

**CATHEDRAL PINES METROPOLITAN DISTRICT
NOTICE OF SPECIAL MEETING
BOARD OF DIRECTORS**

Thursday, March 4, 2021 1:00 PM – 2:00 PM (MDT)

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/505518061>

You can also dial in using your phone.

United States: +1 (646) 749-3122

Access Code: 505-518-061

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. Contract Review

- a. **Walker Schooler District Managers 2021 Contract**
- b. **Warren Management**
- c. **Lodge Management**

5 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)

6. Other Business

7. Adjournment

Director Kelly Requests for information email

Kevin Walker

From: John Kelley <jvkelleyjr@gmail.com>
Sent: Friday, February 26, 2021 12:17 PM
To: Rebecca Hardekopf
Cc: Kevin Walker
Subject: RE: Cathedral Pines Special Meeting

Hi Rebecca,

Please add the Lodge Manager Contract to the agenda.

I provided my specific questions and recommendations in November 2020 but will repeat them here for you:

WM

- Contract appears to be a standard contract from WM and not a District contract. It does need to be updated and we could start with an updated version from WM.
- 4.1 E – would like to see community inspections required weekly instead of monthly
- 9.1 – Update monthly management fee from \$1800 to \$2000/month
- 11 – update mailing info
- Exhibit A
 - o “Present a written Management Report of maintenance activities” – don’t think I’ve ever seen this, if they exist, would like to see them; if not, would like to start getting these reports

WSDM

- Section 1 – update line of authority?
- Section 3a and 3b – invoices and monthly reports, would like to see a little more detail in their efforts for us, prepare an example to use in 2021
- Section 14 – update
- Exhibit A, Fees and Work Schedule – update as required, in 2018 fees were \$2,000 per month, for 2021 fees will be \$3,675 per month?
 - o Would like to understand the escalation over the last 3 years

LM

I don’t see the need for any contract modifications but I do see clauses that Lina is not performing. I would prefer to enforce the existing contract rather than water it down.

LM Contract

- Pg 3, Section 6 – Lina is obligated to provide a Monthly Status Report by the 25th of the month. If you have these, please forward to me. If not, this clause needs to be enforced.
- Pg 4, Section 7a – we need to modify Exhibit B and come up with an approach for compensation for 2021
- Pg 4, Section 7b – Lina is obligated to provide a Monthly Invoice, something I have been pushing for, this clause needs to be enforced.
“The District shall be charged only for the actual time and direct costs incurred for the performance of the services.”
- Pg 4, Section 8 – “Such payment shall require review and approval of each Monthly Report and invoice by two officers of the District.” The Board needs to adhere to the requirements of the contract as well.

LM Statement of Work (SOW)

I'd like to see evidence that Lina is executing the following elements of the SOW.

- Marketing and Business Development
 - o "Create and implement strategic sales and marketing plans that successfully achieve business objectives." I would like to see these plans.
 - o "Maintain and improve the Lodge website." I'd like to see evidence of what improvements have been made.
 - o "Collect verbal and written feedback from Renters post-event for use in marketing and any necessary corrective action. Develop Renter feedback form, offer an incentive for providing feedback." I'd like to see evidence of this.
- Booking and Sales
 - o "Pursue new market opportunities to increase event and meeting sales." I'd like to see evidence of this.
 - o "Develop and implement an effective sales strategy, responsible for planning and executing sales and product development programs that meet pre-determined targets and increase Lodge market share." I'd like to see evidence of this.
- Event Supervision
 - o Confirm that every event is 100% attended by a trained Event Supervisor.
- Cleaning
 - o Explain how this is done post-event and plans for periodic deep cleaning.

Exhibit B

I'd like to understand how a current client is charged, how Lina handles the Lodge charge and all of the additional charges she imposes. How is this accounting handled by Lynn and WSDM?

Warm regards,
John

From: Rebecca Hardekopf <rebecca.h@wsdistricts.co>
Sent: Tuesday, February 23, 2021 2:52 PM
To: John Kelley <jvkelleyjr@gmail.com>
Cc: Kevin Walker <kevin.w@wsdistricts.co>
Subject: Cathedral Pines Special Meeting

Good Afternoon Mr. Kelley

Attached is a draft agenda for the Special Board Meeting on 3/4/21. We would like you to review and put the specific items you are wanting to review regarding these contracts as bullet point items. Let us know if you have any questions or additional help 😊

Thank you!



