

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



Tuesday, June 20, 2023, at 10:00 AM (MST)
Cathedral Pines Lodge
13975 Milam Rd.
Colorado Springs, CO 80908
Or

Please join meeting from your computer, tablet or smartphone.

<https://video.cloudoffice.avaya.com/join/161846385>

You can also dial in using your phone.

United States: [+1 \(213\) 463-4500](tel:+12134634500)

Access Code: 161-846-385

Public Welcome

***We encourage our attendees to participate in person; however, if you choose to join virtually, please have your camera on so we can get to know everyone a little better. Please do not use the Chat option to submit questions.**

Board of Director	Title	Term Expiration
Bill Heeter	President	May 2027
Rich Stauch	Vice President	May 2025
Debbie Perry	Director	May 2025
Ecton Espenlaub	Secretary	May 2025
Kevin Combs	Treasurer	May 2027

AGENDA

- 1. Call to Order**
- 2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures**
- 3. Approval of Agenda**
- 4. Approval of Board Meeting Minutes** – Meeting minutes of May 15, 2023, and special meeting minutes of May 26, 2023, (enclosure)
- 5. Financial Update**
 - a. Review and consider approval of Unaudited Financials through May 31, 2023 (enclosure) – Kevin C
 - b. Review and consider approval of payables through the period ending June 20, 2023 (enclosure) –
- 6. Landscaping Issues**
 - a. Chipping Event Discussion
 - i. Recap of May event – Rebecca
 - ii. Schedule Fall Chipping Dates – Bill
 - iii. Proposal for Seedling Thinning Event – Bill
 - iv. Reschedule storage shed clean-up event - Bill
 - b. Discuss the fire cistern at 4455 Foxchase Way (enclosed map) – Ecton/ Rebecca

- c. Discuss the Driveway/ Access point on 4138 Foxchase Way (enclosed map) – Ecton/ Rebecca
- d. Wells and Water use discussion – Ecton/ Kevin W.
- e. Irrigation Project Discussion – Ecton/ Bill
- f. Status of Irrigation Grant - Rebecca
- g. Electrical Along Median (enclosed map) – Ecton
- h. Discuss IGA with El Paso County to Maintain Detention Ponds – Kevin W/ Rebecca

7. Lodge Management Update – Rebecca

- a. Review Lodge Management Contract (enclosure) – Rebecca
- b. Review May Lodge Report (enclosure) - Shalece
- c. Overview and Demo of New Lodge Website – Rebecca/ Bill
- d. Discuss Lodge Contract and Insurance - Rebecca
- e. Frozen Grease Trap Issue – Shalece/ Rebecca
- f. Outdoor Speaker Installation Status
- g. Lodge Furniture Replacement Plan – Bill
- h. Review of Lodge Rental Rates – Bill/Shalece
- i. Thermostat Replacement – Bill/Shalece
- j. Parking Lot Striping - Shalece
- k. Front Planter – Bill
- l. Christmas Lighting Proposals – Bill
- m. Quote to Paint Interior Metal Plates/Bolts on Ceiling Beams
- n. Water drainage at Lodge Entry – Bill/ Rebecca
- o. Keys and Security Codes – Bill/ Rebecca

8. District Management Matter – Rebecca

- a. Board of Director Email address’
- b. Milam Road Construction Update – Bill
- c. FEMA Claim – No Update

9. Legal Matters

- a. Discuss and Review Proposals to engage Water Consultants (enclosure) – Kevin W.

10. Public Comment (Items Not on the Agenda Only. Comments are limited to 5 minutes per person and taken in the order in which they appear on the sign-up sheet or if joined virtually in order as they appear on the host screen)

11. Other Business

- a. Draft Board Member Code of Conduct – postpone the discussion.

12. Adjournment – Next scheduled Board Meeting is July 18, 2023, at 10:00 AM. – 2022 Audit Review





**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD MAY 15, 2023
AT 10:00 A.M.**

Pursuant to posted notice, the regular meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Monday, May 15th at 10:00 AM, in person at 13975 Milam Road, Colorado Springs, CO, and virtually via video/teleconference.

In attendance were Directors:

Bill Heeter
Ecton Espenlaub
Rick Stauch
Debbie Perry (Excused)
Kevin Combs

Also in attendance were:

Rebecca Harris, WSDM District Managers
Kevin Walker, WSDM District Managers
Laura Gardner, Gardner Law Firm
Shalece Buchholtz, VenQ
Travis Mark,

Public in attendance were:

Kristi Correa
Lynn Shepherd
Kevin Elhers
Gwail Elhers

1. Call to Order: President Heeter called the meeting to order at 10:06 AM.

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures: President Heeter confirmed a quorum was present. There were no additional disclosures made by Board Members.

3. Discuss Board of Director Oaths of Office: Mrs. Harris explained that all Oaths of Office have been signed and filed with both the County and State for the new elected Directors.

4. Appointment of Officers (President, Vice President, Treasurer, Secretary, Assistant Secretary): Director Stauch nominated Bill Heeter for President; seconded by Director Espenlaub. Motion passed. Director Espenlaub nominated Rick Stauch for Vice President; seconded by President Heeter. Motion passed. Director Stauch nominated Kevin Combs as Treasurer; seconded by Director Espenlaub. Motion passed. President Heeter nominated Ecton Espenlaub as Secretary; seconded by Director Combs. Motion passed. The Board postponed the appointment for Director Perry. The Board moved Legal Matters to item 5 on the Agenda.

5. Legal Matters

- a. Election Status Update: Ms. Harris provided an update on the Election. A Canvass Board meeting was held as well as a recount per the DEO's recommendation. Ms. Harris explained the recount determined that Bill Heeter and Kevin Combs won the Election and the initial tally marks were correct, but the counting of the tally's was wrong on the unofficial results. President Heeter noted that the election judges were brought in by the DEO. Ms. Gardner confirmed she was present for the recount, and everything was transparent and done correctly. The Board discussed that the DEO, Teak Simonton did a wonderful job and directed Ms. Harris to send a Thank You letter. Mrs. Harris discussed that the Poll Book is available by request from the DEO. Director Stauch requested the Poll Book and the log of who requested the Poll Book. The Board discussed the election costs and Ms. Harris noted the total costs should be under budget.
 - i. Preliminary Results Announced – Evening of May 2, 2023.
 - ii. Certified Results Announced on May 11.

6. President of the Board Discussion: President Heeter formally thanked the DEO, Teak Simonton for her work on the Election, and thanked WSDM for providing security and communication during the election process. President Heeter commented that he was personally offended by the implications regarding WSDM during the Election, and he did not think it was appropriate but appreciates that WSDM remained professional. President Heeter thanked Lynn Shepherd, a former Board member for her work and service to the District. President Heeter discussed social media and the allegations and misrepresentations regarding the District and Board. He would like to publish a response on the website that addresses some of the issues, including property tax calculations.

7. Approval of the Agenda: Ms. Harris added item 9.e. Discussion on Assessed Valuation Projection. Director Espenlaub moved to approve the Agenda as amended; seconded by Director Stauch. Motion passed unanimously.

8. Approval of Board Meeting Minutes – April 10, 2023: President Heeter noted a key takeaway from the discussion about the irrigation project was that the new irrigation system could save the District between 40-60% of water consumption. Director Stauch moved to approve the April 10, 2023 Meeting Minutes as amended; seconded by Director Espenlaub. Motion passed with Director Combs abstaining.

9. Financial Update

- a. Review and consider approval of Unaudited Financials through April 30, 2023: Ms. Harris presented the Unaudited Financials through April 30, 2023. Ms. Harris discussed the election costs and as of April 30, 2023, the District has spent \$10,373 of the \$25,000 budget. The total costs are estimated at \$17,000 which is under budget. The Board reviewed the line items and noted a correction to landscaping. Director Combs discussed a monthly budget review and will work on a report for the next meeting. After review, Director Stauch moved to approve the Unaudited Financials through April 30, 2023 as amended; seconded by Director Combs. Motion passed unanimously.
- b. Review and consider approval of payables through the period ending May 8, 2023: Ms. Harris presented the payables through the period ending May 8, 2023. The total amount is \$23,397.64 which includes the payables added on May 12th. After review, President Heeter moved to approve the Payables; seconded by Director Stauch. Motion passed unanimously.
- c. Status of Irrigation Grant: Ms. Harris reported the District was approved for the first grant in the amount of \$40,000. The paperwork will be sent this week and includes the option of direct

deposit into the bank account. She confirmed the District is still able to apply for the second grant. Director Combs moved to approve the Direct Deposit of grant funds; seconded by President Heeter. Motion passed unanimously.

