in its sole and absolute discretion, considers that the action or position of the party alleged to be in violation may result in damage or liability to the non-violating Party, said Party shall have the right to immediately cancel this Agreement by written notice to the other Party and said termination shall not terminate any liability or obligation to the other Party which would be due at the time of termination, including payment for services rendered or other monetary amounts due.

Both Parties hereby agree to make an intentional effort to resolve (and give opportunity to resolve) any issue that may arise prior to opting to terminate this Agreement. If, however, such attempt at resolution is not accomplished, the District hereby agrees to submit payment to WMG for all final services by the termination date. Both Parties agree that failure to provide thirty days written notice will not waive payment of the full management fee for that month.

In addition, either Party may elect to terminate this Agreement without cause at the end of the contract term as defined in Section 6 upon providing a written Notice of Intent to Terminate at least thirty (30) days prior to the end of the term to the other Party. Both Parties again agree that failure to provide thirty days written notice will not waive payment of the full management fee for that month.

Section 8: Indemnification Agreement

Because the Board holds full decision-making authority for the District, the District agrees to defend, hold harmless and indemnify WMG against any actions or claims made against WMG arising from acts done or decisions made by WMG in good faith, in compliance with the terms of this Agreement, with the exercise of the professional standard of care exercised by professional association management companies and which are not in violation of law while performing services under this Agreement. This includes, without limitation, if WMG is named as a part to litigation, arbitration or other proceeding brought by an owner, a contractor, a vendor, or consultant, or any outside Party by reason of WMG's position or its activities hereunder.

WMG acknowledges that the District has intentionally selected a professional management company which is guided by certain professional ethics and standards. Therefore, WMG agrees to indemnify the District against any legal actions or claims made against the District as a result of acts performed by WMG which are outside the scope of this Agreement, would constitute a breach of this Agreement, are a violation of the standard of professional care imposed by this Agreement, are performed in bad faith or constitute a violation of any law, rule, or ordinance of governmental entities resulting in a monetary loss. This includes, without limitation, if the District is named as a Party to litigation, arbitration or other proceedings brought by an owner, a contractor, a vendor, consultant or any other third Party by reason of the relationship between WMG and the District.

In consideration of the tasks being delegated or may be delegated to WMG under this Agreement or any amendment thereto, it is hereby acknowledged that:

- WMG shall not in any way be considered an insurer or guarantor of security within the property nor held liable for any loss or damage by reason of failure to provide neither adequate security nor the ineffectiveness of security measures undertaken.
- WMG does not represent or warrant that fire protection, burglar alarms, access control systems, patrol services, surveillance equipment, monitoring devices, or other security systems (if present) will prevent loss by fire, smoke, burglary, theft, or that these systems will in all cases provide the detection or protection for which the system is designed or intended.
- WMG shall not be held liable for any environmental conditions, security breaches, theft of property by third parties, air quality, mold, mildew, second-hand smoke, water intrusion, plumbing malfunctions, power, outages or power surges, equipment failure or construction defects of any kind.
- WMG is not obligated to implement directives or decisions of the Board which are contrary to this Agreement, involve transactions or services outside WMG's expertise, knowledge or authority, or are contrary to applicable laws or governing documents.

This indemnification shall not be deemed exclusive of any other rights to which either Party may be entitled, and shall continue after the termination of this Agreement.

Section 9: Compensation of WMG

9.1 Monthly Management Fee: For professional services set forth in this agreement, WMG shall receive compensation in the amount of $2,000 per month. Payment is due within 10 days of receipt of invoice. Invoices not paid by the due date may incur a late fee and interest. WMG reserves the right to discontinue service should the District's account for services remain unpaid for a period of 60 days. In addition, WMG is entitled to receive reimbursement of all expenses incurred in collecting the outstanding balance, including attorney's fees and court costs, if necessary.

9.2 Additional Services: Should WMG be requested to provide additional services beyond the typical services known to be delegated to WMG, the President will be asked for authorization of

additional compensation at WMG's designated hourly rate for documented time or be given other directives. This authorization may be given verbally to expedite the services when appropriate, but such authorization shall, in follow up, be confirmed in writing by the President so to avoid any dispute of said authorization; email transmission shall suffice for such authorization.

Section 10: Business Operations of WMG

10.1 **Office Hours:** It is understood that the offices of WMG shall be open between the hours of 8 A.M. and 5:30 P.M. Monday through Thursday and 8 A.M. to 12 Noon on Friday. WMG acknowledges the following designated holidays: New Year's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day & the day thereafter, Christmas Eve (afternoon), Christmas Day, and New Year's Eve (afternoon). WMG reserves the right to shift holiday dates during the Christmas holiday depending on how the holiday falls during the work week.

10.2 **Availability for Meetings:** WMG's manager shall attend regular meetings of the District Board. Such meetings must be held in a businesslike environment on a weekday during business hours, not to extend past 7 p.m.

10.3 **Emergency Contact:** WMG shall provide the District with a means to reach WMG during non-business hours in case of an emergency. WMG's telephone system shall offer callers an option for reporting an emergency during non-business hours. Upon calling WMG's primary telephone number (719-534-0266), selecting Option 2, the caller will be given the opportunity to report an emergency. Upon placement of an emergency message, the designated on-call manager shall be contacted for timely response and appropriate action.