Rebecca Hardekopf

Walker Schooler District Managers

614 N. Tejon St.

Colorado Springs, CO 80903

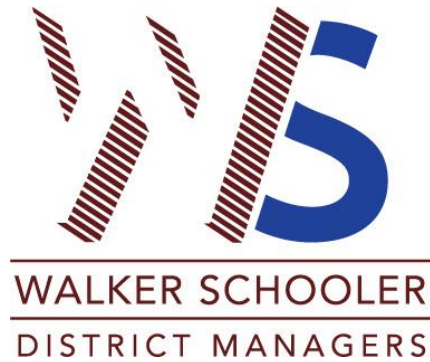
Office: (719) 447-1777 ext: 103

Email: rebecca.h@wsdistricts.co

Website: www.WSDistricts.co

PRIVILEGED AND CONFIDENTIAL

WSDM Memorandum on contract status



MEMORANDUM

TO: CATHEDRAL PINES BOARD OF DIRECTORS
FROM: KEVIN WALKER
SUBJECT: CONTRACT DISCUSSION
DATE: MARCH 2, 2021
CC: JAMIE ADAMS
K SEAN ALLEN

Board Members,

In response to Director Kelley's thoughts on our current contract, please see below.

1. We can certainly update the line of authority. That would be Kevin Walker and Rebecca Hardekopf
2. We have started to add detail to our invoice. Certainly doable.
3. Modify the addresses for current Board and attorney - OK
4. Update Fee and Schedule, explain increases - In 2017, the request for our proposal was not very well defined. We were not sure what our scope of work would be, how we would interact with Mr. Atkinson, what the extent of the bookkeeping was going to be, our relationship to Warren Management was not well defined. The accounting for the lodge was not very thorough. It was not clear what level of management we were going to perform given Bart's previous control over the Board activities and the Lodge.

Over the intervening years, we have refined the scope based on the work that we have been doing, but we have not well documented that. I have attached a more definitive scope of work that we do with the areas that we are not covering.

Each year we have adjusted our fee based on what we think is a fair compensation for the work upcoming, but we have not updated our contract or official scope of work.

If the Board feels they would like to upgrade the contract or scope, we will be happy to do so. I have included the current contract, our standard scope of work, and our current contract template for your review.

Let me know if you have any questions.

Current WSDM Contract Signed

**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. SEVERABILITY: 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 cancellation of a meeting, contact and advise all parties of the cancellation 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

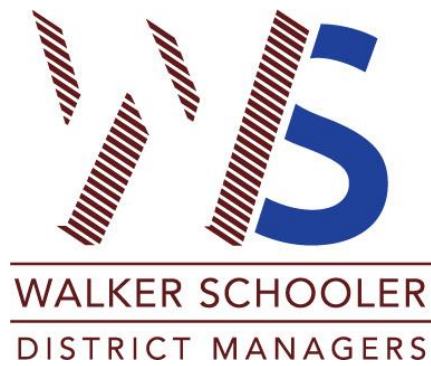
FEES AND WORK SCHEDULE

➤ **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.

WSDM Scope of Services for Cathedral Pines



Walker Schooler District Managers Inclusive Scope of Services

Management

1. Meeting and Reporting Services—WSDM provides excellence in the following 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
 - (e) Prepare for and attend regular and special meetings of the Board.
 - (f) Draft, revise and finalize the minutes of the meeting and circulate 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.

2. ~~Elections—Service as a Designated Election Official for district elections with familiarity with various election laws, including, but not limited to the Special District Act, the Colorado Local Government Election Code, the Uniform Election Code of 1992, to the extent not in conflict with the Colorado Local Government~~

- ~~3. Construction Oversight—Extensive construction best management experience. Principals have funded and managed over \$100,000,000 in public infrastructure including roads, water, wastewater, electric, gas, telecommunications and stormwater facilities.~~
4. Website Administration – extensive experience with creating and updating District specifically including the State of Colorado's official web portal. * different district websites under current management
- ~~5. Employee management—management of full or part time employees including Operators in Responsible Control (ORC), field and operations employees, administrative employees, part time seasonal employees, etc. Maintain compliance with labor statutes, insurance, training, safety, etc. issues. Also, automated payroll services~~
- ~~6. Covenant enforcement and HOA style management—WSDM manages covenant enforcement services as staff and management of Architectural Control Committees including inspections, review of proposed improvements, management of fines, and other enforcement action.~~

Accounting and bookkeeping

1. Standard Services— Our professional services include the following:
 - (a) Accounting
 1. Prepare monthly, quarterly and annual financial statements for inclusion in monthly meeting packets.
 2. Reconcile monthly bank statements and trustee statements.
 3. Coordinate bank account setup and maintenance of signature cards.
 4. Prepare and file Continuing Disclosure Notices with the Trustee and other required parties. Coordinate review with legal counsel.
 5. Coordinate capital project draws and requisitions.
 6. Reconcile bonds and other debt service payment obligations for accuracy and timely payments.
 7. Respond to bondholder and other interested parties' requests for financial information.
 8. Review all payments of claim prior to release to ensure funds are available.
 9. 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
 1. Receive and review invoices for accuracy and appropriateness for payment. Code the invoices in accordance with the budgeted line item.
 2. 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.
 3. Prepare funding requests, if required.