- d. Discuss Board Treasurer Request of Information: Ms. Harris discussed the previous Treasurer's request for essentially a monthly audit of all the financials. The accounting work to provide this information is outside the scope of the WSDM contract. The Board discussed that this information is already provided and available in a different format and directed that any future requests be ran by the Board for approval.
- e. Discussion on Assessed Valuation Projection: Ms. Harris presented the assessed valuation projection. If the mill levy were reduced to 15 mills, the O&M property revenue would go from \$288,000 to \$275,000. The Board discussed the potential ballot issue regarding TABOR refunds only for property owners.

10. Milam Landscaping/Irrigation Project Update

- a. Review and Consider Approval of 101 Landscaping Irrigation Project Contract: Ms. Harris presented the 101 Landscaping irrigation project contract. She noted the start date was changed to August 8th. After review, President Heeter moved to approve the 101 Landscaping Irrigation Project Contract; seconded by Director Stauch. Motion passed unanimously.
- b. Irrigation Project Start-up Discussion: There was no further discussion.
- c. Electrical Along Median: Ms. Harris reported that Mountain View Electric will not provide the electrical plans without a project proposal. Director Espenlaub noted he may have copies of the old electrical plans and will share them with the board.

11. Other Landscaping Issues

- a. Review and Discuss Nelson Forestry Tree Health Proposal: President Heeter discussed the proposal provided by Nelson Forestry Tree Health to treat the trees in the community for beetles and mistletoe. The proposal is for \$60,000. The Board discussed that the treatment isn't necessary at this time, but can be reconsidered again in a few years.
- b. Chipping program to be held May 22-27: The chipping program is scheduled for May 22 – May 27. Ms. Harris reported that 16 people have signed up so far.
- c. Storage Shed Area Clean-up Day – Scheduled for Saturday, May 13: The scheduled storage shed cleanup day was canceled due to bad weather. The Board agreed to discuss rescheduling the event at a future meeting.
- d. Wells and Water Use Discussion: Mr. Walker informed the Board of a situation regarding the District's pumping practices of the four wells. Mr. Walker recommends engaging a water attorney to better understand the water decrees and wells and will provide proposals at the next meeting. Mr. Walker discussed the tour of the District's wells and meters with the State's Water Engineer. During the tour, it was discovered that more water was pumped out of the well for the Lodge than allowed and under-pumped for the other wells. It was found that a new meter reader is needed as well. The Board discussed that the four wells will need to be certified per the State and historical records are needed.

12. Lodge Management Update

- a. Review website and walk-through: Mr. Mark presented the new Lodge website and the Board discussed changes, updates, and modifications to make before going live. The website is scheduled to go live next Thursday or Friday.
- b. Review Lodge Management Proposal: Ms. Harris reviewed the Lodge Management proposal and the Board directed Ms. Harris to get Legal Counsel review and edits on the contract before

approval. Items they wanted included is the pay schedule to be direct deposit and automatic the first of every month.

- c. Review and consider approval of Window Cleaning and Chandelier quote: Ms. Harris presented a proposal for window and chandelier cleaning. President Heeter moved to approve the proposal from EE Cleaning for both window and chandelier cleaning; seconded by Director Combs. Motion passed unanimously.
- d. Frozen Grease Trap Issue: Ms. Buchholtz discussed the frozen grease trap issue and will have a proposal to repair it in the next couple of days that should be quiet less then the first proposal.
- e. Outdoor Speaker Installation Status: Director Espenlaub explained there was a missing piece of equipment for the installation that would connect the indoor speaker with the outdoor speaker. Director Espenlaub explained they should be coming back out to finish installing that last piece.
- f. Lodge Furniture Replacement Plan: There was no discussion.

13. Public Comment: There was no public comment.

14. Other Business

- a. Board Member responsibilities and Code of Conduct Policy – Delayed until June Meeting.
- b. FEMA Claim – No update: Mr. Walker is working on getting the password for the online FEMA account.
- c. Road Construction Update: President Heeter reported the only update being provided is that construction is tentatively scheduled for July.
- d. Social Media: The Board discussed comments regarding the District being posted on social media and whether to engage or address them and how.
- e. Board of Director Email Address: Ms. Harris explained that the Board of Directors are required to post contact information and email addresses on the District website. WSDM can provide emails through Outlook for \$6 monthly per user. WSDM is also able to provide one email address with aliases that they monitor for the Board. The Board directed Ms. Harris to set up Director emails with Outlook utilizing the alias method and discontinue the shared HOA e-mail addresses.
- f. Discuss future meeting Dates and times: The Board discussed future meeting dates and times. The Board agreed to schedule future meetings on the third Tuesday of each month at 10:00 AM except for February, Annual Meeting, and November, Budget Presentation meeting, which will be held at 6:00 PM.
- g. The Board discussed the Director's areas of responsibility. Director Stauch volunteered to be the point of contact for landscaping and Director Espenlaub volunteered to head irrigation.

15. Adjournment: Director Stauch moved to adjourn at 12:45 PM; seconded by Director Espenlaub. Motion passed unanimously. Next scheduled Board Meeting is June 20, 2023, at 10:00 AM.

Respectfully Submitted,

By: Rebecca Harris, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 15, 2023 MINUTES OF THE CATHEDRAL PINES METROPOLITAN DISTRICT.



**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT
HELD MAY 26, 2023
AT 8:30 A.M.**

Pursuant to posted notice, the regular meeting of the Board of Directors of the Cathedral Pines Metropolitan District was held on Monday, May 26th at 8:30 AM, virtually via video/teleconference.

In attendance were Directors:

Bill Heeter (Excused)
Ecton Espenlaub
Rick Stauch
Debbie Perry (Excused)
Kevin Combs

Also in attendance were:

Rebecca Harris, WSDM District Managers

1. Call to Order: Director Stauch called the meeting to order at 8:30 AM.

2. Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures: Director Stauch confirmed a quorum was present. There were no additional disclosures made by Board Members.

3. Approval of Agenda: The Board approved the Agenda.

4. Financial Update

- a. Review and consider approval of payable for 25% Deposit to 101 Landscaping: Ms. Harris confirmed she would reach out for the proof of insurance from 101 Landscaping. After review, Director Stauch moved to approve the payment of the 25% deposit to 101 Landscaping; seconded by Director Combs. Motion passed unanimously. Ms. Harris explained needing to get a physical check signed for 101 Landscaping to pick up and both Director Stauch and Director Espenlaub volunteered to be available.

5. Public Comment: There was no public comment.

6. Adjournment: Director Combs moved to adjourn the meeting; seconded by Director Stauch. Motion passed unanimously at 8:38 AM.

Respectfully Submitted,

By: Rebecca Harris, District Manager

THESE MINUTES ARE APPROVED AS THE OFFICIAL MAY 26, 2023 MINUTES OF THE
CATHEDRAL PINES METROPOLITAN DISTRICT.



Cathedral Pines Metropolitan District

Balance Sheet

As of May 31, 2023

	May 31, 23
ASSETS	
Current Assets	
Checking/Savings	
ECB Debt Service Fund	192,198.52
ECB General Fund	
Reserve	50,000.00
ECB General Fund - Other	254,587.41
Total ECB General Fund	304,587.41
MM - CSAFE Bond Fund UMB	0.53
1071 - Bill.com Money In Clearing	250.00
Total Checking/Savings	497,036.46
Accounts Receivable	
Accounts Receivable	1,743.31
Total Accounts Receivable	1,743.31
Other Current Assets	
Prop Tax Rec - Debt Svc	113,618.11
Prop Tax Rec - Gnl Fund	113,618.12
12000 - Undeposited Funds	3,500.00
Total Other Current Assets	230,736.23
Total Current Assets	729,516.00
Fixed Assets	
Community Center	
Accum Depreciation	-620,795.00
Original Cost	1,328,384.00
Total Community Center	707,589.00
Equipment	
Accum Depreciation	-3,217.00
Equipment - Other	13,922.00
Total Equipment	10,705.00
Parks, Trails & Monument	
Accum Depreciation	-637,121.00
Original Cost	897,354.77
Parks, Trails & Monument - Other	108,800.11
Total Parks, Trails & Monument	369,033.88
Total Fixed Assets	1,087,327.88
TOTAL ASSETS	1,816,843.88
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable (A/P)	55,099.30
Total Accounts Payable	55,099.30
Other Current Liabilities	
Deferred Revenue - Lodge Events	40,012.50
Deferred Prop Tax - DSvc	113,618.11
Deferred Prop Tax - Gnl	113,618.12
Damage Deposits- Lodge Events	750.00
Total Other Current Liabilities	267,998.73
Total Current Liabilities	323,098.03