Section 11: Notice

Any notice required or permitted to be served hereunder may be served by first class mail, electronic mail with read receipt, or in person as follows:

If to WMG:
The Warren Management Group, Inc. AAMC
Attn: Linda Warren, President
1720 Jet Stream Drive, Suite 200
Colorado Springs, CO 80921
Email: linda@warrenmgmt.com

If to the District:
Cathedral Pines Metropolitan District
Attn: Current President

Either Party may change the address for notice by giving written notice to the other Party. Notice shall be deemed when served personally upon the other Party, or three calendar days after notice is deposited into the United States mail, postage prepaid, return receipt requested, sent via E-Mail with read receipt or hand-delivered.

Section 11: Return of District Records

WMG shall turn over all records and property belonging to the District on or before the effective date of termination of this Agreement. "Records of the District" shall mean a hard copy of all records, data, and reports. All electronic records that are held in Microsoft programs such as Word and Excel shall be duplicated and provided to the District for its continued use and record keeping.

Section 12: Compliance with Laws

WMG has no responsibility for the District's compliance with the requirements of any local, state or federal ordinances, laws, rules or regulations, except as part of its professional duty of care to notify the District of noncompliance when WMG is aware that the Districxt is not in compliance with any such legal requirements and to notify the District of changes in legal requirements when WMG becomes aware of such changes.

Section 13: Covenant pertaining to Employees of WMG

The District acknowledges that WMG spends a great deal of time and expense to hire and train employees to provide the District and other clients the services contemplated in this agreement. The District derives the benefits of WMG's experience and of such hiring and training procedures.

The District agrees that during the term of this Agreement and for a period of twenty-four (24) months thereafter, it will not, without the prior written consent of WMG, hire or attempt to hire as an employee or engage as an independent contractor or use the services of, in any way whatsoever, whether directly or indirectly, any person who was known to be an employee of WMG during the preceding twelve (12) month period.

The Warren Management Group, Inc. AAMC
an Accredited Association Management Company

In the event that the District knowingly breaches the provisions of this covenant, the District agrees to pay WMG, as liquidated damages and not as a penalty, an amount equal to six (6) times the monthly salary paid to the employee by WMG at the time of the breach. This liquidated damages provision is recognition by the parties of the difficulty of ascertaining damages in the context of personal employment, training and hiring costs incurred by WMG and the unique nature of WMG's business.

WMGs right to recover liquidated damages for the breach of this provision is without prejudice to all other remedies WMG may have pursuant to this Agreement or law. This hiring restriction survives the termination of this Agreement. The parties further agree that WMG shall be entitled to recover its attorney's fees and costs incurred in such suit from the Association.

Section 14: Conflict of Interest.

WMG holds high standards of ethics, including its specific professional ethics binding each community association manager credentialed by Community Associations Institute. WMG will not accept any remuneration or consideration in any manner or form from any unrelated Party providing goods and services to the District as consideration for or inducement to WMG for using such Party's goods or retaining their services on behalf of the District. WMG has no known conflicts of interest to disclose.

Section 15: Affiliated Interests.

WMG has disclosed its relationship to any Party, partnership, corporation or other entity related or affiliated with it, its directors, officers or employees.

Section 16: Assignability.

Neither Party may assign this Agreement without the prior approval of the other; failure to secure prior approval will be just cause for termination of this Agreement. However, this Agreement shall continue in full force and effect upon merger or consolidation of WMG with another corporation or entity in which those individuals holding a majority interest in WMG hold a majority interest in such new entity.

Section 17: Governing Law.

This agreement shall be interpreted in accordance with the laws of the State of Colorado. In the event of a lawsuit, the proper venue shall be in El Paso County, Colorado.

Execution of this Agreement

IN WITNESS, the parties have executed this Agreement the day and year written below.

Submitted on behalf of WMG:

Linda M. Warren

By Linda M. Warren
Its President

12-11-19
Date

Accepted on behalf of the District:

William B. Hunter

By
Its President

2/26/20
Date

To the extent allowed by Colorado law, this Management Agreement shall not be shared or copied without permission of WMG's CEO.

Exhibit A

Management Services

Manager Services:

Guide & advise the Board of Directors as decision makers
Attend regular District meetings
Present a written Management Report of maintenance activities
Maintain necessary E-mail communication w/Board President
Provide RFP Preparation & Bid Comparison for services
Monitor vendor contract renewals
Administer processing of well reading reporting to the State Water District

Maintenance:

Perform routine inspections of common area property
Preparation & follow thru of work orders, as needed
Be the liaison with contractors to task authorized directives
Provide oversight of all service contracts
Provide oversight of the well system
Monitor the maintenance of the trail system
Management of grounds maintenance in landscape medians and roundabouts
Manage the maintenance of the pond(s), providing fish restocking annually
Manage Lodge maintenance both interior and exterior
Manage snow removal needs of the community
Manage the upkeep of community signage
Management of community lighting
Management of holiday decor
Provide after-hours "on call" service for emergencies

Communication:

Report to the residents of the community via the community website on priorities of the District
Serve as liaison with residents regarding problems reported by residents

William P. Ankele, Jr.
Jennifer Gruber Tanaka
Clint C. Waldron
Kristin Bowers Tompkins
Robert G. Rogers
Blair M. Dickhoner

Of Counsel:
Kristen D. Bear
Sean Allen
George Rowley

WBA
WHITE BEAR ANKELE
TANAKA & WALDRON
ATTORNEYS AT LAW

Zachary P. White
Trisha K. Harris
Heather L. Hartung
Megan J. Murphy
Eve M. Grina
Allison C. Fogg
Jennifer C. Rogers
Laura S. Heinrich
Christopher T. McMichael

August 21, 2019

Board of Directors
Cathedral Pines Metropolitan District
c/o Kevin Walker
Walker Schooler District Managers
614 N Tejon Street
Colorado Springs, Colorado 80903

RE: **Engagement of WHITE BEAR ANKELE TANAKA & WALDRON**

Dear Directors:

We are pleased to confirm our engagement as general counsel to the Cathedral Pines Metropolitan District (the "District").