4. Release checks to vendors when all approvals and funding have been received.
- (c) Accounts Receivable
 1. Process deposit of revenues.
 2. Process bank charges and other miscellaneous accounts receivable matters.
- (d) Financial Projections
 1. Multi-year forecasting.
 2. Utility consumption and water rate analysis.
 3. Commercial billing analysis and rate structure.
- (a) Budgets
 1. Prepare annual budget and budget message for approval by the Board and coordinate with legal counsel for same.
 2. Prepare or assist in the preparation of supplemental and/or amended budgets and accompanying documents, if required.
- (b) Audits
 1. Obtain proposals for conduct of audit for consideration at budget hearing meeting. Proposals should be included in the meeting packet.
 2. Coordinate and participate in audit bids, engagements, fieldwork and audit draft review.
 3. Assist the auditor in performing the annual audit, to accomplish timely completion and filing by statutory deadline.

Billing and Collection

1. ~~Standard Services~~ WSDM currently utilizes Continental Utility Solutions, Inc. (CUSI) billing software system. This system is compatible with the Automatic Meter Reading (AMR) systems as well as state of the art integration with direct payment options (Lockbox, ACH and Credit Card). In addition:
 - (a) Provide resolution of re-reads for meter reads, if necessary.
 - (b) Customize billing system to download meter readings directly into accounting software to allow for automatic updates to customer accounts.
 - (c) Produce and transmit customer invoices to a mailing facility or perform the mailing in house, whichever is more economical.
 - (d) Process and make daily deposits of all receipts mailed directly to the billing company, as necessary.
 - (e) Communicate with customers and transmit Automated Clearing House ("ACH") authorization forms allowing the District to initiate an ACH withdrawal of the customer bill directly from their checking or savings account. Initiate ACH batches using dual controls.
 - (f) Coordinate and provide correspondence regarding terminations, delinquencies, payment plans and shut-off notices in compliance with the District's collection policies and in coordination with the District's legal counsel.
 - (g) Process payoff requests from title company for closings and set up new ownership information.
 - (h) Collect transfer fee due upon the transfer of an account or property.
 - (i) Process payment arrangements for customers facing economic hardship at the direction of the Board.
 - (j) Process and transmit delinquent notices.
 - (k) Process shutoff notices and direct the District's operator to proceed with shutoff.
 - (l) Certify delinquent accounts with the County, as applicable, in coordination with the District's legal counsel.
 - (m) Coordinate processing of statements of liens with the District's legal counsel.

- ~~(n) Respond to customer calls and inquiries in a timely and professional manner.~~
- ~~(o) Track tap fee payments.~~

Customer Service

We provide phone, email and text messaging response to customer inquiries, questions, requests for information etc. We also provide a 24-emergency number and monitoring of security cameras, etc.

WSDM Contract Template

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 _____, 20____, by and between the _____, 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, 20____. 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 addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

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

“CONTRACTOR”

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

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

By: _____
Name: _____
Officer of the District

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____

TEMPLATE

EXHIBIT A
Scope of Services

_____ **Metropolitan District**

Date: _____

EXHIBIT B
Proposed Fee Arrangement

_____ **Metropolitan District**

Date: _____

Monthly Fee

TEMPLATE

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.

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.

Warren Management Current Contract

Management Agreement Renewal

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

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

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

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



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

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

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 District 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.



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.

WMG's 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.

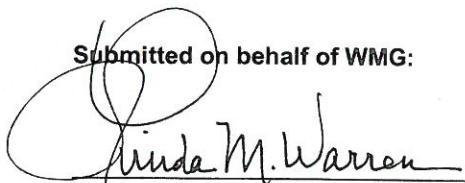
Section 17: Governing Law.

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:


By Linda M. Warren
Its President

12-11-19
Date

Accepted on behalf of the District:


By William B. Hester
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

Current Lodge Management Contract

**INDEPENDENT CONTRACTOR AGREEMENT
THE LODGE MANAGEMENT SERVICES**

This INDEPENDENT CONTRACTOR AGREEMENT, including any and all exhibits attached hereto (the “**Agreement**”), is entered into as of the ___ day of February, 2020, by and between CATHEDRAL PINES METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and LINA HOEKMAN EVENTS (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 management services as are needed by the District to serve the District’s The Lodge at Cathedral Pines property; and

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

or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement (including **Exhibit A**) or through other authorization expressly delegated to or authorized by the District through its Board of Directors.

2. TERM/RENEWAL. This Agreement shall be effective as of February __, 2020, and shall terminate on the earlier to occur of: (i) termination pursuant to Section 18 hereof; or (ii) December 31, 2020. Notwithstanding the foregoing, unless terminated pursuant to subsection (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 1 of each succeeding year for an additional one (1) year term.

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

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

No later than the effective date of this Agreement, the Parties shall conduct a joint walk through of The Lodge and catalog existing observed damage therein. The intent of which is to avoid attributing pre-existing conditions/damage to the Contractor.