1:01 PM

06/14/23

Accrual Basis

Cathedral Pines Metropolitan District
Balance Sheet
As of May 31, 2023

	<u>May 31, 23</u>
Long Term Liabilities	
Bonds Payable 2016	
Bond Premium 2016	
A/A Bond Premium 2016	-103,635.36
Bond Premium 2016 - Other	414,881.70
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Total Bond Premium 2016	311,246.34
Bonds Payable 2016 - Other	4,335,000.00
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Total Bonds Payable 2016	4,646,246.34
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Total Long Term Liabilities	4,646,246.34
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Total Liabilities	4,969,344.37
Equity	
Debt Svc / Cap Proj Funds	155,805.00
General Fund-Restricted	8,054.00
General Fund-Unrestricted	33,873.00
Gov't Wide Fund Balance	-3,628,512.79
32000 - Retained Earnings	201,935.57
Net Income	76,344.73
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Total Equity	-3,152,500.49
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TOTAL LIABILITIES & EQUITY	1,816,843.88
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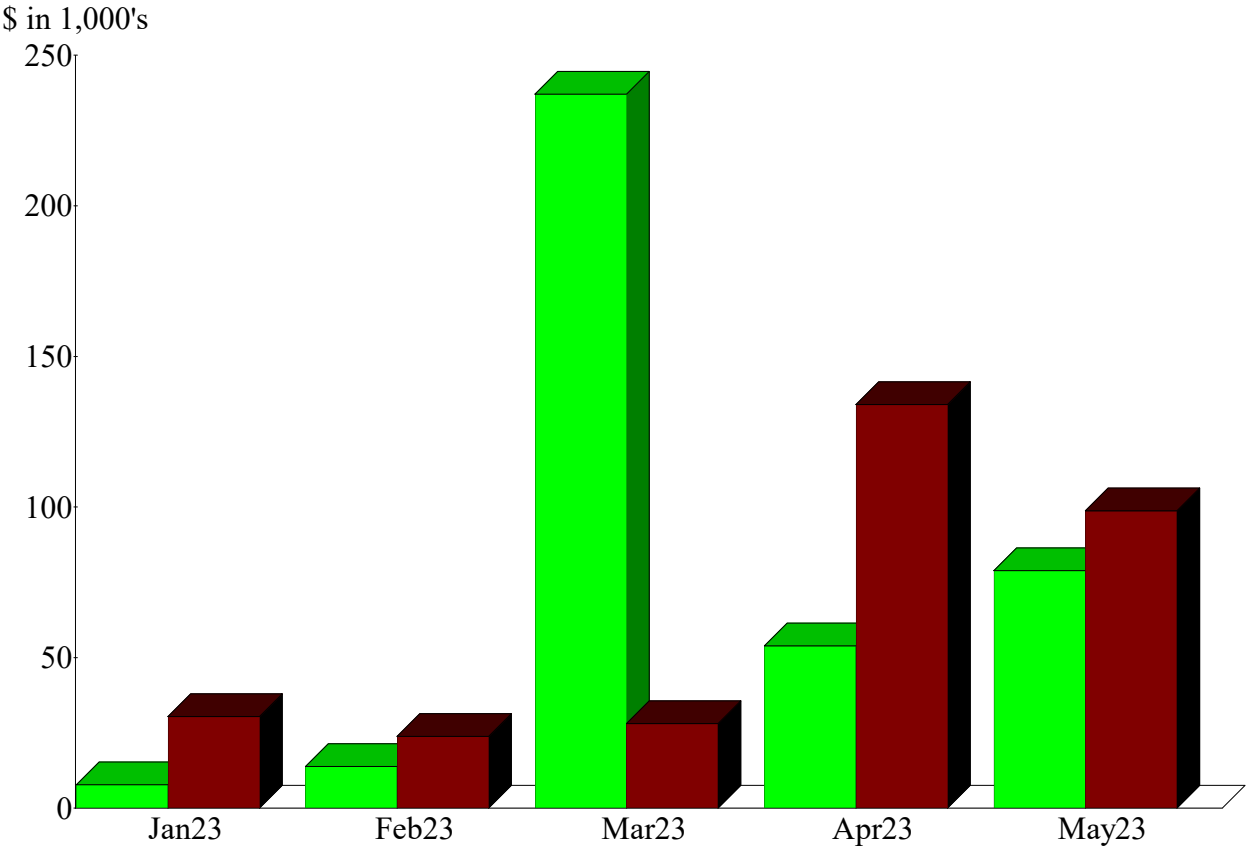
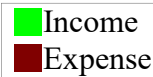
Cathedral Pines Metropolitan District
Profit & Loss Budget vs. Actual
January through May 2023

	TOTAL				
	May 23	Jan - May 23	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense					
Income					
1-100 · GF INCOME					
1-105 · GF Prop Tax Revenue	36,531.68	174,599.88	288,218.00	-113,618.12	60.58%
1-110 · Specific Ownership Taxes	4,472.22	18,995.70	40,351.00	-21,355.30	47.08%
1-115 · Delinquent Tax and Interest	0.00	6.10			
1-117 · Prior Year Tax & Int Abatement	-327.79	-327.79			
1-120 · Rental Income - Lodge Events	250.00	16,000.00	115,000.00	-99,000.00	13.91%
1-127 · Rental Income - Shed	850.00	4,250.00	10,200.00	-5,950.00	41.67%
1-140 · FEMA Funds	0.00	0.00	20,000.00	-20,000.00	0.0%
Total 1-100 · GF INCOME	41,776.11	213,523.89	473,769.00	-260,245.11	45.07%
2-100 · DS INCOME					
2-115 · Delinquent Tax & Interest	0.00	6.09			
2-105 · DS Prop Tax Revenue	36,531.68	174,599.89	288,218.00	-113,618.11	60.58%
2-130 · DS Interest Income	873.03	3,733.92	1,500.00	2,233.92	248.93%
2-132 · Prior Year Tax & Int Abatement	-327.78	-327.78			
Total 2-100 · DS INCOME	37,076.93	178,012.12	289,718.00	-111,705.88	61.44%
Total Income	78,853.04	391,536.01	763,487.00	-371,950.99	51.28%
Gross Profit	78,853.04	391,536.01	763,487.00	-371,950.99	51.28%
Expense					
1-1000 · SERVICES					
1-1005 · Audit	0.00	0.00	9,500.00	-9,500.00	0.0%
1-1010 · Management Expense	6,426.00	32,130.00	50,715.00	-18,585.00	63.35%
1-1015 · Maintenance Management	0.00	1,324.40	30,000.00	-28,675.60	4.42%
1-1012 · Meeting Expense	0.00	717.36	3,000.00	-2,282.64	23.91%
1-1020 · Legal Fees	1,137.50	3,137.50	15,000.00	-11,862.50	20.92%
Total 1-1000 · SERVICES	7,563.50	37,309.26	108,215.00	-70,905.74	34.48%
1-2000 · LODGE					
1-2001 · Lodge Management	3,500.00	10,562.50	34,500.00	-23,937.50	30.62%
1-2005 · Advertising/ Website	1,750.00	5,145.68	5,000.00	145.68	102.91%
1-2020 · Event Supplies	0.00	196.81	4,000.00	-3,803.19	4.92%
1-2025 · Cleaning	797.00	2,127.00	4,000.00	-1,873.00	53.18%
1-2030 · Repairs and Maintenance	1,737.49	3,341.93	10,000.00	-6,658.07	33.42%
1-2035 · Utilities	675.00	3,610.23	12,000.00	-8,389.77	30.09%
1-2040 · Security	215.75	1,063.15	2,500.00	-1,436.85	42.53%
1-2043 · Capital Improvements - O&M	0.00	1,847.98	5,000.00	-3,152.02	36.96%
1-2044 · Landscape Maintenance	0.00	0.00	12,000.00	-12,000.00	0.0%
1-2045 · Snow Removal	0.00	7,460.00	10,000.00	-2,540.00	74.6%
1-2050 · Trash	231.96	560.39	2,500.00	-1,939.61	22.42%
1-2055 · Telephone	204.99	1,024.95	2,500.00	-1,475.05	41.0%
1-4030 · Lodge Contingency	0.00	0.00	10,000.00	-10,000.00	0.0%
Total 1-2000 · LODGE	9,112.19	36,940.62	114,000.00	-77,059.38	32.4%