This engagement letter provides the terms upon which White Bear Ankele Tanaka & Waldron ("WBA") will provide legal services to the District and is intended to formalize our retention as general counsel, as required by the applicable Rules of Professional Conduct. This letter sets forth details of the engagement, including how we propose to staff the matter, billing arrangements and certain conflict of interest understandings. Additional information about WBA can be found at www.whitebearankele.com.

1. **Personnel.** Legal services provided under this engagement may be performed by any lawyer at WBA. We will also use paralegals and/or other support staff as we believe to be necessary and effective in providing you with legal services.

2. **Fees, Expenses and Retainer.** Our fees for services rendered on the District's behalf will be based upon time charged using the hourly rates charged by each attorney or paralegal working on the matter. WBA's legal services are billed on an hourly basis, in increments of one-tenth of an hour, and are not contingent. Hourly rates for professionals in WBA currently range from $225.00 to $475.00 (attorneys), from $135.00 to $200.00 (paralegals), and are $200.000 to $210.00 for other professionals. Hourly rates are revised periodically to reflect the current cost for delivery of legal services and the fees charged for services under this engagement may change without notice. From time to time WBA prepares memoranda, agreements or other documents based upon current legislative, State and Federal law concerns that are the subject of common interest and benefit to our clients. WBA allocates the fees for this work on an equitable basis to clients who benefit from this legal work by WBA's personnel. If you do not wish to receive this information, please advise us

accordingly. WBA contracts with other law firms for the performance of specialized services. In the event that these services are rendered on behalf of the Client, the fees and costs associated with those services will be reflected on WBA's bill.

In addition to legal fees, WBA also charges for certain out-of-pocket costs incurred by us in representing you. Charges for long distance telephone calls (domestic only), conference calling services (domestic only), facsimiles (domestic only), in-office copying, ordinary postage (under $10.00), and deliveries made by in-house staff are covered by an administrative fee, currently equal to 2.5% of the legal fees charged. This administrative fee is in lieu of itemizing those expenses and may be adjusted over time. If there are other expenses, such as filing and recording fees, computer-assisted research fees, mileage, delivery service fees, travel, meals or hotel accommodation charges, those will be billed separately. These costs are subject to the same payment terms as legal fees and are your responsibility. WBA's policy is to advance or incur expenses on a discretionary basis up to $1,000.00, subject to your reimbursement of them in the next bill. If an expense will exceed that amount, we will ask you to pay it directly to us in advance or have you contract directly with the vendor.

WBA will not require the payment of a retainer at this time, but we reserve the right to require a retainer if deemed necessary by WBA or if you fail to timely pay invoices.

3. **Billing.** Generally, invoices for fees and expenses will be submitted to you monthly and are due upon receipt. If an invoice remains unpaid after thirty (30) days, we will consider it in default and you agree that we may charge a late fee on all amounts due and owing at the rate of one percent (1%) compounded monthly. By signature below, you agree to pay all fees, costs and expenses billed by WBA for the legal services. If payments as described above are not paid on a timely basis, WBA may withdraw from the representation in accordance with the Rules of Professional Conduct. In the event that WBA is compelled to resort to collection of your account, which may or may not include litigation, you agree that your obligations to WBA shall include payment of all costs and expenses of such collection efforts, including court fees and costs, attorneys' fees and out-of-pocket expenses.

4. **Attorney-Client Relationship.** In performing our services as general counsel to the District, the District will be our client. We will represent the interests of the District, acting through its duly authorized management and at the Board of Directors' (the "Board" or "Directors") direction. We do not represent the interests of any of the Board, the Directors individually, or the District's employees. Nothing in this engagement agreement and nothing in our statements to you will be construed as a guarantee or promise about the outcome of any matter which WBA may handle on your behalf. Our comments about the outcome of your matters or any phase thereof are expressions of opinion only. Further, neither WBA nor any of its attorneys or employees shall be employed, retained, or otherwise categorized as a "municipal advisor" to the District as such term is defined in the 15 U.S.C. 78o-4(e)(4)(c), as amended by the Dodd/Frank Act (the "Act"), or any rules promulgated by the Securities and Exchange Commission under the Act. Any comments or advice provided by WBA or its attorneys regarding the issuance of securities by the District shall be solely

of a "traditional legal nature", as permitted under the Act. Throughout the attorney-client relationship, the District consents to the use of the District's name and public information relating to the District's transactions on WBA's website or in other marketing materials.

5. **Conflicts of Interest.** We have performed an internal review for potential conflicts of interest based upon information you have provided to us. In doing so, we find it important to note that we currently represent Cathedral Pines Homeowners Association (the "HOA"). In the event that your interests are or become adverse to the HOA, we will discuss our continued engagement with you at that time.

WBA represents many other local governments and municipal clients that may be viewed as competing with the District. Simultaneous representation in unrelated matters of clients whose interests are only economically adverse, such as representation of competing economic enterprises in unrelated transactions, does not ordinarily constitute a conflict of interest that requires consent of the respective clients.