5. GENERAL PERFORMANCE STANDARDS.

a. The Contractor has by careful examination ascertained: (i) the nature and location of the Services; (ii) the configuration of the ground on which the Services are to be performed; (iii) the character, quality, and quantity of the labor, materials, equipment and facilities

necessary to complete the Services; (iv) the general and local conditions pertaining to the Services; and (v) all other matters which in any way may affect the performance of the Services by the Contractor. Contractor enters into this Agreement solely because of the results of such examination and not because of any representations pertaining to the Services or the provision thereof made to it by the District or any agent of the District and not contained in this Agreement. The Contractor represents that it has or shall acquire the capacity and the professional experience and skill to perform the Services and that the Services shall be performed in accordance with the standards of care, skill and diligence provided by competent professionals who perform services of a similar nature to those specified in this Agreement. If competent professionals find that the Contractor's performance of the Services does not meet this standard, the Contractor shall, at the District's request, re-perform the Services not meeting this standard without additional compensation.

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

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

d. The Contractor agrees that it has and will continue to comply with all Laws while providing Services under this Agreement. "Laws" means: (i) federal, state, county and local or municipal body or agency laws, statutes, ordinances and regulations; (ii) any licensing bonding, and permit requirements; (iii) any laws relating to storage, use or disposal of hazardous wastes, substances or materials; (iv) rules, regulations, ordinances and/or similar directives regarding business permits, certificates and licenses; (v) regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970; (vi) Wage and Hour laws, Worker Compensation laws, and immigration laws. The Parties mutually agree that for previously existing agreements the District has concerning The Lodge, the Contractor is not obligated to enforce any new subsequent Laws until such previously existing agreements are revised or otherwise amended to account for new Laws.

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

6. MONTHLY STATUS REPORT. The Contractor shall provide to the District, at the District's request, on or before the 25th of each month, a narrative progress and status report describing work in progress and results achieved during the reporting period, including a

description of the Services performed during the invoice period and the Services anticipated to be performed during the ensuing invoice period (“**Monthly Report**”).

7. COMPENSATION AND INVOICES.

a. Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit B**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in **Exhibit B** of this Agreement, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor’s actual cost, provided that the Contractor shall make a reasonable attempt to notify the District of the estimated amount of such reimbursable costs (or any material adjustments thereto subsequently identified) prior to commencing the requested services. Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) (“**W-9**”). No payments will be made to the Contractor until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as **Exhibit B-1**.

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

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

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

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

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

10. EQUAL OPPORTUNITY / 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 in this Agreement 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 in this Agreement.

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 in this Agreement.

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 involving matters under this Section 10 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 this Agreement pursuant to which § 8-17.5-102, C.R.S., applies the District may terminate this Agreement upon three (3) days written notice to the Contractor. If this 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 is required for Commercial General Liability and Workers Compensation coverage. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The District shall have the right to verify or confirm, at any time, all coverage, information or representations contained in this Agreement.

b. Prior to commencing any work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement, as well as the amounts of coverage for the respective types of coverage, which certificate(s) shall be attached hereto as **Exhibit C-1**. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates evidencing statutory workers' compensation insurance, comprehensive general liability insurance and automobile

liability insurance in amounts satisfactory to the District and the Contractor; provided, however, that sub-contractors of the Contractor shall not be required by the District to provide coverage in excess of that which is required hereunder of the Contractor. If the coverage required expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

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

12. CONFIDENTIALITY AND CONFLICTS.

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

b. Personal Identifying Information. During the performance of this Agreement, the District may disclose Personal Identifying Information to the Contractor. "**Personal Identifying Information**" means a social security number; a personal identification number; a password; a pass code; an official state or government-issued driver's license or identification card number; a government passport number; biometric data, as defined in § 24-73-103(1)(a), C.R.S.; an employer, student, or military identification number; or a financial transaction device, as defined in § 18-5-701(3), C.R.S. In compliance with § 24-73-102, C.R.S., the Contractor agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to the Contractor; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

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

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

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

15. INDEMNIFICATION.

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

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

c. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary with respect to its obligations under this Agreement, including the indemnity obligations set forth in Section 15. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

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

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

18. TERMINATION. In addition to the termination provisions contained in Section 2, above, this Agreement may be terminated for convenience by the Contractor upon delivery of thirty (30) days prior written notice to the District and by the District by giving the Contractor thirty (30) days prior written notice. Each Party may terminate this Agreement for cause at any time upon written notice to the other Party setting forth the cause for termination and the notified Party's failure to cure the cause to the reasonable satisfaction of the Party given such notice within the cure period set forth in Section 19. Such notice shall not be required for automatic expiration under Section 2, above. If this Agreement is terminated, the Contractor shall be paid for all the Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business. Should either Party to this Agreement be declared bankrupt, make a general assignment for the benefit of creditors or commit a substantial and material breach of this Agreement in the view of the other Party, said

other Party shall be excused from rendering or accepting any further performance under this Agreement. In the event of termination of this Agreement, the Contractor shall cooperate with the District to ensure a timely and efficient transition of all work and work product to the District or its designees. All time, fees and costs associated with such transition shall not be billed by the Contractor to the District.