Cathedral Pines Metropolitan District
Profit & Loss Budget vs. Actual
January through May 2023

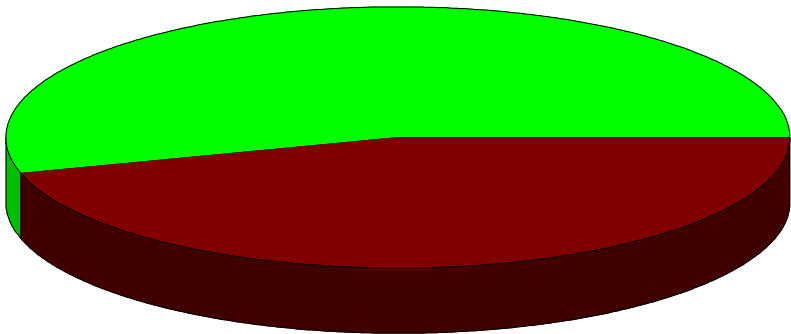
	TOTAL				
	May 23	Jan - May 23	Budget	\$ Over Budget	% of Budget
1-3000 · GF EXPENSES					
1-3002 · License & Fees	0.00	740.30			
1-3005 · Landscape Maintenance	11,119.66	24,438.98	50,000.00	-25,561.02	48.88%
1-3008 · Landscape Upgrade	62,400.00	75,062.14	200,000.00	-124,937.86	37.53%
1-3010 · Repair & Maintenance - O&M	642.89	1,267.98	30,000.00	-28,732.02	4.23%
1-3015 · Snow Removal - O&M	0.00	7,635.00	10,000.00	-2,365.00	76.35%
1-3020 · Utilities - O&M	694.26	2,884.17	15,000.00	-12,115.83	19.23%
1-3025 · Infrastructure Replacement	0.00	0.00	10,000.00	-10,000.00	0.0%
1-3030 · Election	5,844.26	16,217.35	25,000.00	-8,782.65	64.87%
1-3035 · GF - Contingency	0.00	0.00	10,000.00	-10,000.00	0.0%
1-3000 · GF EXPENSES - Other	250.00	250.00			
Total 1-3000 · GF EXPENSES	80,951.07	128,495.92	350,000.00	-221,504.08	36.71%
1-4000 · OTHER					
1-4010 · Insurance/ Fees	0.00	0.00	12,500.00	-12,500.00	0.0%
1-4015 · Office Expenses	70.06	532.28	1,500.00	-967.72	35.49%
1-4020 · Collection Fee GF(Treasurer)	547.98	2,619.11	4,323.27	-1,704.16	60.58%
Total 1-4000 · OTHER	618.04	3,151.39	18,323.27	-15,171.88	17.2%
2-1000 · DS EXPENSES					
2-1005 · Trustee Fees	0.00	0.00	800.00	-800.00	0.0%
2-1010 · Collection Fee DS (Treasurer)	547.97	2,619.09	4,323.00	-1,703.91	60.59%
2-1015 · Bond Principal Pmts	0.00	0.00	75,000.00	-75,000.00	0.0%
2-1030 · Interest Expense DS	0.00	106,675.00	213,350.00	-106,675.00	50.0%
2-1035 · DS - Contingency	0.00	0.00	5,000.00	-5,000.00	0.0%
Total 2-1000 · DS EXPENSES	547.97	109,294.09	298,473.00	-189,178.91	36.62%
Total Expense	98,792.77	315,191.28	889,011.27	-573,819.99	35.45%
Net Ordinary Income	-19,939.73	76,344.73	-125,524.27	201,869.00	-60.82%
Net Income	-19,939.73	76,344.73	-125,524.27	201,869.00	-60.82%

Income and Expense by Month
January through May 2023



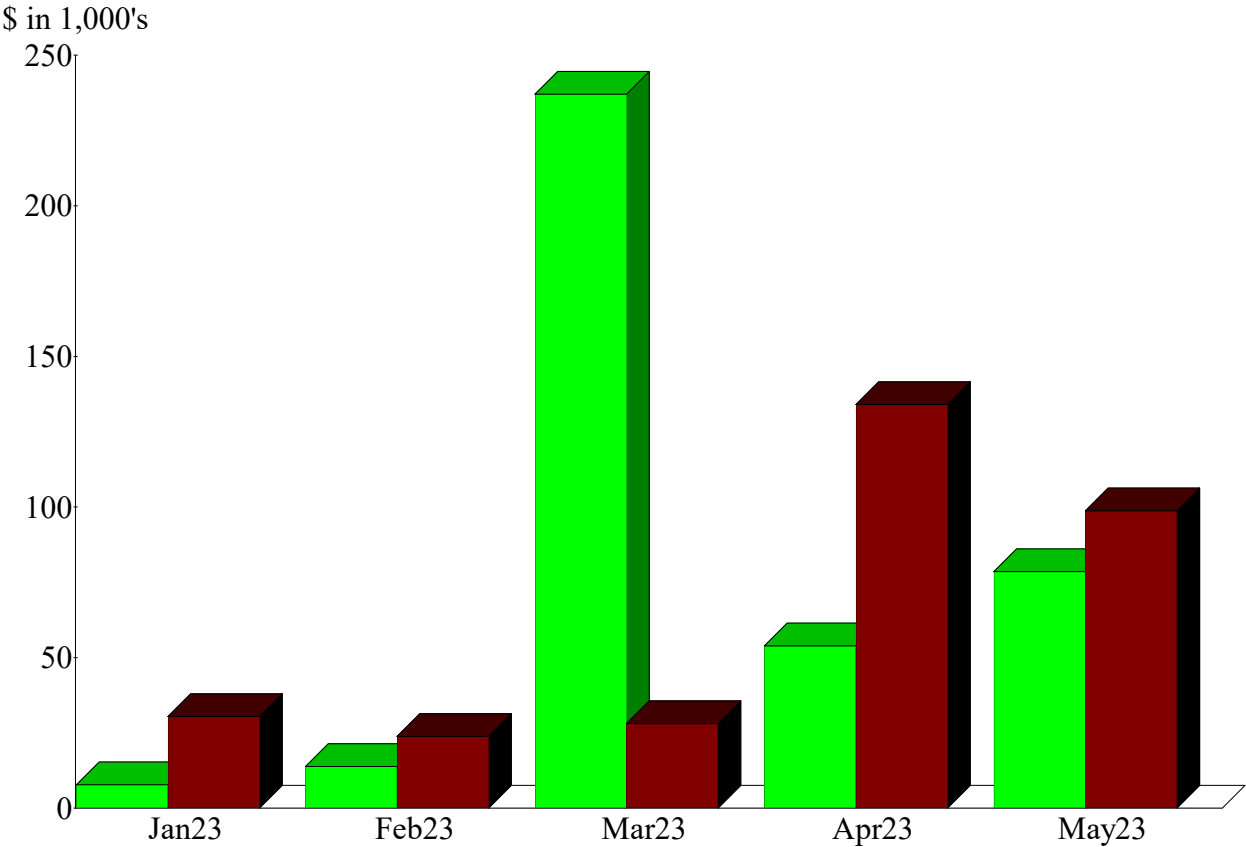
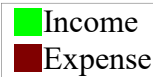
Income Summary
January through May 2023

1-100 · GF INCOME	54.53%
2-100 · DS INCOME	45.47
Total	\$391,536.01



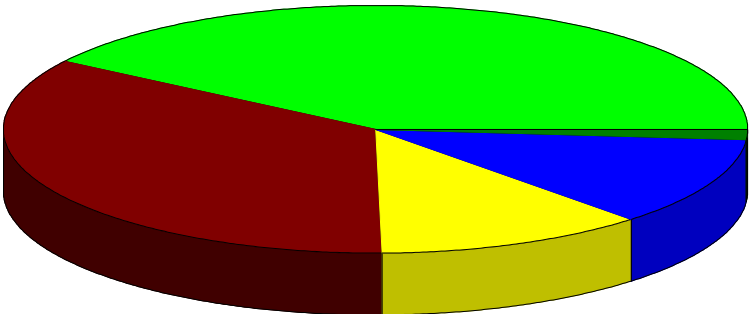
By Account

Income and Expense by Month
January through May 2023



Expense Summary
January through May 2023

1-3000 · GF EXPENSES	40.77%
2-1000 · DS EXPENSES	34.68
1-1000 · SERVICES	11.84
1-2000 · LODGE	11.72
1-4000 · OTHER	1.00
Total	\$315,191.28