6. **Document Retention.** WBA maintains its client files electronically and ordinarily does not keep separate paper files. We will scan documents you or others send to us related to your work to our electronic file and will ordinarily maintain the electronic version throughout the term of our engagement or, in some instances, while a particular matter or project is pending. Unless you instruct us otherwise, with limited exceptions for certain documents such as original real property deeds and promissory notes, once such documents have been scanned to our electronic file, we will destroy all paper documents provided to us. Following the conclusion of our services, we will return the District's files to the District upon request, unless WBA has not received payment of all outstanding fees and costs, in which case WBA reserves the right to withhold them until payment is made. Otherwise, no sooner than thirty (30) days after the conclusion of our services, we may destroy the files. Please note that if WBA is designated as the public records custodian for the District pursuant to §§24-72-202, *et seq.*, C.R.S., WBA will maintain all public records in accordance with any duly approved and adopted retention and destruction policy of the District and the Colorado State Archives or similar regulatory body.

7. **Termination.** You will have the right to terminate our representation at any time. Whether you terminate the representation or we terminate the representation for reasons set forth in the Rules of Professional Conduct, including nonpayment of legal fees and expenses, all fees incurred for services rendered through the date of termination, as well as all costs and expenses incurred by us on your behalf, must be paid within ten days of receipt of our final statement. We reserve the right to charge for any extraordinary work required in connection with the orderly transition of pending matters to new counsel. Upon conclusion of our services, whether due to termination or completion of the work, we will not thereafter be responsible for legal matters for which our services have not been specifically requested and we have agreed to perform in writing.

8. **Arbitration of Disputes.** If a dispute arises regarding our services or fees set forth in this engagement letter or any prior engagement letter between you and WBA, any fee dispute will be decided by the Colorado Bar Association Legal Fee Arbitration Committee in Denver, Colorado. There is no charge for the dispute resolution services provided by the Legal Fee Arbitration

Committee and each party will pay its own costs and expenses. If, either in addition to a pending fee dispute or in the absence of one, any other dispute or claim of any type or nature arises with respect to services rendered pursuant to this engagement agreement set forth in this engagement letter or any prior engagement letter between you and WBA, including, without limitation, a claim for legal malpractice, it will be decided by the Judicial Arbiter Group in Denver, Colorado by a single arbitrator to be mutually agreed to by the parties. Each party will be responsible for paying one half of all fees and expenses charged by the arbitrator. The parties recognize that by agreeing to arbitration as the method for dispute resolution, they: relinquish the right to bring an action in court and seek remedies available in court proceedings, including the extensive discovery rights typically permitted in judicial proceedings; waive the right to a jury trial acknowledge the arbitrator's award is not required to include factual findings or legal reasoning; and acknowledge that any party's right to appeal or seek modification of the award is strictly limited and the award is final and binding on the parties.

9. **Employment Eligibility.** WBA hereby states that it does not knowingly employ or contract with an illegal alien, and that WBA has participated in or has attempted to participate in the E-Verify program pursuant to §§8-17.5-101, *et seq.*, C.R.S., in order to verify that it does not employ any illegal aliens.

10. **Representative Client Lists.** WBA currently maintains a website, firm résumé, and other materials for use with current and potential clients and for marketing purposes. Execution of this engagement letter provides your consent to WBA's use of the District's name as a representative client of WBA on our website, firm résumé, and other materials.

If you are in agreement with the foregoing terms of this engagement and it meets your understanding of the professional relationship we have established, please have an authorized representative of the District sign and return a copy of this letter to our office at your earliest convenience. By signing below, you acknowledge that you have been given the opportunity to discuss this engagement letter with another attorney or any other person of your choosing.

We look forward to working with you and will commit the necessary resources of WBA to meet your needs. Our efforts will always be to ensure that our relationship is based on open and honest communication regarding these matters. If at any time you have questions concerning our representation, please feel free to contact us immediately.

Sincerely,

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

White Bear Ankele Tanaka & Waldron

BMD:ecs

APPROVED, ACCEPTED AND AGREED TO BY:
Cathedral Pines Metropolitan District

William B. Heeter
Signature

Printed Name: WILLIAM B. HEETER
Position: PRESIDENT
Date: 9/24/19

LEASE AGREEMENT
(Maintenance Shed)

THIS LEASE AGREEMENT ("Lease") is made and entered into this 1st day of February, 2021, by and between CATHEDRAL PINES METROPOLITAN DISTRICT, a quasi-municipal corporation and subdivision of the State of Colorado, hereinafter referred to as **"Lessor"**, and A CUT ABOVE LAWN SERVICE, LLC, a limited liability corporation **("Lessee")**, whose address or principal place of business is _____, and hereinafter referred to as **"Lessee."** The parties to this Lease may be referred to individually as a **"Party"** or collectively as the **"Parties."**

Commented [KSA1]: Need address

RECITALS:

WHEREAS, the Lessor owns a maintenance shed located at _____ (the "Shed"); and

Commented [KSA2]: Need description of location of the shed

WHEREAS, Lessee desires to lease the Shed according to the terms of this Lease; and

WHEREAS, Lessor is authorized pursuant to Section 32-1-1001, C.R.S., as amended, to enter into leases and contracts affecting the affairs of Lessor.

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

TERMS:

For and in consideration of the rents, covenants and agreements herein contained, Lessor and Lessee hereby agree as follows:

1. **LEASE OF SHED**. Lessor hereby leases and demises unto Lessee the Shed, subject to and upon the terms and conditions set forth in this Lease. The Shed is being leased by Lessee in its "AS-IS" condition, with Lessee accepting all defects, if any; and Lessor makes no warranty of any kind, express or implied, with respect to the Shed (without limitation, Lessor makes no warranty as to the habitability, or suitability of the Shed for a particular purpose). Lessor has examined the Shed and accepts it in its current "As-Is" condition.