19. DEFAULT. If either Party fails to perform in accordance with the terms, covenants and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the address specified in Section 20 below, and the defaulting party will have ten (10) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such ten (10)-day period and the defaulting party gives written notice to the non-defaulting party within such ten (10)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the ten (10)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

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

District:	Cathedral Pines Metropolitan District c/o Walker Schooler District Managers 614 N. Tejon Street Colorado Springs, CO 80903 Attention: Kevin Walker Phone: (719) 447-1777 Email: kevin.w@wsdistricts.co
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With a Copy to: WHITE BEAR ANKELE TANAKA & WALDRON

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

Contractor:

Lina Hoekman Events

[

_____]

Attention: Lina Hoekman
Phone: (719) 205-4765
Email: linahoekmanevents.com

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

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

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

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

25. GOVERNING LAW.

a. Mediation. In the event of any claim or controversy of any type or nature arising with respect to this Agreement, or breach thereof, the Parties hereto shall first attempt to settle the dispute by mediation, administered by a mutually agreed upon mediator, in the County in which the District is located, unless otherwise agreed to by the Parties, under the mediator's mediation rules. Each party will be responsible for paying one half of all fees and expenses charged by the mediator. Mediation involves an attempt by each Party to reach a voluntary settlement. Mediation involves no formal court procedures and the mediator does not have the power to render

a binding decision or force an agreement between the parties. In the even that a settlement is not reached within sixty (60) days after service of a written demand for mediation, the claim or dispute will be decided by binding arbitration.

b. Arbitration. Any dispute, controversy, or claim arising out of or related to this Agreement or any breach or termination of this Agreement, including the provision of services by the Contractor to the District, shall be submitted to and decided by binding arbitration. In that case, arbitration shall be administered exclusively by the Judicial Arbiter Group in Denver, Colorado under its arbitration rules, by a single arbitrator, unless a different arbitrator is agreed upon by the parties. Any arbitral award determination shall be final and binding upon the Parties. Judgement on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. 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 WAIVE THE RIGHT TO A JURY TRIAL AND THE EXTENSIVE DISCOVERY RIGHTS TYPICALLY PERMITTED IN JUDICIAL PROCEEDINGS. Each Party will be responsible for paying one half of all fees and expenses charged by the arbitrator. Notice of request for arbitration must be filed in writing with the other Party(ies) to this Agreement. If agreed to, notice must be filed with the Judicial Arbiter Group. The request must be made within a reasonable time after the claim, dispute or other matter in question has risen. In no event may it be made after the date when institution of legal or equitable proceedings based on such claim, dispute or other matter in question would be barred by the applicable statute of limitations.

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

d. Choice of Law. Colorado law shall apply to any dispute, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado.

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

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

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

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

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

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

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

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

33. STANDARD OF CARE. In providing Services under this Agreement, the Contractor shall perform in a manner consistent with that degree of care and skill ordinarily

exercised by members of the same profession currently practicing under similar circumstances at the same time.

34. TAX EXEMPT STATUS. The District is exempt from Colorado state sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District.

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

[Signature pages follow].

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

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



President [Officer of the District]

ATTEST:



Secretary [Blank]

APPROVED AS TO FORM:

WHITE BEAR ANKLE TANAKA & WALDRON
Attorneys at Law

General Counsel for the District

*District's Signature Page to Independent Contractor Agreement for The Lodge Management Services with ** Contractor, dated [_____], 2020*

CONTRACTOR:
Lina Hockman Events

[Handwritten Signature]

Lina Hockman
Printed Name

Owner
Title

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

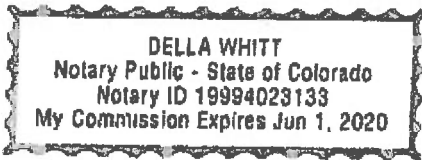
The foregoing instrument was acknowledged before me this 29th day of FEBRUARY 2020, by LINA HOCKMAN, as the OWNER of Contractor.

Witness my hand and official seal.

My commission expires: 06-01-2020

Della Whitt

Notary Public



Contractor's Signature Page to Independent Contractor Agreement for The Lodge Management Services

EXHIBIT A
STATEMENT OF WORK SERVICES

Exhibit A

Statement of Work

Services

Overall Responsibilities

- The LM is responsible for Lodge Management, Marketing and Business Development, Booking and Sales, Account Management, Event Supervision, Cleaning, Records, Metrics and Reporting. These specific responsibilities are further described in the remainder of this Statement of Work.
- The LM is the single point of contact and interface with Walker Schooler District Managers (WSDM), Warren Management (WM) and the CPMD BoD.
- The LM provides the necessary supporting labor and skill sets to accomplish this Statement of Work through direct hire or subcontracting and is responsible for following all labor and employment laws and regulations.
- The LM ensures all Renters and event attendees abide by the terms, conditions, policies and restrictions as stated in the Lodge Rental Agreement. And in the event of additional charges, ensures timely collection.
- The LM maintains well organized event and meeting records, tracks key performance metrics, identifies improvement items and provides a written report and briefing to the CPMD BoD at least quarterly that summarizes Lodge activity and key metrics for the past quarter and looks forward 12 months.
- The LM must establish reliable and consistent contact information including phone #, email address, and Lodge website contact form. The LM must respond in a timely, courteous and professional manner to all inquiries
- The LM must provide a plan to perform LM responsibilities in the event the LM is temporarily unavailable. All scheduled and paid for events and meetings must be fully supported.