By Account



Cathedral Pines Metropolitan District

PAYMENT REQUEST

6/20/2023

GENERAL FUND ACCOUNT

Company	Invoice	Date	Amount	Comments
101 Landscaping	52323	5/23/2023	62,400.00	Paid Check 1508 5/23
A Cut Above Tree Service	28346	6/3/2023	3,329.83	
A Cut Above Tree Service	28280	5/31/2023	470.10	
A Cut Above Tree Service	28220	5/19/2023	250.00	
Barnhart Pump Co	52523	5/25/2023	827.80	
Black Hills Energy	50323	5/3/2023	269.56	
Black Hills Energy	60123	6/1/2023	124.20	
Ecton Espelaub	51423	5/14/2023	210.59	Lodge Arch, Pond Rep, Keys
Elections Department	61323	6/13/2023	25.00	
Kimley Horn	196305000-0423	4/30/2023	11,767.81	
Mountain View Electric	360501	5/17/2023	232.49	Utilities - O&M
Mountain View Electric	360601	5/17/2023	97.24	Utilities - O&M
Mountain View Electric	404701	5/17/2023	40.03	Utilities - O&M
Mountain View Electric	103045401	5/17/2023	37.19	Utilities - O&M
Mountain View Electric	103047401	5/17/2023	34.12	Utilities - O&M
Mountain View Electric	103051401	5/17/2023	36.72	Utilities - O&M
Mountain View Electric	103051901	5/17/2023	34.24	Utilities - O&M
Mountain View Electric	103161601	5/17/2023	35.30	Utilities - O&M
Mountain View Electric	103162001	5/17/2023	41.93	Utilities - O&M
Mountain View Electric	103470400	5/17/2023	35.00	Utilities - O&M
Mountain View Electric	103470800	5/17/2023	67.00	Utilities - O&M
Mountain View Electric	103484500	5/17/2023	38.00	Utilities - O&M
Mountain View Electric	103043401	5/17/2023	370.44	Utilities - Lodge
Olson Plumbing & Heating	142686	5/12/2023	650.00	
Shalece Buchholtz	60123	6/1/2023	3,500.00	Paid 6/1 Through bill.com
Stratus IQ	60123	6/1/2023	204.99	
Tall Timbers Tree & Schrub Services	648121	5/30/2023	4,200.00	
Teak Simonton	53123	5/31/2023	4,908.26	
The Gardner Law Office	10199	6/5/2023	2,687.50	
The Warren Management Group	52423	5/24/2023	42.00	
TWM	106508	6/1/2023	1,750.00	
Waste Connection	472984V315	6/1/2023	231.96	
WSDM District Managers	7437	5/30/2023	6,454.06	
TOTAL			105,403.36	