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2. **TERM OF LEASE.** The term of this Lease shall commence on February 1, 2021 and end on December 31, 2021, unless terminated sooner, as provided herein. In addition, either Party shall have the right to extend this Lease for additional 1 year periods based upon written notice at least thirty (30) days prior to the expiration of each term, subject to a new rental fee to be agreed upon by the Parties. Lessor shall have the right to refuse any renewal of this Lease in the event of a breach of a material condition of the Lease by Lessee if such breach has not been timely cured pursuant to the provisions of this Lease.

3. **USE OF SHED.**

A. Lessee agrees that the Shed will be used only to perform activities and to store equipment, supplies, and other items needed to fulfill landscape maintenance and snow removal services ~~including but not limited to snow removal~~ that Lessee performs for Lessor pursuant to a separate agreement ~~entered into on _____~~. Lessee shall neither permit nor suffer any disorderly conduct, noise or nuisance having a tendency to annoy or disturb the Lessor. Lessee shall not make any alteration, addition or improvement to the Shed without Lessor's written consent. Lessee that Lessee and anyone acting on Lessee's behalf do not have the right to file for mechanic's liens or any other kind of liens on the Shed.

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~~A.~~B. Lessee agrees that is Lease is a non-exclusive lease, and Lessor retains the right to enter upon and use of the Shed at all times. Lessee's condition of use of the Shed is that such permitted use shall not unreasonably interfere with the Lessor's use and enjoyment of the Shed.

~~B.~~C. Lessee shall not use or permit the Shed to be used for any purposes prohibited by the laws, ordinances, or regulations of the United States, the State of Colorado, or other governmental entity with jurisdiction.

D. Lessee shall keep the Shed free of debris and anything of a dangerous, noxious or offensive nature or which would create a hazard, interference or alterations at the property on which the Shed is located.

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E. Lessee will maintain the Shed, including the grounds upon which the Shed is located, in clean, sanitary and good condition and repair. Lessee will not remove Lessor's personal property, fixtures, or furnishings from the Shed for any purpose. If repairs other than general maintenance are required, Lessee will notify Lessor for such repairs. In the event of default by Lessee, Lessee will reimburse Landlord for the cost of any repairs or replacement. Lessee shall be liable for damages, costs and other relief to which the Lessor is entitled to the Shed and its contents caused by the Lessee. Lessor is not responsible or liable for any loss, claim, damage or expense as a result of any accident, injury or damage to any person or property occurring in, on or around the Shed, unless resulting from the willful misconduct of the Lessor.

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F. If the Shed shall be destroyed in whole or in part by fire, the elements, or other casualty and if, in the sole opinion of the Lessor, it cannot be repaired within ninety (90) days from said injury and the Lessor informs the Lessee of said decision; or if the Shed is damaged in any degree and the Lessor informs the Lessee it does not desire to repair same and desires to terminate the Lease; then the Lease shall terminate on the date of such injury. In the event of such termination, the Lessee shall immediately remove all of Lessee's equipment and surrender possession of the Shed and all rights therein to the Lessor.

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~~G.~~

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4. **ACCESSING SHED.** Access to the Shed will be controlled and restricted to authorized personnel of the Lessee and Lessor. Authorization needs to be granted on a one-time basis (i.e. not every time someone goes in and out) by the Metro Board or Walker-Schooler.

4.5. **RENT**. Lessee hereby agrees to pay to Lessor monthly rent ("Rent") in the amount of $ _____ each and every month, payable in U.S. Dollars, without further notice and without any setoff or deduction whatsoever.

5.6. **PAYMENT OF RENT**. All payments are to be made on or before the 15th day of each calendar month during the terms of this Lease to Lessor by check at the offices of:

Cathedral Pines Metropolitan District
c/o Walker Schooler District Managers
614 N Tejon St
Colorado Springs, CO 80903

If the term herein commences on a day other than the first day of a calendar month, then Lessee shall pay to Lessor the rental for the number of days that exist prior to the first day of the succeeding month, with a similar adjustment being made at the termination of this Lease.

If the Rent remains unpaid for a period of ten (10) days, a penalty in the amount of $5 per day will be assessed against Lessee.

7. **LEASE ASSIGNMENT**. Lessee shall not assign this Lease and shall not sublet the Shed, and will not permit the use of said Shed to anyone other than Lessee, its agents, or employees, without the prior written consent of Lessor, which consent may be withheld in the Lessor's sole and absolute discretion.

6.8. **SECURITY.** ~~** We also need to~~ Lessor agrees to install a ~~monitored~~ security system, of its own choosing, on the exterior and interior of the Shed~~to protect the contents~~. The Lessor shall use best efforts to install a security system by _____ 2021.

7.9. **NOTICE.** Any notice required ~~or permitted~~ by this Lease must be delivered in person or sent by registered or certified mail, return receipt requested, to the party at the address as hereinafter provided, and if sent by mail it will be effective when posted in the U.S. Mail Depository with sufficient postage attached thereto:

Lessor: Cathedral Pines Metropolitan District
c/o Bill Heeter

Lessee:

Attn:

With a copy delivered to:

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Commented [KSA3]: Need a more informative description and understanding of this access by permission only concept. Will the shed be locked and the only key is in the hands of the district or kevin. and the lessee has to ask for and be given permission to access the shed each and every time??

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Commented [R4]: The rent charges should be based upon the average square footage used on an annualized basis; I'll check with Ashley to get an estimate of how much he plans to use. – Bill Heeter

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Commented [R5]: Please add notice information under point 7. – Bill Heeter

Commented [KSA6]: Rebecca – please complete the notice contact information for the district and the Lessee

WHITE BEAR ANKELE TANAKA
& WALDRON ATTORNEYS AT LAW
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122
Attn: Sean Allen, Esq.