Lodge Management

The LM oversees Lodge operations and monitors and documents the general condition of the Lodge and the 11-acre grounds. The LM ensures optimal operating results for all Lodge systems and immediately reports any issues to WSDM and WM for maintenance, repair or replacement. The LM establishes and maintains tracking and then requests and reports on periodic maintenance tasks and recommended and approved capital

improvements. The LM hires, manages, and pays any required staff to prepare for and support events and meetings, move Lodge equipment, or perform cleaning and janitorial duties, all while remaining in compliance with local, state and federal regulations.

Responsibilities

- Control access to the Lodge, establish an inventory and maintain accountability for all Lodge property, and monitor and respond to security concerns and alarms. Report all security and emergency situations to WSDM and WM immediately and to the CPMD BoD within 24 hours.
- Monitor and document the general condition of the Lodge, all associated indoor systems (e.g., HVAC, kitchen appliances, lighting, A/V systems) and outdoor systems (e.g., parking lot, irrigation system, trees, grass and shrubs) of the Lodge and 11 acres of Lodge property.
- Develop a knowledge base and understanding of the use and operation of all Lodge systems. Must be able to explain use and operation and train Event Supervisors.
- Create summary reports of each event demonstrating customer satisfaction, Event Supervisor performance, and ideas for continuous improvement.
- Report issues, maintenance items and necessary repairs for the Lodge and grounds to WSDM and WM for action within 24 hours.
- Partner with WM on event and cleaning supplies. Maintain adequate supply inventory for events and meetings and order items in advance as necessary.
- Hire, train, schedule, and supervise any required staff for all events and meetings. All potential support staff should be subject to a background check.
- Establish workflows, checklists, and troubleshooting protocols for all staff members for events and meetings, train staff to properly execute.
- Develop an Emergency Response Plan for Event Supervisors that provides guidance for situations beyond the authority of the Event Supervisor.
- Develop recommendations for capital improvements and present to the CPMD BoD.

Marketing and Business Development

Create and implement strategic sales and marketing plans that successfully achieve business objectives.

Develop, oversee, and conduct effective marketing strategies, promotional events and Internet Search Optimization (ISO).

Maintain and improve the Lodge website (www.cathedralpineslodge.com), identify business opportunities, acquire and manage new client relationships, collaborate with the CPMD BoD on business strategy to determine objectives, evaluate current business performance and maximize business reach and potential.

Responsibilities

- Conduct market research and develop a strategic business development plan that includes website content, social media, promotional events, and effectiveness metrics.
- Monitor event and meeting industry news, develop recommendations, and provide briefings to the CPMD BoD for action on a periodic basis.
- Become a subject matter expert on the Lodge offerings, operations, and processes.
- Improve, update and maintain the Lodge website including an up to date master schedule that looks out at least two years.
- Coordinate for Lodge website links on the Cathedral Pines HOA and MD websites. Develop internet advertising (e.g., Facebook, Pintrest, You Tube).
- Host a semi-annual Lodge Open House in January and June for the public and District members to showcase Lodge capabilities and value.
- Develop relationships with prospective clients, maintain existing client relationships.
- Collect verbal and written feedback from Renters post-event for use in marketing and any necessary corrective action. Develop Renter feedback form, offer an incentive for providing feedback.
- Develop and make available business cards and Lodge brochures.
- Market the Lodge to selected conferences and selected shops (e.g., florists, dress shops, and caterers).
- Develop a network of best value vendors to recommend to clients for any event or meeting support required.

- Monitor competitors' venues, including relevant sales and marketing data. Provide periodic recommendations to the CPMD BoD for Lodge and grounds improvements to remain competitive and offer exceptional event experiences.
- Maintain a written log of all client interaction to include client contact information, reasons for interest in the Lodge and reasons for not booking with the Lodge.

Booking and Sales

Pursue new market opportunities to increase event and meeting sales. Meet with clients regularly and in a timely manner, and conduct Lodge tours. Provide accurate and timely information to clients, vendors, and event and meeting planners. Continuously focus on improving customer satisfaction to create customer loyalty and deliver a positive event and meeting experience.

Work closely with prospective clients, fully understand their vision for the event or meeting. Ensure events and meetings are booked, scheduled, sold, organized and executed flawlessly. Handle events and meetings from start to finish.

Develop and implement an effective sales strategy, responsible for planning and executing sales and product development programs that meet pre-determined targets and increase Lodge market share.