TOTAL \$ 105,403.36

Director _____

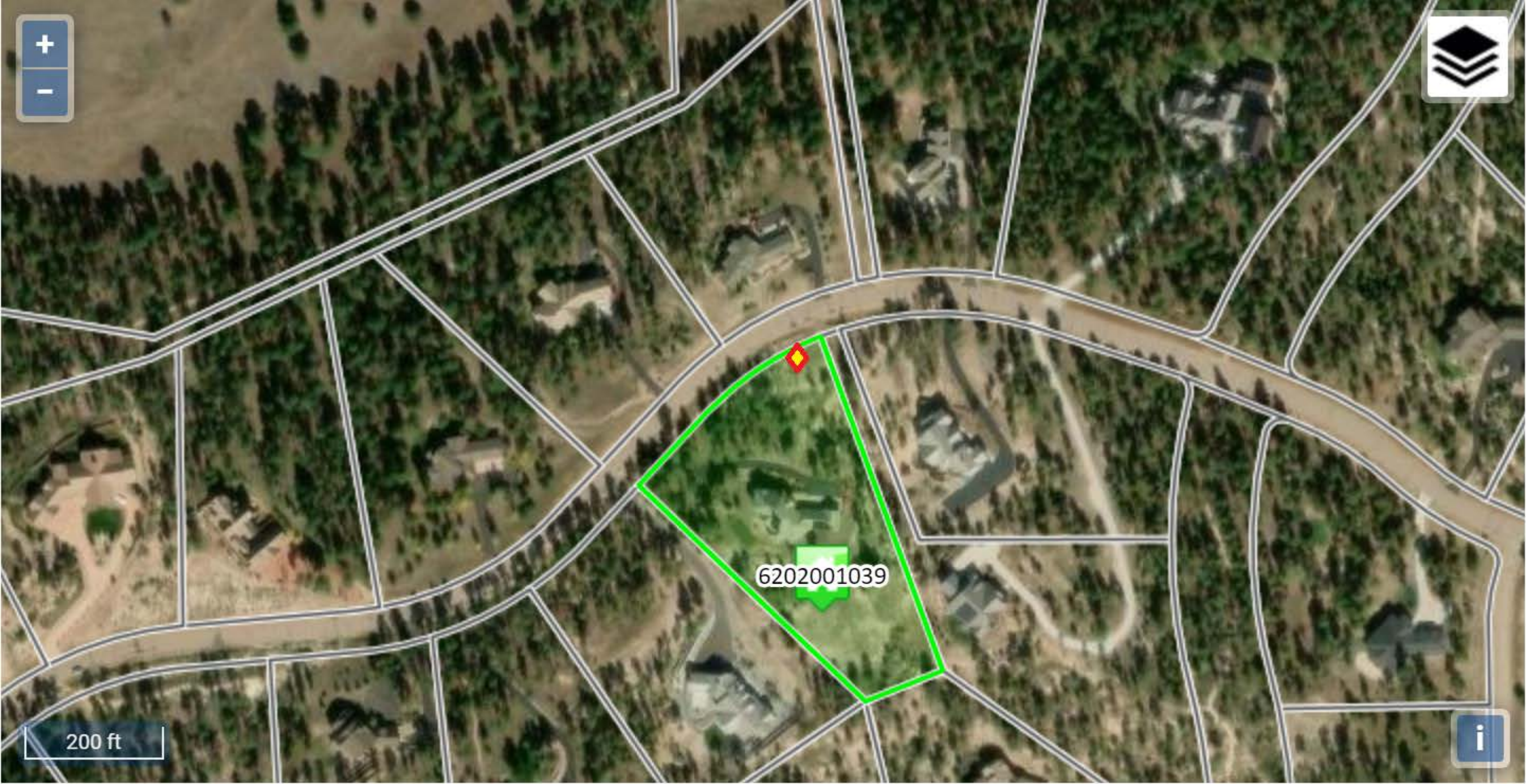




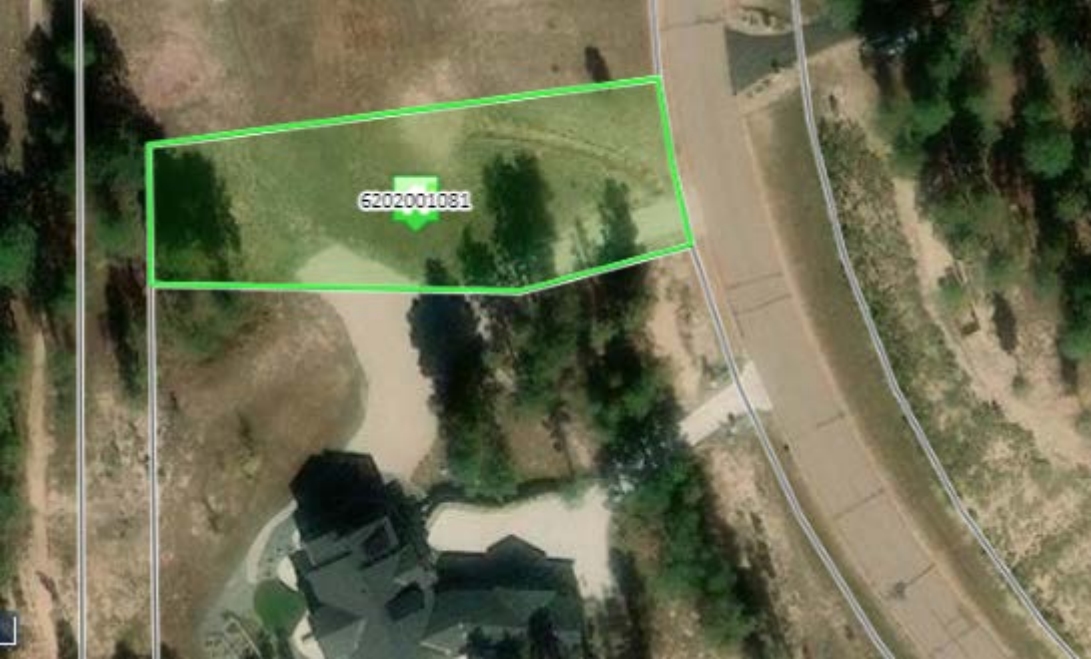
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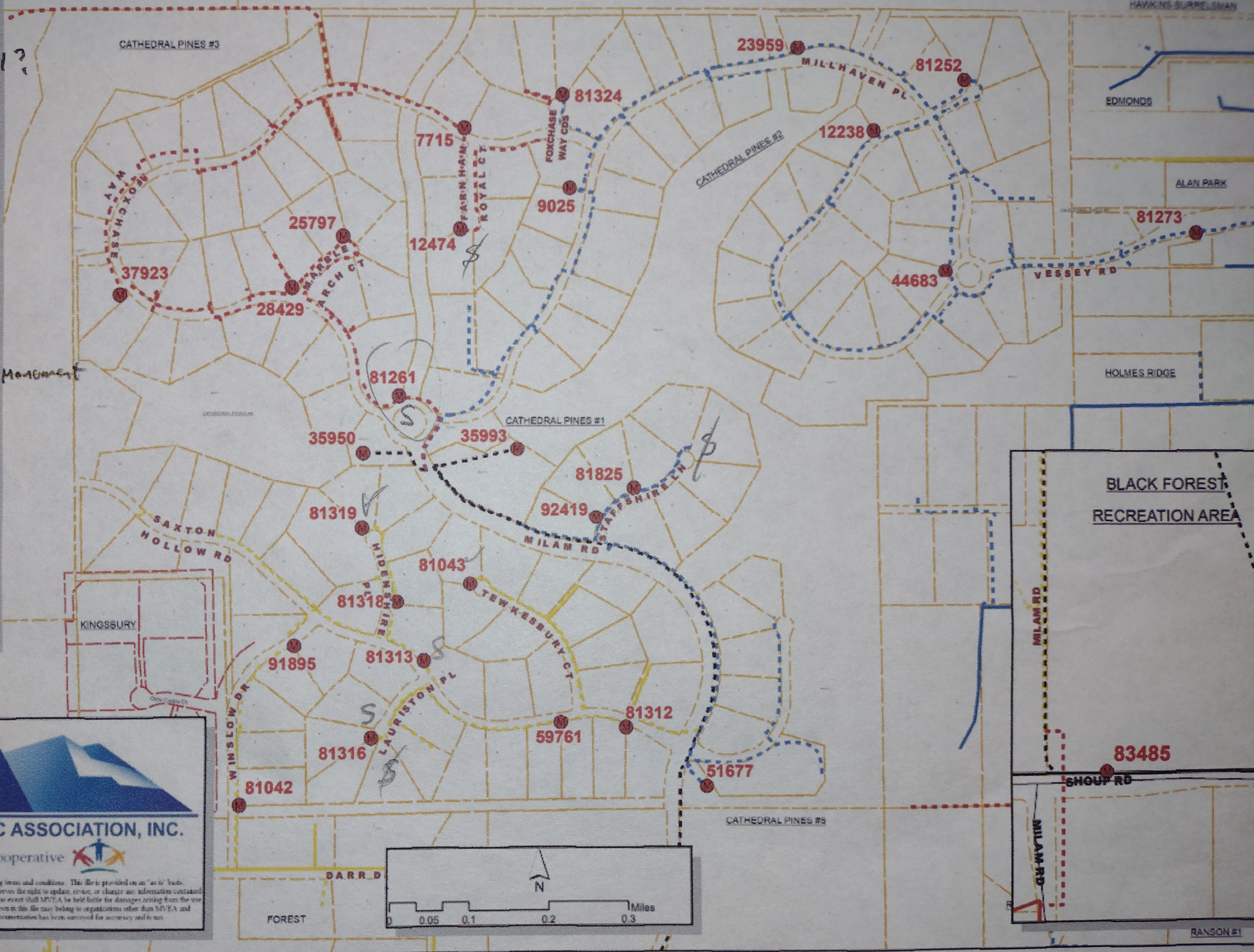
An aerial photograph of a residential area. A green polygon highlights a grassy lot. A green arrow points to the number '6202001081' within this polygon. To the left of the polygon is a large house with a dark roof and a swimming pool. A road runs along the right side of the image.

6202001081



Meter and Account Numbers

- 12238, 103161501 1L
- 12474, 103470400
- 23959, 103470800 we 1?
- 25797, 103470700
- 28429, 103470600
- 35950, 360601
- 35993, 103043401
- 37923, 103605900 1L
- 44683, 103161601 3L
- 51677, 360501
- 59761, 103049501
- 7715, 103470300
- 81042, 103051401
- 81043, 103052001
- 81252, 103161701 1L
- 81261, 103162001
- 81273, 404701 Bara f Monument
- 81312, 103045401
- 81313, 103051801
- 81316, 103051901
- 81318, 103051601
- 81319, 103051701
- 81324, 103161801 1L
- 81825, 103047401
- 83485, 103484500
- 9025, 103161901 1L
- 91895, 103051501
- 92419, 103049401

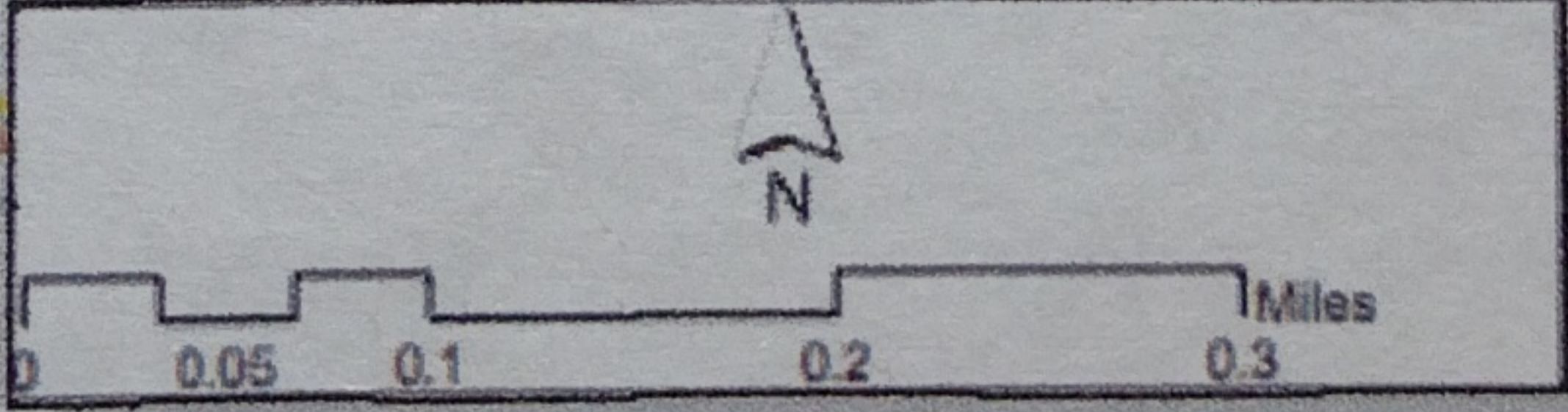


MOUNTAIN VIEW ELECTRIC ASSOCIATION, INC.

Your Touchstone Energy® Cooperative



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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 _____, 2023, by and between CATHEDRAL PINES METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and Shalece Buchholtz (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 _____, 2023 and shall terminate on the earlier to occur of: (i) termination pursuant to Section 18 hereof; or (ii) _____. 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 the 16th of each succeeding month for an additional one (1) month term, unless determined by the parties otherwise.

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 AND BI-MONTHLY REVIEW. 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**”). There shall be a bi-monthly review of Lodge activity performance (“**Bi-monthly Review**”). Either party may engage a switch between a flat fee payment or commission at the Bi-monthly Review

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 [5th] 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 on the 1st of the month for the prior month’s services and after the 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

With a Copy to:

Legal Counsel

Contractor:

Shalece Buchholtz

[_____]

[_____]

Phone: 719-213-3891

Email: thecplodge@gmail.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 event 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 arisen. 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

CONTRACTOR:

Shalece Buchholz

Printed Name

Title

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

EXHIBIT A
STATEMENT OF WORK SERVICES

EXHIBIT A

Overall Responsibilities

The Lodge Manager (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 WSDM - District Managers (WSDM), and the CPMD Board of Directors.
- 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 event and meeting records, tracks metrics, identifies improvement items and provides a written report and briefing to the CPMD Board of Directors 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 per the terms of the contract.