~~8.~~10. **TERMINATION**. Violations of the terms set forth herein by the Lessee may result in immediate termination of this Lease by the ~~District~~Lessor, in its sole and reasonable discretion. The Lessor may terminate this Lease at any time with written notice provided to Lessee. Lessee may terminate this Lease upon thirty (30) days written notice to the Lessor. Upon expiration or termination of this Lease, either by lapse of time or as otherwise set forth in this Lease, Lessee shall peaceably surrender the Shed in good condition and repair, except for ordinary wear and tear. Lessee shall remove all personal property upon such termination and shall repair all damage to the Lease caused by such removal.

~~9.~~11. **GOVERNMENTAL IMMUNITY**. Nothing in this Lease shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the Lessor, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the Lessor and, in particular, governmental immunity afforded or available to the Lessor pursuant to Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

~~10.~~12. **SUBJECT TO ANNUAL APPROPRIATION AND BUDGET**. Lessor 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 Lessor hereunder requiring budgeting and appropriation of funds are subject to annual budgeting and appropriations. No provision of this Lease will be construed or interpreted as a delegation of governmental powers by the Lessor, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the Lessor or statutory debt limitation, including, without limitation, Article X, Section 20 of the Constitution of the State of Colorado. No provision of this Lease will be construed to pledge or to create a lien on any class or source of Lessor's funds.

~~11.~~13. **CAPTIONS, CONSTRUCTION, AND BINDING EFFECT**. The captions and headings used in this Lease are for identification only and will be disregarded in any construction of the Lease provisions. All of the terms of this Lease inure to the benefit of and are binding upon both the Lessor and the Lessee.

~~12.~~14. **SEVERABILITY**. If any provision of this Lease is determined to be invalid, illegal, or without force by a court of law or rendered so by legislative act then the remaining provisions of this Lease will remain in full force and effect.

~~13.~~15. **APPLICABLE LAW**. This Lease and all claims or controversies arising out of or relating to this Lease will be governed and construed in accordance with the law of the State of Colorado, without regard to conflict-of-law principles that would result in the application of any law

other than the law of the State of Colorado. Venue for all actions arising from this Lease will be in the District Court in and for El Paso County, Colorado.

~~14.~~16. **COUNTERPART EXECUTION**. This Lease may be executed in several counterparts, each of which will be deemed an original, and all of which together will constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document and, upon receipt, will be deemed originals and binding upon the signatories hereto and will have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

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IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the date first written above.

LESSOR/DISTRICT:

CATHEDRAL PINES METROPOLITAN DISTRICT

_____
Officer of the District

ATTEST:

_____

APPROVED AS TO FORM:
WHITE, BEAR & ANKELE,
Professional Corporation

_____
General Counsel to the District

LESSEE - A CUT ABOVE LAWN SERVICE, LLC**:**

_____
By: _____
As: _____

2208.0600; 1089414

Kevin Walker

From: Kevin Walker
Sent: Thursday, January 14, 2021 9:07 AM
To: Rebecca Hardekopf; K Sean. Allen; WILLIAM B HEETER
Subject: RE: Storage Shed lease changes part 2

See below.

Kevin Walker
Walker Schooler District Managers
614 N. Tejon St.
Colorado Springs, CO 80903
Office: (719) 447-1777
Cell: (719) 331-5480
Email: Kevin.W@WSDistricts.co
Website: www.WSDistricts.co

From: Rebecca Hardekopf <rebecca.h@wsdistricts.co>
Sent: Thursday, January 14, 2021 8:52 AM
To: K Sean. Allen <sallen@wbapc.com>; WILLIAM B HEETER <bheeter2@aol.com>
Cc: Kevin Walker <kevin.w@wsdistricts.co>
Subject: RE: Storage Shed lease changes part 2

Thank you Sean, I've made those changes and additions that you commented on.

Bill or Kevin can you help answer these additional questions:

1. Description of Location of the Shed- Tract 3, Cathedral Pines Subdivision Filing No. 2, also known as 5785 Vessey Dr.
2. Need a more informative description and understanding of this access by permission only concept. Will the shed be locked and the only key is in the hands of the district or kevin, and the lessee has to ask for and be given permission to access the shed each and every time?? We will be getting a security system that will monitor all access so it should be ok for the lessee to access at any time.
3. Do we know the square footage from Ashley - The rent charges should be based upon the average square footage used on an annualized basis; I'll check with Ashley to get an estimate of how much he plans to use. – Bill Heeter
4. Also, Bill if you could review the comments and edits Sean made to make sure everything looks good to you.

Thank you!

Kevin Walker

From: WILLIAM B HEETER <bheeter2@aol.com>
Sent: Thursday, January 14, 2021 9:29 AM
To: Rebecca Hardekopf
Cc: Kevin Walker
Subject: Re: Storage Shed lease changes part 2

Please see my comments below.

----Original Message----
From: Rebecca Hardekopf <rebecca.h@wsdistricts.co>
To: K Sean. Allen <sallen@wbapc.com>; WILLIAM B HEETER <bheeter2@aol.com>
Cc: Kevin Walker <kevin.w@wsdistricts.co>
Sent: Thu, Jan 14, 2021 8:52 am
Subject: RE: Storage Shed lease changes part 2

Thank you Sean, I've made those changes and additions that you commented on.

Bill or Kevin can you help answer these additional questions:

1. Description of Location of the Shed

Kevin will provide.