Responsibilities

- Respond to prospective client inquiries, whether by phone or email, promptly, courteously and professionally. Continuously coordinate and communicate with clients and vendors.
- Prepare proposals, negotiate contract terms with clients and close sales. Transfer signed contracts, booking deposits and all monies to WSDM within 48 hours.
- Ensure that deposits and final payments are properly received by WSDM. Follow up on any issues with clients. Maintain accurate receipts and records.
- Build and maintain working relationships with internal and external partners, leverage these relationships to deliver innovative and memorable events.
- Increase the number of celebration events and corporate meetings booked at the Lodge while maintaining and improving the quality of service.
- Prepare letters and emails to clients in response to questions or to provide

clarification for a proposed or scheduled event or meeting. Follow up with a thank you note.

- Request clients post their positive reviews on appropriate websites (e.g., Google, Yelp, Facebook)
- Develop a network of best value vendors to recommend to clients for any event or meeting support required.
- Use available data to accurately forecast sales and set appropriate performance goals. Be readily available for appointments and tours of the Lodge.
- Oversee, manage, and maintain the events and meetings calendar on the Lodge website.
- Maintain updated and organized shared folder containing contracts with CPMD BoD.
- Maintain a written log of all client interaction to include client contact information, reasons for interest in the Lodge and reasons for not booking with the Lodge.

Account Management

Develop and maintain records for each Event and Meeting including signed contracts and payment receipts. Ensure accurate and prompt billing and collection. Provide a secure and simple credit card payment system both online and in person.

Responsibilities

- Ensure booking deposits, rental rates and all other fees are charged and collected in accordance with Renter signed contracts and all monies are delivered to WSDM within 48 hours.
- Explain all charges to Renters so they clearly understand the fees for which they are and may be responsible.
- Establish a secure and simple on-line and in-person credit card payment process. Contact Renters to update records such as billing addresses and methods of payment.

Event Supervision

The LM hires, oversees and manages a team of Event Supervisors, at least one of

which is present before, during, and after scheduled events and meetings. Specifically, the Event Supervisor is present at least one hour before the Rental Period begins and at least one hour after the Rental Period ends.

The Event Supervisors are the primary point of contact for all Renters on the day of the scheduled event. Event Supervisors have excellent customer service and communication skills and can handle difficult situations calmly and respectfully.

During the celebration event or meeting, the Event Supervisor provides any required support, resolves any issues, and facilitates a memorable and enjoyable event or meeting.

Responsibilities

- Responsible for event or meeting day preparation, supervision and support including set up, tear down and follow-ups. Ensures Lodge is open and ready and then secured post- event.
- Ensure all Renters and event attendees abide by the terms, conditions, policies and restrictions as stated in the Lodge Rental Agreement. And in the event of additional charges, ensures timely collection.
- Open the Lodge one hour prior to Renter arrival on the day of the event, greet and welcome Renter, provide a contact business card, and open communication with Renter during set up and execution of the event, handle any issues expeditiously, as well as clean up post-event.
- Inspect Lodge and grounds, ensure Lodge is clean and parking lot and grounds are free of debris and parking lot and sidewalks are free of snow and ice.
- Ensure Lodge systems required for the event or meeting are operating normally, necessary supplies are in place, comfort temperature is set, A/V equipment is on and working, and the Lodge is clean. Train Renter on systems as required.
- Maintain a polished and professional demeanor while ensuring the event or meeting is executed within the terms, conditions, policies and restrictions of the contract.
- During the event or meeting, walk the Lodge and grounds on at least an hourly basis and troubleshoot any issues.
- At the completion of the event, ensure the Lodge is cleaned and prepared for the next event or meeting. Ensure tables and chairs are stored, the thermostat is set appropriately, turn off all lights, equipment, and fireplace and lock all entrances to the Lodge prior to departing.

- Notify the LM immediately after post-event when supplies, additional cleaning or maintenance and repairs are required.
- Follow the Emergency Response Plan in a situation beyond the Event Supervisor's authority.

Cleaning

Ensure the Lodge is clean and ready for the Renter at pre-event turn over. Post-event, ensure the Lodge is thoroughly cleaned and ready for the next Renter. The cleaning specialist ensures a welcoming environment through good hygiene and a sparkling appearance. The LM ensures that all tables and chairs are cleaned, the bar is cleaned, the kitchen is thoroughly cleaned including all food and drink removed, both bathrooms are sparkling, floors are spotless and trash is removed to the dumpster.

Responsibilities

- Sweep, vacuum, and mop floors as required and after every event and meeting. Empty trash cans, service restrooms and clean/wipe down communal surfaces.
- Clean all kitchen appliances and surfaces, restore to sparkling and fresh condition, free of any remnants of food or drink.
- Tackle heavy cleaning jobs upon request.
- Ensure outside walkways, outdoor patio, parking lot, and surrounding area are clear and free of trash and debris.
- Notify Event Supervisor when supplies or repairs are required. Mix and dispose of all cleaning solutions safely and appropriately

EXHIBIT B
COMPENSATION SCHEDULE

EXHIBIT B

Contractor will be paid upon Board approval at their monthly meeting of Contractor's invoices received monthly before the 5th of the month.