Lodge Management

The LM oversees Lodge operations and monitors and documents the general

condition of the Lodge and the 11-acre grounds. The LM strives to create optimal operating results for all Lodge systems and immediately reports any issues to WSDM for maintenance, repair or replacement.

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 when necessary and compliance with local, state and federal regulations.

Responsibilities

- Works with the District and consultants to 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.
- Monitor and document the general condition of the Lodge and 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 and explain use and operation and train event staff
- Create system to document customer satisfaction and areas for potential improvement.
- Report issues, maintenance items and necessary repairs for the Lodge and grounds to WSDM for action within a reasonable period of time.
- Work with WSDM on event and cleaning supplies and 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 may be subject to a background check
- 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.
- 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, Pinterest, YouTube).
- 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.
- 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.

Booking and Sales

Pursue new market opportunities to increase event and meeting sales. Meet with clients and conduct Lodge tours. Provide accurate and timely information to clients, vendors, and event and meeting planners.

Work closely with prospective clients. Ensure events and meetings are booked, scheduled, sold, organized and executed flawlessly.

Develop and implement an effective sales strategy, responsible for planning and executing sales and product development programs.

Responsibilities

- Respond to prospective client inquiries, whether by phone or email, promptly, courteously and professionally. Coordinate and communicate with clients and vendors.
- Prepare proposals, negotiate contract terms with clients and close sales. Transfer signed contracts, booking deposits to WSDM within 48 hours. Clients should be encouraged to pay directly with WSDM.
- Ensure that deposits and final payments are properly received by WSDM. Follow up on any issues with clients. Maintain accurate receipts and records.
- 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.
- 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.

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.
- Direct Clients to WSDM for 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 supervision at least one of which is present before, during, and after scheduled events and meetings.

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.
- Inspect Lodge and grounds for a clean parking lot and grounds 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.
- Ensure the event or meeting is executed within the terms, conditions, policies and restrictions of the contract.
- 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.

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 LM ensures that all tables and chairs are cleaned, the bar is cleaned, the kitchen is thoroughly cleaned including all food and drink removed and trash is removed to the dumpster.

Responsibilities

- Sweep, vacuum, and mop floors as needed. Empty trash cans, service restrooms and clean/wipe down communal surfaces.
- Clean all kitchen appliances and surfaces
- Ensure outside walkways, outdoor patio, parking lot, and surrounding area are clear and free of trash and debris.

EX

EXHIBIT B

The contractor will be paid on the first of the month for services rendered the prior month. Payment will be made by direct deposit.

Lodge Manager's Fee:

The Lodge Manager is to be compensated a \$3500 flat fee monthly or a commission based on bookings made by Lodge Management. This amount will be determined based on a bi-monthly review beginning July 2023.

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

Miscellaneous Expenses

Expenses will be reimbursed at Cost (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 completed while this Agreement is in effect.

Commission

The commission will be paid for any events booked with an event date following the date of this agreement. The commission structure includes 15% of venue rental upon the Clients contract signing and 15% of venue rental at event execution.

Community events will not owe pay a commission percentage, in understanding that Lodge Management will not staff the event. Lodge Management will place the event on the calendar, manage the contracting process, and collect payment.

EXHIBIT B-1

CONTRACTOR'S COMPLETED W-9

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

EXHIBIT D [OPTIONAL]

CERTIFICATE OF GOOD STANDING WITH COLORADO SECRETARY OF STATE



Lodge Traffic May 2023

Tours:

Emily Aldrich
Emily Garcia
Lu Torres
Sydney Nelson (canceled)
Aimee Jackson/Teagan Jackson

Resident Tours:

Yvonne Conrad (Front Porch Circle Giving Tea)
Nathanael Bean (Final Walk Through, Matchette wedding)

Events:

Election

Resident Events:

Resident Johnson Event
Resident Seddon Event
Resident Erling Event

Board/Community Events:

HOA/ACC Meeting
Board Meeting
HOA Governance Committee Meeting
HOA Bunko Night
HOA Board Meeting

Weddings:

Naveira/Velez Wedding - May 27, 2023 (VenQ AIP)

Bookings:

Emily Garcia & Troy Fox - July 6, 2023 (venue-only)





June 1, 2023

Walker-Schooler District Managers
Attn: Kevin Walker
President
Walker-Schooler District Managers
614 N. Tejon St.
Colorado Springs, CO 80903

RE: Cathedral Pines Metro District Denver Basin Well Field Operations and Permit Assessment

Dear Kevin,

LRE Water is pleased to present this proposal to Walker-Schooler District Managers (WSDM) to summarize the water rights and well permit information regarding four-(4) groundwater wells associated with the Cathedral Pines Metro District (CPMD). The Cathedral Pines Metro District is one-(1) of over fifty-(50) districts WSDM manages and is located to the North/Northeast of Colorado Springs. The four-(4) groundwater assets include groundwater wells completed in the Dawson Aquifer within the Denver Basin. Scope of Services described below will allow LRE to assist Walker-Schooler District Managers in understanding the water rights and well permitting information pertaining to the four-(4) Dawson groundwater wells associated with CPMD.

I. SCOPE OF SERVICES

Review Historical Wellfield Operations, Well Permits, Water Rights, and Regulatory Compliance

LRE will prepare a request for information from Walker-Schooler and Cathedral Pines for records of well field operations, including diversion and water level records.

LRE will review the records of well field operations and demands with regard to the permits, water rights, and other regulatory limitations. We will evaluate different well field operation regimes that may be able to meet the system demands under the well permits, water rights, and/or other regulatory limitations. We will provide a spreadsheet model demonstrating the proposed operation regime and how it relates to the well

permit requirements. Additionally, we will identify supply deficits that may exist that can't be met under the well permits. Based on these analyses we will provide alternatives for next steps to address those deficits if they exist.

Technical Memorandum

We will document our findings in a technical memorandum. The technical memorandum will include recommendations for future well field operations considering permit limitations.

Project Management and Meetings

LRE will coordinate a 1-hour project kickoff and closeout meeting. LRE will present the findings and recommendations at the closeout meeting. Meetings will be held virtually via teleconference. LRE will present our findings to the Cathedral Pines Metro District board if requested by the District Managers.

II. TIME REQUIRED

We can begin the proposed services as soon as we receive authorization to proceed. LRE will prepare a request for information within two-weeks of notice to proceed. Following Walker-Scholler District Manager's final response to the request for information, the remaining services can be completed in an additional 6 weeks.

Delays caused by major changes in the project plans or by circumstances beyond our control could extend the time of completion.

III. PAYMENT

We believe the services described above can be accomplished for less than **\$10,000**. Invoices are submitted monthly for time and expenses incurred. Terms of payment are net 30 days. Overdue accounts are subject to an interest charge of 1.5 percent per month and services will stop whenever payment is overdue more than 75 days.

Payments for our services, like other professional services, are based on the actual time spent on your behalf and are measured by standard hourly rates in effect at the time the services are performed. For those assigned to your team, those rates currently range from \$200–\$275 for principals and senior advisors; \$100–\$260 for engineers and hydrologists; and \$75–\$140 for data processing, technicians and IT

support. Individuals are assigned to a project based on the type of services involved and the experience and expertise of the individual.

Routine expenses such as telephone and copies are included in the rates above. Outside expenses such as laboratory analysis, obtaining aerial photos, or other special services incurred directly in connection with the project are billed at cost plus 5 percent to cover handling and administration. Reimbursable expenses billed at cost include airfares, automobile rental, and other travel or per diem costs. Subconsultants to LRE are billed at cost plus 10 percent.

The scope described under Part I represents our estimate of the services required based on the information provided. As the project proceeds and additional facts are discovered, it may be necessary to perform additional services and some items described may not be needed. For these reasons, we can provide only an estimate of the time and cost of completing the services.

IV. LIMITATION OF LIABILITY AND CONSEQUENTIAL DAMAGES

In recognition of the relative risks and benefits of the project to both Walker-Schooler District Managers and LRE, the risks have been allocated such that Walker-Schooler District Managers agrees, to the fullest extent permitted by law, to limit the liability of LRE and its officers, employees, and sub-consultants, to Walker-Schooler District Managers or its contractors and consultants, for any and all claims, losses, costs, damages of any nature whatsoever; or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of LRE to Walker-Schooler District Managers shall not exceed the total amount of \$100,000 or the total fees billed to this project, whichever is less. It is intended that this limitation apply to any and all liability or cause of action however alleged or arising, unless otherwise prohibited by law.

Notwithstanding anything to the contrary herein, in no event shall either Party hereto be liable to the other for any special, indirect, incidental, exemplary, or punitive damages, including without limitation, loss of profits, loss of business opportunity or loss of prospective revenue, arising out of this Agreement, however same may be caused. This Section shall survive the expiration or termination of this Agreement.

V. SPECIAL SERVICES

Services in addition to those described under Part I will be performed or obtained for the client's account upon request and approval at rates currently in effect. Special services may include, but are not limited to, expert testimony, appearances at public meetings, soil investigations, topographic and land surveys, including establishment of boundaries, well drilling, well and aquifer testing, electric logging, water quality sampling and analysis, preparation of construction drawings and specifications, material testing, data management, environmental permitting, and regulatory compliance.

VI. INSURANCE

LRE maintains the following insurance:

1. Commercial General Liability
2. Automobile Liability
3. Workers' Compensation and Employer's Liability
4. Professional Liability Insurance

Acceptance of this proposal and authorization to proceed with the services can be indicated by signing one copy and returning it to us for our files. The terms of this proposal will be honored for a period of 30 days.

We look forward to discussing this proposal with you and if you have any questions or concerns about the services offered in the proposal please call us at 303-455-9589.

Thank you for providing us the opportunity to present this proposal to Walker-Schooler District Managers.

Sincerely,



Kevin Walker
June 1, 2023
Page 5 of 5

LRE WATER



Dave Colvin, PG
Groundwater Team Leader

For: _____
Contracting Agency

By: _____
Authorized Signature/Title

Date:



Christopher J. Sanchez
Jeffrey A. Clark
Daniel O. Niemela
Jonathan D. George
Kristina L. Wynne
Austin P. Malotte
Michael A. Saylor
Charles E. Stanzione

May 12, 2023

Kevin Walker
WSDM District Managers
614 N Tejon St.
Colorado Springs, CO 80903

RE: Proposal for consulting services related to the review of Denver Basin ground water supplies available to and operated by the Cathedral Pines Metropolitan District

Dear Mr. Walker:

This letter presents a proposal for water resource consulting services associated with a review of the Cathedral Pines Metropolitan District's (District) Denver Basin water rights including 1) an inventory of existing well structures, permits and decrees, 2) a summary of water rights requirements, 3) review of annual pumping amounts by source, and 4) recommendations for the establishment of decree compliance procedures. The review of the water rights will include confirmation of the ownership of the water rights, to the extent the owner can be determined. The purpose of this effort will be to provide the District a basic understanding of the water rights, their operation and the requirements associated with the operation and use of those water rights to ensure future water rights compliance. Our findings will be presented in a technical memorandum and we will be available to support the District with follow-up tasks as well.

BBA Water Consultants, Inc. (BBA) is an established water resource firm specializing in surface and ground water hydrology, water rights and water supply planning. BBA was established in 1980 and has been assisting water users with the planning, development, operation and investigation of surface and ground water supplies for over 43 years. We have extensive experience with Denver Basin ground water supplies and specific Denver Basin ground water experience in the general area of the District working with other local water rights users. BBA employs geologists, engineers and hydrologists with varied levels of experience, such that we can dedicate the appropriate technical team to your project.

To assist the District with their water supply and water rights review efforts, we propose the following scope of work:

Scope of Work

1. Review well permit file and decree information associated with the District's four existing wells (the Lodge Well, Maintenance Well and two irrigation wells). This review will identify and summarize the details of the existing wells, the decrees, the associated augmentation plan and water right requirements as well as the terms and conditions governing the operation of the water rights.
2. Identify ownership of the water right. We understand that the water rights may be in the property developer's ownership and, to the extent possible, we will confirm the ownership.
3. Confirm historical well pumping amounts and compare the historical pumping amounts with the decreed pumping limits. We understand that well records may not be available from the District, but to the extent any well specific production information is available including but not limited to production and water level data, we will rely on you to provide that information. We will research diversion information and interview the District operator as well to understand well operation and uses.
4. Compare current water right uses and operation to the decrees and augmentation plan. This comparison will help confirm whether the wells and water rights are being operated in accordance with the terms and conditions of the existing water rights including the requirements of the existing augmentation plan for the Denver Basin wells.
5. Identify accounting and operational procedures to ensure future water rights compliance. This step may identify additional efforts that could be necessary to ensure compliance with the existing water rights including but not limited to 1) construction of additional wells, 2) installation of additional totalizing flow meters, 3) modification of pump equipment and controls, 4) additional accounting forms or readings or modification of well operations. We are available to support additional tasks and recommended efforts identified through these efforts, but they will only be performed after your approval under a separate scope of work.
6. Prepare and provide a summary memorandum. We will summarize the findings of our well and water rights review in a technical memorandum addressed to you. The technical memo will summarize 1) the well permits and decrees associated with the four existing wells and their current operation, 2) the ownership of the wells and water rights, 3) current compliance or non-compliance with the existing water rights and 4) the establishment of protocols to ensure future water rights compliance.

We estimate the work described above can be accomplished for a total of approximately \$6,000. Meetings with you and others, and work after our summary memorandum has been completed and delivered will be billed at our normal hourly rates. We are not proposing a site visit as part of this scope of work. **To confirm our understanding of this assignment and authorize us to proceed with this Scope of Work, please return a signed copy of this letter and a retainer payment of \$3,000, to be credited against the final billing for the Scope of Work.**

We charge for consulting services based on hourly rates for our personnel assigned to your project. These rates include our employees' hourly salaries, general and administrative overhead, and fee. Our rates are reflected in the attached Standard Schedule of Compensation. The expenses our personnel incur in direct connection with the project will be billed to you at cost plus 10 percent.

We will submit invoices monthly and terms of payment are net thirty days; interest at the rate of 1½ percent per month (annual rate 18 percent) will be added to that part of the balance not paid within thirty days of the invoice date. Services are subject to be discontinued on the project if payment on an invoice is not made within 45 days of the date of that invoice unless prior arrangements have been made.

The terms of this proposal are offered for a period of thirty days from submittal only. To the maximum extent permitted by law, the Client agrees to limit the Consultant's liability for the Client's damages to the sum of \$100,000. This limitation shall apply regardless of the cause of action or legal theory pled or asserted.

We hope that this letter provides you with an indication of the consulting services that will be involved with the review of the District's existing wells and water rights. If you have any questions or comments, please do not hesitate to call. We look forward to working with you on this effort.

Very truly yours,

BBA Water Consultants, Inc.



Christopher J. Sanchez, P.G.
Principal

CJS/jeb
Enclosure

For: _____
Contracting Agency

By: _____
Authorized Signature Title

Date: _____



Christopher J. Sanchez
Jeffrey A. Clark
Daniel O. Niemela
Jonathan D. George
Kristina L. Wynne
Austin P. Malotte
Michael A. Saylor
Charles E. Stanzione

SCHEDULE OF COMPENSATION

Effective January 2023

Applicable to Services Furnished on a Per Hour Basis

<u>Classification</u>	<u>Billing Rate</u>
PROFESSIONAL STAFF	
Principal.....	\$210.00-\$280.00
Associate/Senior Project Manager	\$180.00-\$220.00
Project Manager	\$150.00-\$215.00
Senior Engineer/Hydrogeologist/Hydrologist.....	\$135.00-\$200.00
Project Engineer/Hydrogeologist/Hydrologist.....	\$120.00-\$160.00
Engineer/Hydrogeologist/Hydrologist II.....	\$110.00-\$160.00
Engineer/Hydrogeologist/Hydrologist I.....	\$85.00-\$130.00
GIS Specialist.....	\$95.00-\$140.00
TECHNICAL SUPPORT STAFF	
Intern/Technician	\$65.00-\$95.00
Word Processing/Administration.....	\$80.00-\$100.00

The above Standard Schedule of Compensation is subject to periodic revision. The schedule includes salary costs, ordinary overhead and profit. Applicable expenses for travel and subsistence, incidental out-of-pocket costs, communications, reports preparation, printing, outside services, etc., are reimbursable at invoice cost plus 10 percent. Mileage is reimbursed at the IRS Standard Mileage Rates for business miles driven.