2. Need a more informative description and understanding of this access by permission only concept. Will the shed be locked and the only key is in the hands of the district or kevin, and the lessee has to ask for and be given permission to access the shed each and every time??

Access to the shed is obtained by either having a key (Warren Management and Walker-Schooler) or having the code to the lock box attached to the exterior door which contains an entry key (which Ecton and I use). A Cut Above would be given one key as well. If anyone else from either A Cut Above, Cathedral Pines or a potential lessor wants access to the Storage Shed, they would need to gain permission from either Warren Management, Walker-Schooler or me. Once that permission is granted A Cut Above should be notified of this change. We will make our best effort to minimize the number of people with access to the shed. However, once access is given to another party, they would not have to request authorization for access again. (Doing so would force us to constantly change the lock box code, which seems unnecessary.) Also, with a new security system installed, each entrant shall be given a unique access code to disarm the alarm system.

3. Do we know the square footage from Ashley - The rent charges should be based upon the average square footage used on an annualized basis; I'll check with Ashley to get an estimate of how much he plans to use. – Bill Heeter

Yes, I just heard from Ashley--they want to rent the entire facility (less the area the Metro District uses), which is approx. 2,000 sq. ft. Annualized rent would be $5/sq.ft./yr., or approx. $9,167 for the 11 month initial term

4. Also, Bill if you could review the comments and edits Sean made to make sure everything looks good to you.

Rebecca, all looks good except for a few minor issues. First, we probably want to require the Lessee to have insurance on all of their equipment. Second, in section 3.A. on the 8th line Sean missed the word "agrees," which should be added. Third, in that same section, I don't really think we need the noise provision as we seldom spend any time at the facility. Fourth, we have also agreed to allow A Cut Above the non-exclusive right to store additional equipment on our property right outside of the the shed. We probably need to include some waiver of liability for that as well. Finally, in Section 9 I changed the notice contact to Kevin rather than me, since my participation is based upon the Board's decision.

Thank you! And thank you!

Rebecca Hardekopf
Walker Schooler District Managers
614 N. Tejon St.
Colorado Springs, CO 80903
Office: (719) 447-1777 ext: 103
Email: rebecca.h@wsdistricts.co
Website: www.WSDistricts.co

From: K Sean. Allen <sallen@wbapc.com>
Sent: Wednesday, January 13, 2021 4:52 PM
To: Rebecca Hardekopf <rebecca.h@wsdistricts.co>; WILLIAM B HEETER <bheeter2@aol.com>
Cc: Kevin Walker <kevin.w@wsdistricts.co>
Subject: RE: Storage Shed lease changes part 2

In light of the comments by Bill I felt it wise to add in a few more provisions to the Lease. I have attached a further redlined version.

There are some comments/questions that still need to be resolved (see comments in the redline draft).

Thank you.

SEAN ALLEN, ESQ.
OF COUNSEL
WHITE BEAR ANKELE TANAKA & WALDRON
303.858.1800 MAIN
www.whitebearankele.com
sallen@wbapc.com

From: Rebecca Hardekopf [mailto:rebecca.h@wsdistricts.co]
Sent: Monday, January 11, 2021 11:34 AM
To: WILLIAM B HEETER <bheeter2@aol.com>; K Sean. Allen <sallen@wbapc.com>
Cc: jamie@warrenmgmt.com; Kevin Walker <kevin.w@wsdistricts.co>
Subject: RE: Storage Shed lease changes

Good Morning Sean,

2021 Maintenance Calendar

Cathedral Pines Metro District

JANUARY Lodge review of maintenance for 2021 A Cut Above renewal	**JULY** Reserve Study overview of capital improvements
FEBRUARY Fire extinguisher maintenance Fire place maintenance Updates on security Review tree removal/trimming for common areas Confirm contracts for Asphalt & parking	**AUGUST** Present reserve study bids to board Review snow removal with A Cut Above
MARCH Maintenance – lodge updates Interior/ exterior Staining lodge/ parking lot Carpet/floor cleaning; painting; updates if needed	**SEPTEMBER** Reserve study preparation for budget 2022 Review current contracts
APRIL Pond start up Pond maintenance (Solitude Lake Management) Irrigation start up Review landscape improvements items with A Cut Above for summer months Lodge: Window cleaning	**OCTOBER** Contracts review for 2022 budget Planning for 2022 Fall Clean up- lodge & common areas Lodge: Window cleaning Turn off pond
MAY Landscape maintenance begins on medians and lodge through October Annual flowers planted end of May/ first of June Pond – Fish installation	**NOVEMBER** HOA Annual meeting/Metro District updates Hearing for the 2022 Budget Holiday Décor added to the lodge
JUNE Weekly follow up with A Cut Above Irrigation updates/ maintenance/ native grass mowing Continues through October	**DECEMBER**

2021 Contracts:
WMG – Maintenance management
A Cut Above Maintenance/Snow removal
Solitude Lake Management (April through October)

Adhoc no contract as needed – refrigerator plus; fire extinguisher; fire place maintenance; HVAC maintenance; carpet/floor cleaning; handyman work; electrician work

Presented by Jamie Adams, Managing Agent for Maintenance Cathedral Pines Metro District

LICENSE AGREEMENT AND WAIVER AND RELEASE OF LIABILITY
(Landscape Maintenance Activities)

This LICENSE AGREEMENT AND WAIVER AND RELEASE OF LIABILITY (Landscape Maintenance Activities) (the "**Agreement**") is entered into this ____ day of _____, 2020, by and between Cathedral Pines Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**District**") and _____, _____, an individual and resident of the District (collectively the "**Licensee**"). The District and Licensee are collectively referred to herein as the "**Parties.**"

Commented [KSA1]: Best to use 1 agreement per volunteer, each volunteer needs to enter into their own agreement with the district

RECITALS

WHEREAS, the District owns and maintains certain real property located in El Paso County and within its boundaries (the "**Property**"), which Property is depicted in the attached **Exhibit A**; and

WHEREAS, Licensee is a resident of the District and owner of a residential lot located directly adjacent to a portion of the Property (the "**Licensee's Property**"), which is also depicted on the attached **Exhibit A**; and

Commented [KSA2]: Each volunteer's adjacent lot should be identified on the exhibit

WHEREAS, Licensee desires to enter upon the portion of the Property adjacent to Licensee's Property, which is depicted on **Exhibit A** (the "**Maintenance Property**"), in order to, on a voluntary basis, mow weeds and grass, mitigate the growth of weeds, and remove fallen tree branches and tree limbs (the "**Landscape Maintenance Activities**); and

Commented [KSA3]: Kevin: we need a clear definition and description of the type of maintenance activities the district wants to allow

WHEREAS, the District desires to allow the Licensee to enter the Maintenance Property for the sole purpose of conducting the Landscape Maintenance Activities, subject to the terms and conditions contained herein.

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

COVENANTS AND AGREEMENTS

1. Access to Maintenance Property. Licensee is permitted to access and use the Maintenance Property solely for the purpose of performing the Landscape Maintenance Activities at its sole cost and expense. Licensee is prohibited from using the Maintenance Property for any other purposes whatsoever without the prior written consent of the District. Licensee understands that this Agreement is restricted to the Licensee, and no Licensee's guests, invitees, agents, contractors, subcontractors, employees, successors, and/or assigns are permitted or intended by this Agreement.

2. Term/Termination. The term of this Agreement is indefinite. The Parties hereby agree that if any of the promises or covenants contained herein are breached by Licensee, this Agreement will be automatically terminated. Additionally, the District may terminate the Agreement for cause or convenience at any time upon written notice to the Licensee.

3. Good Repair/Liability for Damage. Licensee agrees to keep and maintain the Maintenance Property in good repair and in substantially the same condition as when the Agreement commenced and is responsible for any damage to the Maintenance Property resulting from the Landscape Maintenance Activities.

4. No Ownership Interest. Licensee's use of the Maintenance Property shall not be considered possession of the Maintenance Property. Licensee acknowledges that the rights granted herein are without covenant of title or warranty of possession of the Maintenance Property.

5. Assignment Prohibited. Licensee understands and agrees not to assign this Agreement or to sublet any party of the Maintenance Property.

6. Reservation of Rights. In granting this License, District reserves the right to make full use of the Maintenance Property as may be necessary or convenient in the District's sole determination, and District retains all right to maintain, repair, remove, or relocate landscaping located within the Maintenance Property.

7. Release and Indemnity. The Parties agree that the Agreement also serves to waive and release the District from any and all liabilities resulting from the Licensee's use of the Maintenance Property and is subject to the following stipulations:

a. Licensee shall indemnify, defend, and hold harmless the District against any and all claims resulting from, or in any way arising out of, the Landscape Maintenance Activities and use of the Maintenance Property by the Licensee, its guests, licensees, invitees, agents, contractors, subcontractors, employees, successors, and/or assigns.

b. Licensee releases, waives, discharges, and covenants not to sue the District, officers, officials, and representatives on account of injury to the person or property resulting from, or in any way arising out of the use of the Maintenance Property by the Licensee.

c. The Licensee's waiver and release of liability under this Agreement includes claims resulting from the District's negligence, and includes claims for personal injury or wrongful death, property damage, loss of consortium, breach of contract, or any other claim.

d. The Licensee assumes full responsibility for any property damage or injury resulting from or arising out of the Landscape Maintenance Activities.

e. The Licensee acknowledges and agrees that there is potential risk including injury, death, property damage, and other inherent risks to the Landscape Maintenance Activities that cannot be anticipated.

f. The Licensee expressly agrees that the waiver and release of liability under this Agreement is intended to be as broad and inclusive as is permitted by the law of the State of Colorado, and further, that if any part thereof is held invalid, the remainder of this Agreement shall continue in legal force and effect.

g. By signing this Agreement below, Licensee acknowledges that he/she have read this Agreement and voluntarily releases and waives the District of any and all liability.

8. Governmental Immunity. Nothing in this agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the District, its respective officials, employees, contractors, or agents or any other person activing on behalf of the District and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes.

9. Compliance with Laws. Licensee agrees to comply with any and all applicable federal, state, and local laws, ordinances, regulations and District policies and directives.

10. Notice. Any notice or demand required herein shall be addressed to the parties at the following addresses:

To the Licensee:

_____

_____

_____

Email:
Phone:

To the District:

Cathedral Pines Metropolitan District
C/o Kevin Walker

_____

_____

Email:
Phone:

With a copy to:

White Bear Ankele Tanaka & Waldron

Attn: Sean Allen, Esq.

2154 E. Commons Ave, Suite 2000
Centennial, CO 80122
Email: sallen@wbapc.com
Phone: (303) 858-1800

[Remainder of Page Intentionally Left Blank. Signature Page Follows]

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

Licensee:

_____, an individual

_____

District:

CATHEDRAL PINES METROPOLITAN DISTRICT

_____

ATTEST:

_____

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON

Attorneys at Law

_____

General Counsel for the District

[Signature Page to Licensing Agreement and Waiver and Release of Liability (Landscape Maintenance Activities) by and between _____ and Cathedral Pines Metropolitan District]

EXHIBIT A