Lodge Manager's Fee:

This amount will be calculated at 30% of the accrual-based revenue for the District in the month being billed for. Accrual based revenue is defined as:

1. all event revenues collected from completed events, and
2. the Administrative Fee collected at the time of booking and payment of any event.

The amounts of each of the above are based on the contract amount paid for the event.

Miscellaneous Expenses

Expenses will be reimbursed at Cost plus 10% (not including taxes paid; District is sales tax exempt). All receipts are required.

This contract may change from time to time. The events are only those that are completed while this Agreement is in effect.

EXHIBIT B-1

CONTRACTOR'S COMPLETED W-9

Request for Taxpayer Identification Number and Certification

Give Form to the requester. Do not send to the IRS.

Go to www.irs.gov/Form990 for instructions and the latest information.

Print or type. See separate instructions on page 2.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank.
Reen Hookman

2 Business name/disregarded entity name, if different from above
Lina Hookman Events LLC

3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes.

Individual sole proprietor or single-member LLC C Corporation S Corporation Partnership Trust/estate

Limited liability company. Enter the tax classification (C-C corporation, S-S corporation, P-Partnership) ▶ _____

Other (see instructions) ▶ _____

4 Exemption codes apply only to certain entities, not individuals; see instructions on page 2:
 Exempt party code (if any) _____
 Exemption from FATCA reporting code (if any) _____

5 Address (number, street, and apt. or suite no.) See instructions.
7280 Jagged Rock Cir

6 City, state, and ZIP code
Colorado Springs, CO 80927

7 List account number(s) here (optional)

Requester's name and address (optional)

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

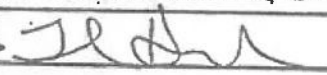
Social security number										
5	2	4	-	4	3	-	7	2	3	0
OR										
Employer identification number										
4	8	-	4	7	8	2	9	8		

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part I, later.

Sign Here Signature of U.S. person ▶  Date ▶ 1-7-20

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/Form990.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), Adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following:

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
 - Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
 - Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
 - Form 1099-S (proceeds from real estate transactions)
 - Form 1099-K (merchant card and third party network transactions)
 - Form 1099 (home mortgage interest), 1099-E (student loan interest), 1099-T (tuition)
 - Form 1099-C (cancelled debt)
 - Form 1099-A (acquisition or abandonment of secured property)
- Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.
- If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See *What is backup withholding*, later.

EXHIBIT C

INSURANCE REQUIREMENTS

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

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

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.
6. Professional liability insurance in the amount of \$2,000,000.00 each occurrence.

EXHIBIT C-1

CERTIFICATE(S) OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/18/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed, **IF SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hiscox Inc. 620 Madison Avenue 32nd Floor New York, NY 10022	CONTACT NAME: PHONE (A/C, No, Ext): (566) 202-3007 FAX (A/C, No): E-MAIL ADDRESS: contact@hiscox.com	
	INSURED Lina Hookman Events LLC 7280 Jagged Rock Cir Colorado Springs CO 80927	INSURER(S) AFFORDING COVERAGE INSURER A: Hiscox Insurance Company Inc. NAIC #: 10200 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:

COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WXP	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GENL. AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC OTHER:					EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea. occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$ \$ COMBINED SINGLE LIMIT (Ea. accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$ EACH OCCURRENCE \$ AGGREGATE \$ \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					\$ \$ \$ \$ \$ \$ \$ \$ \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					\$ \$ \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Silent in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input checked="" type="checkbox"/> Y/N N/A				PER STATUTE OTH-ER \$ \$ \$
A	Professional Liability		UDC-1550606-EO-20	03/03/2020	03/03/2021	Each Claim: \$ 1,000,000 Aggregate: \$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
02/18/2020

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER Hiscox Inc. 820 Madison Avenue 32nd Floor New York, NY 10022	CONTACT NAME: PHONE (A/C, No, Ext): (888) 202-3007 FAX (A/C, No): E-MAIL ADDRESS: contact@hiscox.com	
	INSURER(S) AFFORDING COVERAGE INSURER A: Hiscox Insurance Company Inc NAIC # 10200 INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:	

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THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDITIONAL SUBROGATION WAIVED	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PROTECT <input type="checkbox"/> LOC OTHER:		UDC-1560596-CGL-20	03/03/2020	03/03/2021	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 5,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ S/T Gen. Agg. \$
	<input type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY					
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$					EACH OCCURRENCE \$ AGGREGATE \$ \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NY) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A			PER STATUTE OTH-ER EL EACH ACCIDENT \$ EL DISEASE - EA EMPLOYEE \$ EL DISEASE - POLICY LIMIT \$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

CERTIFICATE HOLDER	CANCELLATION
	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE