

# CONSENT AGENDA

No assurance is provided on these financial statements. Substantially all required disclosures for government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

DRAFT - SUBJECT TO REVISION

***Blackstone Metropolitan District***  
**SPECIAL MEETING OF THE BOARD OF DIRECTORS**  
**MINUTES**

**October 12, 2022**

**ATTENDANCE & CALL TO ORDER**

Board Members in attendance were Shawn McGoff, Perry Deeds, Lee McCall, and Rick Schroder

Others in attendance were Chris Herron and April Delgado (Westwind), Clint Waldron (WBA), Curtis Bourgouin (CLA) and Ben Zand (LandTech), plus 4 members of the public were present.

The meeting was called to order at 3:05 pm by President, Shawn McGoff.

**DISCLOSURE OF ANY CONFLICTS OF INTEREST** – There were no conflicts to disclose.

**AGENDA REVIEW / UPDATES OR APPROVAL** – There were no updates to the meeting agenda, and it was approved without objection.

**PUBLIC COMMENT**

Shawn McGoff opened the meeting to public comment. There was none.

**CONSENT AGENDA**

A motion was duly made by Lee McCall, seconded by Rick Schroder, and unanimously carried, to approve and ratify the consent agenda items as follows:

Minutes – September 15, 2022

Approve payment for Blackstone Country Club repair of Well #1, in District's proportional share (20%).

**2023 BUDGET WORKSHOP AND LONG-RANGE FINANCIAL FORECAST**

Curtis Bourgouin with CLA reviewed the draft budget summary in detail, including the Property Tax Summary – noting that the final Assessed Values will come in later (December). Overall, the mill levy is down .26 from .30 but SARIA mills went up from 1.113 to 5.0, however, due to the District's mill reduction the projection overall for 2023 is to go down from 66 to 61.

Curtis also went through review of the General Fund, Operating Fund and Debt Service. The Board discussed the various project ideas and initiatives which they may wish to pursue. Finally, the projections from 2023 to 2030 were reviewed.

One item / initiative which was raised was for the addition of a park fitness set up in one of the community parks. Rick Schroder volunteered to take the lead on investigation of this project idea.

**OTHER BUSINESS**

Additional Service Request #3 from Design Concepts for City Submittals and Entitlements (Entryways and Medians) - Carol Hesketh with the Landscape Committee reviewed the proposals and the committee's recommendations. Carol provided some history on the project and reported on City project approval

processes and requirements. She noted that the Tait Engineering proposal was already included in the Design Concepts request.

Review and Consider Selection of Engineering Proposal for City Submittals and Entitlements (Entryways and Medians) The Board received and reviewed two proposals, one from Bowman Consulting Group LTD and the second (as noted previously) from Tait & Associates, Inc.

Based on the Committee's recommendation and review of the proposals, a motion was duly made by Shawn McGoff, seconded by Lee McCall and carried without objection, to approve the proposal from Tait & Associates as presented.

French Drain at Hilltop Park – Ben Zand with LandTech reviewed the two proposals and detail presented and answered questions. Proposal #1 was approved on a motion by Lee McCall, which was seconded by Rick Schroder and unanimously carried, and Proposal #2 was approved on a motion by Lee McCall, which was seconded by Shawn McGoff and unanimously carried, with the stipulation of confirmation to be received by LandTech regarding the permissibility of cutting the curb / drainage plan with the City of Aurora before proceeding.

**PUBLIC COMMENT**

Members of the public had questions about the letter received via Westwind regarding Flock Safety System, and the link to add vehicles.

**ADJOURNMENT** – A motion was duly made by Rick Schroder, seconded by Lee McCall and unanimously carried to adjourn the meeting at 5:09 p.m.

**Blackstone Metropolitan District, City of Aurora, Arapahoe County, Colorado  
Disclosure Notice Pursuant to § 32-1-809, C.R.S.**

**REQUESTED INFORMATION**

**RESPONSE**

|  |  |                      |
|--|--|----------------------|
| <b>Address and telephone number of the principal business office</b>   | c/o WHITE BEAR ANKELE TANAKA & WALDRON<br>Attorneys at Law<br>2154 E. Commons Ave., Suite 2000<br>Centennial, CO 80122<br>303-858-1800   |                      |
| <b>Name and business telephone number of the manager or other principal contact person for the District/board member contact information</b> | Chris Herron, Chief Operating Officer<br>Westwind Management Group, LLC<br>27 Inverness Drive East<br>Englewood, CO 80112<br>Phone: 303.369.1800 (x112)<br>Email: Chris@westwindmanagement.com   |                      |
| <b>Board members and re-election status of those members whose office will be on the ballot at the next regular election on May 2, 2023</b>  | Shawn McGoff, President  | (term expires 2025)  |
|  | Perry Deeds, Assistant Treasurer   | (term expires 2025)  |
|  | Lee McCall, Treasurer  | (term expires 2023)* |
| <b>*on ballot at the next regular election</b>   | Rick Schroder, Secretary   | (term expires 2023)* |
|  | [Name, office]   | (term expires 2025)* |
| <b>Regular meeting schedule and the place where notice of board meetings is posted pursuant to § 24-6-402(2)(c), C.R.S.</b>                  | Regular meetings are scheduled for third Thursday of March, May, July, September, and November, 2023 at 6:00 p.m. at Blackstone Country Club, 7777 S. Country Club Parkway, Aurora, Colorado and the third Thursday of February, April, June, August, and October, 2023 at 6:00 p.m. via teleconference.<br>Notices of board meetings are posted at <a href="http://www.blackstonemetro.org">www.blackstonemetro.org</a> or when online posting is not available at _____  |                      |
| <b>Current mill levy (2022), for collection in 2023</b>  | _____.000 mills - (general fund)<br>_____.000 mills - (debt service fund)<br>_____.000 mills - (capital projects fund)   |                      |
| <b>Total ad valorem tax revenue received during the last year (2022)</b>   | \$ _____ (unaudited)   |                      |
| <b>Date of the next regular special district election of board members</b>   | May 2, 2023  |                      |
| <b>Procedure and timing to submit a self-nomination form for election to the Board(s) pursuant to § 1-13.5-303, C.R.S. :</b>                 | Pursuant to § 1-13.5-303, C.R.S. any person interested in being a candidate for the Board must submit a self-nomination and acceptance form signed by the candidate and by a registered elector of the state as a witness to the candidate. On the date of signing the self-nomination form, the person desiring to serve on the Board must be an eligible elector of the District. The form or letter must be filed no earlier than January 1 and no later than the sixty-seventh (67 <sup>th</sup> ) day before the date of the next regular special district election. The form is filed with the Designated Election Official, or if none has been designated, the presiding officer or the secretary of the District at the address above. This form may be obtained by contacting the District's general counsel at (303) 858-1800. In place of the form, the candidate may submit a letter signed by the candidate and a registered elector of the state as witness to the signature of the candidate. Both the form and letter must state the following information: (1) name of the special district; (2) director office sought; (3) term of office sought; (4) date of the election; (5) full name of the candidate as it is to appear on the ballot; and (6) whether the candidate is a member of an executive board of a unit owners' association, as defined in § 38-33.3-103, C.R.S., located within the boundaries of the District. A self-nomination form meeting the statutory requirements must be filed prior to 5:00 p.m. on the sixty-seventh (67 <sup>th</sup> ) day before the election. |                      |
| <b>Address of any website on which the special district's election results will be posted</b>  | <a href="https://cdola.colorado.gov/local-government">https://cdola.colorado.gov/local-government</a> and <a href="http://www.blackstonemetro.org">www.blackstonemetro.org</a>   |                      |
| <b>Information on the procedure to apply for permanent absentee voter status as described in § 1-13.5-403, C.R.S.</b>                        | A permanent absentee voter status request form may be obtained by contacting the District's general counsel at (303) 858-1800.   |                      |

No assurance is provided on these financial statements provided by Blackstone Metropolitan District. Essentially all requirements for government-wide financial statements, and the statements of revenues, expenditures and changes in fund balances - governmental funds have been omitted.

**RESOLUTION  
OF THE BOARD OF DIRECTORS OF THE  
BLACKSTONE METROPOLITAN DISTRICT**

**DESIGNATING MEETING NOTICE POSTING LOCATION**

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WHEREAS, the Blackstone Metropolitan District (the “**District**” and the Board of Directors of a District, the “**Board**”) is a quasi-municipal corporation and political subdivisions of the State of Colorado; and

WHEREAS, pursuant to § 24-6-402(1)(a), C.R.S., the District is a local public body and subject to the provisions of §§ 24-6-401, *et seq.*, C.R.S.; and

WHEREAS, pursuant to § 32-1-903(2) and § 24-6-402(2)(c), C.R.S., the District shall be considered to have given full and timely notice to the public if notice of the meeting is posted, with specific agenda information if available, on a public website of the District no less than twenty-four (24) hours prior to the meeting; and

WHEREAS, pursuant to § 24-6-402(2)(c), C.R.S., the District shall make the notice posted on the public website accessible at no charge to the public, consider linking the notice to any appropriate social media accounts of the District, and, to the extent feasible, make the notices searchable by type of meeting, date of meeting, time of meeting, agenda contents, and any other category deemed appropriate by the District; and

WHEREAS, pursuant to § 24-6-402(2)(c), C.R.S., the District shall designate a place within the boundaries of the local public body at which it may post a notice no less than twenty-four (24) hours in advance of the meeting in the event that the District is unable to post the notice online due to exigent or emergency circumstances.

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

1. Pursuant to § 24-6-402(2)(c), C.R.S., the Board hereby designates [www.blackstonemetro.org](http://www.blackstonemetro.org) as the website at which notices of District meetings will be posted twenty-four (24) hours in advance.

2. Pursuant to § 24-6-402(2)(c), C.R.S., the Board hereby designates the following location for the posting of its meeting notices twenty-four (24) hours in advance in the event that the District is unable to post notice on the District’s website:

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ADOPTED THIS 17<sup>TH</sup> DAY OF NOVEMBER 2022.

**DISTRICT:**

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

By: \_\_\_\_\_  
Officer of the District

Attest:

By: \_\_\_\_\_

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

*[Signature Page to Resolution Designating the Meeting Notice Posting Location]*

**RESOLUTION OF BOARD OF DIRECTORS  
CALLING ELECTION**

**BLACKSTONE METROPOLITAN DISTRICT**

§§ 32-1-804, 1-1-111(2), 1-13.5-1103(1), and 1-13.5-513(1), C.R.S.

At a meeting of the Board of Directors (the “**Board**”) of the Blackstone Metropolitan District (the “**District**”), it was moved to adopt the following Resolution:

WHEREAS, the District was organized as a special district pursuant to §§ 32-1-101, *et seq.*, C.R.S. (the “**Special District Act**”); and

WHEREAS, the District is located entirely within Arapahoe County, Colorado (the “**County**”); and

WHEREAS, pursuant to § 32-1-804, C.R.S., the Board governs the conduct of regular and special elections for the District; and

WHEREAS, the Board anticipates holding a regular election on May 2, 2023, for the purpose of electing directors and desires to take all actions necessary and proper for the conduct thereof (the “**Election**”); and

WHEREAS, the Election shall be conducted pursuant to the Special District Act, the Colorado Local Government Election Code and the Uniform Election Code of 1992, to the extent not in conflict with the Colorado Local Government Election Code, including any amendments thereto, and shall also comply with Article X, § 20 of the Colorado Constitution (“**TABOR**”), as necessary; and

WHEREAS, pursuant to § 1-1-111(2), C.R.S., the Board is authorized to designate an election official (the “**Designated Election Official**”) to exercise authority of the Board in conducting the Election; and

WHEREAS, pursuant to § 1-13.5-513(1), C.R.S., the Board can authorize the Designated Election Official to cancel the Election upon certain conditions.

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby calls the Election for the purpose of electing directors. The Election shall be conducted as an independent mail ballot election in accordance with §§ 1-13.5-1101, *et seq.*, C.R.S.

2. The Board names Ashley B. Frisbie as the Designated Election Official for the Election. The Designated Election Official shall act as the primary contact with the County and shall be primarily responsible for ensuring the proper conduct of the Election.

3. Without limiting the foregoing, the following specific determinations also are made:
  - a. The Board hereby directs general counsel to the District to approve the final form of the ballot to be submitted to the eligible electors of the District and authorizes the Designated Election Official to certify those questions and take any required action therewith.
  - b. The Board hereby determines that: in addition to emailing to each registered elector at the email address provided by the county (or if no email is provided, by mailing to the household of each registered elector), notice of the call for nominations will be provided by posting on the District's website.
  - c. The Board hereby directs general counsel to the District to oversee the general conduct of the Election and authorizes the Designated Election Official to take all action necessary for the proper conduct thereof and to exercise the authority of the Board in conducting the Election, including, but not limited to, causing the call for nominations; appointment, training and setting compensation of election judges and a board of canvassers, as necessary; all required notices of election, including notices required pursuant to TABOR; printing of ballots; supervision of the counting of ballots and certification of election results; and all other appropriate actions.
4. The District shall be responsible for the payment of any and all costs associated with the conduct of the Election, including its cancellation, if permitted.
5. The Board hereby ratifies any and all actions taken to date by general counsel and the Designated Election Official in connection with the Election.
6. The Board hereby authorizes and directs the Designated Election Official to cancel the Election and to declare the candidates elected if, at the close of business on the sixty-third day before the Election, or at any time thereafter, there are not more candidates for director than offices to be filled, including candidates filing affidavits of intent to be write-in candidates, and so long as the only ballot questions are for the election of candidates. The Board further authorizes and directs the Designated Election Official to publish and post notice of the cancellation as necessary and file such notice and cancellation resolutions with the County Clerk and Recorder and with the Division of Local Government, as required. The Designated Election Official shall also notify the candidates that the Election was canceled and that they were elected by acclamation.
7. This Resolution shall remain in full force and effect until repealed or superseded by subsequent official action of the Board.

***[Remainder of Page Intentionally Left Blank]***



ADOPTED THIS 17<sup>TH</sup> DAY OF NOVEMBER 2022.

**DISTRICT:**

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

By: \_\_\_\_\_  
Officer of the District

Attest:

By: \_\_\_\_\_

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

*Signature Page to Resolution Calling Election*

**BILL OF SALE**  
**(Entry Monument)**

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KNOW ALL MEN BY THESE PRESENTS that LENNAR COLORADO, LLC, a Colorado limited liability company, hereinafter referred to as “**Seller**”, in consideration of Ten Dollars (\$10.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, paid by the BLACKSTONE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado, (the “**District**”), whose address is 2154 E. Commons Ave., Centennial Colorado 80122 has bargained and sold, and by these presents, does grant, assign, and convey unto the District, its successors and assigns, all of its right, title and interest in the entry monument improvements as set forth in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Improvements**”), located on the parcel of real property described and depicted on Exhibit A, and all things of value, including all work product, both tangible and intangible, related thereto, accruing from the costs associated with the provision of the Improvements.

TO HAVE AND TO HOLD the same unto the District, its successors and assigns forever; and Seller, its successors and assigns, shall warrant and defend the sale of the Improvements, unto the District, its successors or assigns, against all and every person or persons whomsoever, and warrants that the conveyance of the Improvements, to the District, its successors and assigns, is made free from any claim or demand whatever.

*[Signature page follows.]*





## BLACKSTONE METROPOLITAN DISTRICT CONTRACT

**Name of Contractor/Provider/Consultant:** Heatherly Creative, LLC; Heather Sosa

**Title of Agreement/Contract:** District Website Maintenance and Management

**Agreement/Contract Date:** November 17, 2022

This Contract (“**Agreement**”) is made by and between Blackstone Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”) and the above-referenced contractor, provider, or other consultant (the “**Contractor**”).

Introduction. The District and the Contractor desire to enter into this Contract to be effective the date above.

1. Scope of Services. The Contractor shall perform the services set forth in **Exhibit A** (the “**Services**”): (a) in a first-class 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 specified in the Agreement; (c) in such a manner as to minimize any annoyance, interference or disruption to the residents, tenants, occupants and invitees within the District; and (d) in compliance with all applicable federal, state, county and local or municipal statutes, ordinances and regulations.

2. Compensation of Services. Compensation for the Services provided under this Agreement shall be provided in accordance with the compensation schedule attached hereto as **Exhibit A**. 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 herein, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Exhibit A may take any form. 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.

3. Repairs/Claims. The Contractor shall notify the District immediately, in writing, of any and all incidents/accidents which result in injury or property damage. The Contractor will promptly repair or, at the District’s option, reimburse the District for the repair of any damage to District property caused by the Contractor or its employees, agents or equipment.

4. Independent Contractor. The Contractor is an independent contractor and nothing herein shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor is not entitled to workers’ compensation benefits or unemployment insurance benefits and the District will 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. 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.

5. Contractor’s Insurance. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of the Agreement, the following insurance coverage: (i) 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 law; (ii) 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 general aggregate (iii) 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, and (iv) any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement. 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 Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations; nor shall the purchase of the required insurance serve to limit the Contractor's liability. The Contractor shall be responsible for the payment of any deductibles on issued policies.

6. Indemnification. The Contractor shall defend, indemnify and hold harmless the District and each of its directors, officers, contractors, employees, agents and consultants, from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses, including legal expenses and attorneys' fees, arising directly or indirectly 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. The Contractor is not obligated to indemnify the District for the District's own negligence. 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 worker's compensation acts, disability acts or other employee benefit acts. Such indemnity shall survive the expiration or termination of this Agreement. To the extent the District is or may be obligated to indemnify, defend, or hold Contractor harmless under the terms of the Agreement, any such indemnification obligation shall arise only to the extent permitted by applicable law and shall be limited solely to sums lawfully appropriated for such purpose in accordance with this Agreement.

7. Termination. This Agreement may be terminated by either party for cause or for convenience upon ten (10) days prior written notice to the other party. If the Agreement is terminated, the Contractor shall be paid for all Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business.

8. Governing Law / Disputes. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions shall be in the District Court in and for the county in which the District is located.

9. 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 obligations of the District under this Agreement is subject to annual budgeting and appropriations, and the Contractor expressly understands and agrees that the decision whether or not to budget and appropriate funds is within the discretion of District's governing body, and the obligations of the District shall extend only to monies appropriated for the purposes of this Agreement and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. The District and Contractor understand and intend that the Districts' obligation to make payments and pay other amounts due under the Agreement shall constitute a current expense and shall not in any way be construed to be a debt in contravention of any applicable constitutional or statutory limitations or requirements.

10. 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 §§ 24-10-101, *et seq.*, C.R.S.

11. Remedies. To the extent the Contractor's remedies for a District default under the Agreement include any right to accelerate amounts to become due under the Agreement, such acceleration shall be limited solely to sums lawfully appropriated for such purpose and shall further be limited to amounts to become due during the District's then current fiscal period.

12. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

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

14. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the matters addressed herein, and shall supersede all prior oral or written negotiations, understandings and commitments.

15. 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.

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.

|   |  |
|---|--|
| <b>Blackstone Metropolitan District</b> | <b>Contractor: Heatherly Creative, LLC</b> |
| By: _____                               | By: _____                                  |
| Name: _____                             | Name: _____                                |
| Title: _____                            | Title: _____                               |

**Exhibit A**  
Scope of Services/Compensation Schedule

- **Proposal Outline:** Manage and maintain community website on the current Content Management System (Wordpress, Wix, etc.) platform.
- **Scope:**  
Services to be performed as needed:
  - Update website content, graphics, and documents, including but not limited to, community newsletters/information, event calendars, contact information, blogs, and association documents.
  - Collaborate with the Board, committee members and manager to ensure information posted on the districts' website conforms to editorial standards and guidelines.
  - Collaborate with the Board, committee members and manager to revise existing pages and create new web content at the direction of the Board
  - Assess the usability of pages, making recommendations for changes as appropriate.
  - Track and report site metrics when requested.
  - Maintain the security and usability of the website by implementing CMS core, plugin, and theme updates.
  - Other duties as assigned and directed by the Board or manager.
- **Rate:** \$50.00 per month, additional time after the first hour is billed at \$50.00 per hour (rounded to 15-minute increments), invoices are sent twice a year.



# **COMMITTEE REPORTS**

# **November Monthly Report 2022 Prepared On 11.9.22**

Wednesday, November 9, 2022

Prepared For Blackstone Metropolitan District



**Item 1**

Van Driver Cart Path before work. Photo taken on 8.29.22



**Item 2**

Van Driver Cart Path before work. Photo taken on 8.29.22



**Item 3**

View from the top of the Van Driver Cart Path after sod was installed as well as 2 trees. Photo taken on 9.26.22



**Item 4**

View from the bottom of the path. Photo taken 9.26.22



**Item 5**

Photo of sod at Country Club Park prior to Replacement. Photo taken 9.6.22



**Item 6**

Photo taken while compost was being added in prior to installation of new sod. Photo taken on 9.26.22



### Item 7

Photo taken 11.9.22. Can see the area that was replaced beginning to go dormant.



### Item 8

Line of sight clearing, photo taken 11.9.22



**Item 9**

Line of sight clearing, photo taken 11.9.22

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**Item 10**

Line of sight clearing, photo taken 11.9.22

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### **Item 11**

Line of sight clearing, photo taken 11.9.22

This has been accomplished community wide for all areas requested.



### **Item 12**

Grass areas going dormant for winter. Leaves have been removed during fall clean up. A second fall cleanup will occur around the end of November/early December.





**Item 13**

Same as #12

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**Item 14**

Same as above

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**Item 15**

More photos of areas cleaned during the fall clean up.



**Item 16**

Same as above.



### **Item 17**

Fall clean up along Mineral median.  
Landtech employees are hard at work in the background.



### **Item 18**

Native grass area along west side of Hilltop Park mowed on 11.7.22 in preparation for the compost/native seed blower truck application. That application should happen before the end of the month.



**Item 19**

Another photo of the same hill.



**Item 20**

View of the south side of the Country Club Park. This area has also been recently mowed in preparation for the blower truck reseeding.



### **Item 21**

Holiday Decorations being installed.  
Process began on 11.7.22 and will be completed prior to the day before Thanksgiving.

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### **Item 22**

Lights wrapped around trees by Smokey Hill entrance.

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**Item 23**

Decor installed by Smokey Hill entrance.

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**Item 24**

Same as above.

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**Item 25**

Landtech employees installing holiday decor at the Mineral entrance on 11.9.22.



**Item 26**

Same as above.



**Item 27**

Fully installed tree at Mineral entrance.



**Item 28**

Dead pines removed from Country Club Park during the tree removal job.





**Item 29**

Stretch of dead trees along County Line that were removed. Proposal to replace the entire batch will be presented in 2023.



**Item 30**

More removed trees along County Line road.



### **Item 31**

Northern portion the the Monaghan entrance to the community. Landtech has installed irrigation to this area, so we will create a proposal to install sod in this area in 2023.

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### **Item 32**

Gravel path at Country Club Park needs tidying up.

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### Item 33

Another view of the same path.



### Item 34

On 11.8.22 Landtech employees were taking a break outside of a home by Nova and Blackstone Pkwy and used the water from a homeowners spigot without permission. Landtech apologizes for this lack of judgement on our part for allowing this to happen. As a maintenance division we had a meeting with every crew member to reiterate that this type of behavior is unacceptable to go onto a homeowners property, use their water, as well as taking break in front of someone's home. We will make every effort to ensure this behavior is not repeated.

## Item 35

### Completed services:

- Final weekly mow occurred the last week of October.
- Tree removal and sod replacement.
- Removal of flowers.
- Native mowing of the property.
- Weed removal application for dandelions.
- Line of sight clearing.

### Services underway as on 11.9.22:

- Fall Clean-up is underway as of 11.7.22 and should be completed the same week. If additional leaves fall and warrant an additional clean-up then Landtech will send crews to complete this around the end of November.
- Installation of the holiday decorations has begun as of 11.7.22 and will be completed before Thanksgiving.

### Upcoming Services:

- Winter site visits to keep up with the doggy stations and to patrol the property for trash removal.
  - Winter watering and installation of tree wrap on all trees that Landtech has installed for the community since last year.
  - Snow removal as needed (2" snow removal trigger).
  - Mulch and rock refresh where needed in the community.
-

## **RECOMMENDATION TO BLACKSTONE METROPOLITAN DISTRICT**

**FROM: BLACKSTONE LANDSCAPE COMMITTEE**

**REGARDING: Community Boulders placed to protect sod**

**PROPOSAL:** The Landscape Committee would like to propose halting further purchase of boulders to protect the sod from damage caused by vehicles.

\*We propose any vehicle sod damaged areas be repaired with sod and if necessary irrigation repair. Repair could be filling a hole with compost/reseed material to allow present Kentucky Bluegrass to spread. Or relaying a sod strip.

\*If the traffic circles/roundabouts are considered a 'high incident' area and replacing sod is deemed too frequent and too costly, the section of sod at the tip of the medians at the roundabouts could be replaced with river rock. These areas currently have about 2 boulders (average cost 1-1.5K) per sod strip around traffic circle for a total of 8 boulders. There are 3 traffic center/roundabouts for a total of 24 boulders. So rather than protect sod with boulders in these areas, just put in river rock.

\*We propose the current boulders eventually be repurposed into the newly designed center medians as part of design/aesthetic and/or children's activity area for climbing/sitting

**REASONS;** Originally the boulders were placed on sod in 'high incident' areas where construction trucks frequently ran over curbs damaging the sod and damaging the irrigation system. Currently we have progressed to placing boulders whenever there is even one incident of sod damaged by vehicles.

Community members have complained about the 'alien dropped them from the sky' as the boulders appear random and unsightly in the landscape. Residents have complained 'they are being punished' due to accidental "curb slide overs" due to unplowed snow roads. Their cars are punished with significant damage.

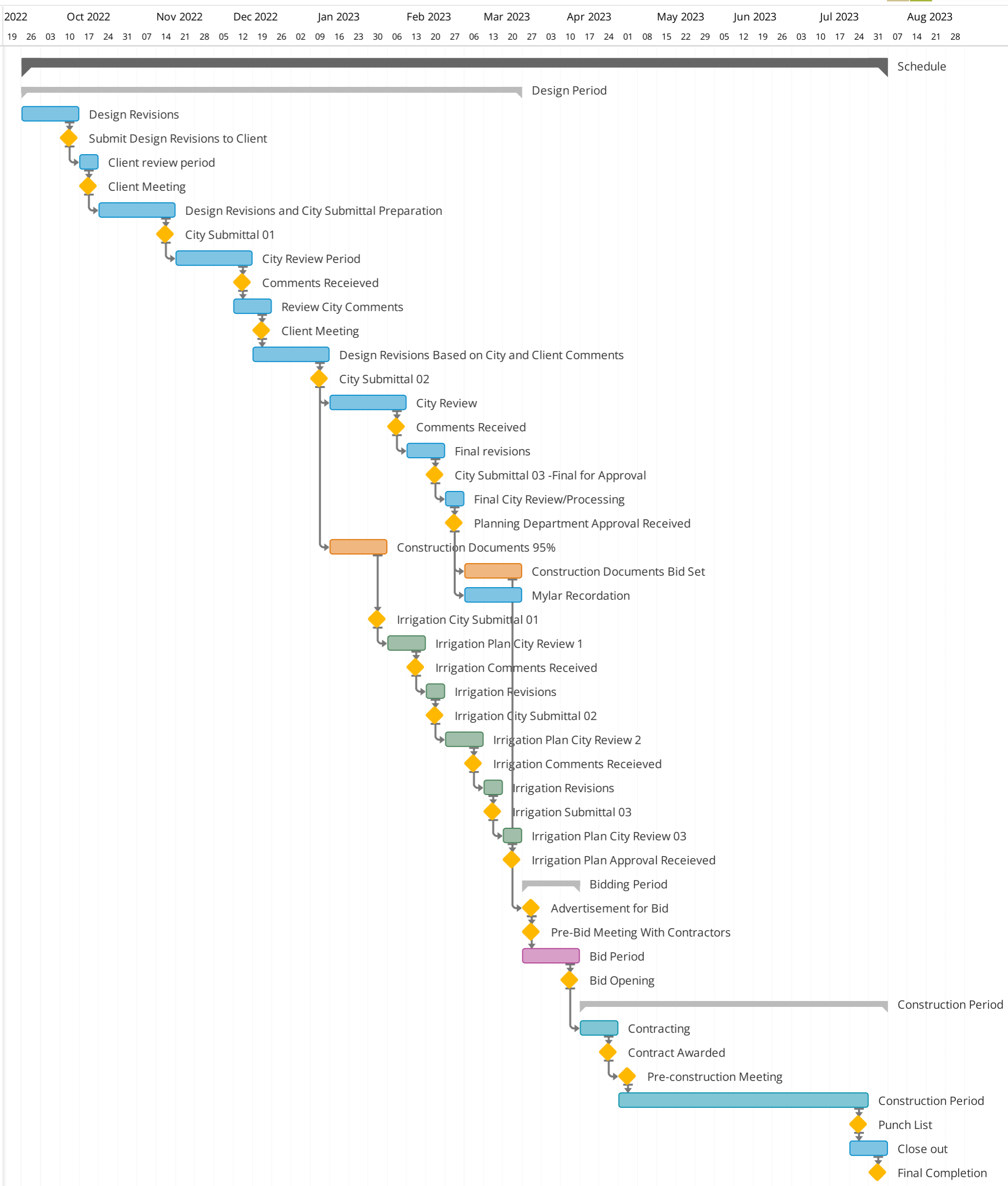
We can be more cost effective, create a more pleasing landscape, and be more mindful of residents.

# Blackstone CC Streetscape Improvements

Read-only view, generated on 06 Sep 2022



| ACTIVITIES                        | START  | DUE    |
|-----------------------------------|--------|--------|
| <b>Schedule</b>                   | 26/Sep | 31/Jul |
| ✓ Design Period                   | 26/Sep | 24/Mar |
| 3 ✓ Design Revisions              | 26/Sep | 14/Oct |
| 4 ✓ Submit Design Revision...     | 14/Oct | 14/Oct |
| 5 ✓ Client review period          | 17/Oct | 21/Oct |
| 6 ✓ Client Meeting                | 21/Oct | 21/Oct |
| 7 ✓ Design Revisions and Ci...    | 24/Oct | 18/Nov |
| 8 ✓ City Submittal 01             | 18/Nov | 18/Nov |
| 9 ✓ City Review Period            | 21/Nov | 15/Dec |
| 10 ✓ Comments Receieved           | 15/Dec | 15/Dec |
| 11 ✓ Review City Comments         | 16/Dec | 20/Dec |
| 12 ✓ Client Meeting               | 20/Dec | 20/Dec |
| 13 ✓ Design Revisions Based...    | 21/Dec | 12/Jan |
| 14 ✓ City Submittal 02            | 13/Jan | 13/Jan |
| 15 ✓ City Review                  | 16/Jan | 09/Feb |
| 16 ✓ Comments Received            | 10/Feb | 10/Feb |
| 17 ✓ Final revisions              | 13/Feb | 24/Feb |
| 18 ✓ City Submittal 03 -Final ... | 24/Feb | 24/Feb |
| 19 ✓ Final City Review/Proce...   | 27/Feb | 03/Mar |
| 20 ✓ Planning Department A...     | 03/Mar | 03/Mar |
| 21 ✓ Construction Document...     | 16/Jan | 03/Feb |
| 22 ✓ Construction Document...     | 06/Mar | 24/Mar |
| 23 ✓ Mylar Recordation            | 06/Mar | 24/Mar |
| 24 ✓ Irrigation City Submittal... | 03/Feb | 03/Feb |
| 25 ✓ Irrigation Plan City Revi... | 06/Feb | 17/Feb |
| 26 ✓ Irrigation Comments Re...    | 17/Feb | 17/Feb |
| 27 ✓ Irrigation Revisions         | 20/Feb | 24/Feb |
| 28 ✓ Irrigation City Submittal... | 24/Feb | 24/Feb |
| 29 ✓ Irrigation Plan City Revi... | 27/Feb | 10/Mar |
| 30 ✓ Irrigation Comments Re...    | 10/Mar | 10/Mar |
| 31 ✓ Irrigation Revisions         | 13/Mar | 17/Mar |
| 32 ✓ Irrigation Submittal 03      | 17/Mar | 17/Mar |
| 33 ✓ Irrigation Plan City Revi... | 20/Mar | 24/Mar |
| 34 ✓ Irrigation Plan Approval...  | 24/Mar | 24/Mar |
| ✓ Bidding Period                  | 27/Mar | 14/Apr |
| 36 ✓ Advertisement for Bid        | 27/Mar | 27/Mar |
| 37 ✓ Pre-Bid Meeting With C...    | 30/Mar | 30/Mar |
| 38 ✓ Bid Period                   | 27/Mar | 14/Apr |
| 39 ✓ Bid Opening                  | 14/Apr | 14/Apr |
| ✓ Construction Period             | 17/Apr | 31/Jul |
| 41 ✓ Contracting                  | 17/Apr | 28/Apr |
| 42 ✓ Contract Awarded             | 28/Apr | 28/Apr |
| 43 ✓ Pre-construction Meeting     | 01/May | 01/May |
| 44 ✓ Construction Period          | 02/May | 24/Jul |
| 45 ✓ Punch List                   | 24/Jul | 24/Jul |
| 46 ✓ Close out                    | 25/Jul | 31/Jul |
| 47 ✓ Final Completion             | 31/Jul | 31/Jul |



# **FINANCIAL REPORT**

**BLACKSTONE METROPOLITAN DISTRICT**

**FINANCIAL STATEMENTS**

**OCTOBER 31, 2022**



**BLACKSTONE METROPOLITAN DISTRICT  
BALANCE SHEET - GOVERNMENTAL FUNDS  
OCTOBER 31, 2022**

|  | <u>General</u>      | <u>Operations<br/>Fee</u> | <u>Debt Service<br/>- GO Bonds</u> | <u>Debt Service<br/>- Revenue</u> | <u>Capital<br/>Projects</u> | <u>Capital<br/>Projects -<br/>Regional<br/>Improvement</u> | <u>Total</u>        |
|--|---------------------|---------------------------|------------------------------------|-----------------------------------|-----------------------------|--|---------------------|
| <b>ASSETS</b>                                  |                     |                           |                                    |                                   |                             |  |                     |
| 1st Bank                                       | \$ 27,506           | \$ 55,859                 | \$ -                               | \$ -                              | \$ -                        | \$ -   | \$ 83,365           |
| Colotrust                                      | 3,364,924           | -                         | 2,650,412                          | 12,789                            | 188,001                     | 157  | 6,216,283           |
| Accounts receivable                            | -                   | 131,779                   | -                                  | -                                 | -                           | -  | 131,779             |
| Receivable from County Treasurer               | 7,011               | -                         | 7,947                              | -                                 | -                           | -  | 14,958              |
| <b>TOTAL ASSETS</b>                            | <u>\$ 3,399,441</u> | <u>\$ 187,638</u>         | <u>\$ 2,658,359</u>                | <u>\$ 12,789</u>                  | <u>\$ 188,001</u>           | <u>\$ 157</u>  | <u>\$ 6,446,385</u> |
| <b>LIABILITIES AND FUND BALANCES</b>           |                     |                           |                                    |                                   |                             |  |                     |
| <b>LIABILITIES</b>                             |                     |                           |                                    |                                   |                             |  |                     |
| Accounts payable                               | \$ 7,417            | \$ 56,340                 | \$ -                               | \$ -                              | \$ 65,000                   | \$ -   | \$ 128,757          |
| Prepaid assessments                            | -                   | 34,911                    | -                                  | -                                 | -                           | -  | 34,911              |
| Due to SARIA                                   | -                   | -                         | -                                  | -                                 | -                           | 157  | 157                 |
| <b>TOTAL LIABILITIES</b>                       | <u>7,417</u>        | <u>91,251</u>             | <u>-</u>                           | <u>-</u>                          | <u>65,000</u>               | <u>157</u>   | <u>163,825</u>      |
| <b>FUND BALANCES</b>                           |                     |                           |                                    |                                   |                             |  |                     |
| Fund balances                                  | <u>3,392,024</u>    | <u>96,387</u>             | <u>2,658,359</u>                   | <u>12,789</u>                     | <u>123,001</u>              | <u>-</u>   | <u>6,282,560</u>    |
| <b>TOTAL LIABILITIES AND<br/>FUND BALANCES</b> | <u>\$ 3,399,441</u> | <u>\$ 187,638</u>         | <u>\$ 2,658,359</u>                | <u>\$ 12,789</u>                  | <u>\$ 188,001</u>           | <u>\$ 157</u>  | <u>\$ 6,446,385</u> |

**BLACKSTONE METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE TEN MONTHS ENDED OCTOBER 31, 2022**

**GENERAL FUND**

|   | <u>Annual<br/>Budget</u> | <u>Year to Date<br/>Actual</u> | <u>Variance</u>     | <u>Prior<br/>Year to Date<br/>Actual</u> |
|---|--------------------------|--------------------------------|---------------------|--|
| <b>REVENUES</b>                                     |                          |                                |                     |  |
| Property taxes                                      | \$ 1,304,232             | \$ 1,300,271                   | \$ (3,961)          | \$ 1,283,674                             |
| Specific ownership taxes                            | 94,925                   | 71,764                         | (23,161)            | 78,220                                   |
| Interest income                                     | 1,450                    | 33,180                         | 31,730              | 1,169                                    |
| Other revenue                                       | -                        | -                              | -                   | 72                                       |
| <b>TOTAL REVENUES</b>                               | <u>1,400,607</u>         | <u>1,405,215</u>               | <u>4,608</u>        | <u>1,363,135</u>                         |
| <b>EXPENDITURES</b>                                 |                          |                                |                     |  |
| Accounting  | 52,000                   | 37,983                         | 14,017              | 30,160                                   |
| Audit   | 5,100                    | 5,400                          | (300)               | 5,000                                    |
| County Treasurer's fee                              | 19,563                   | 19,521                         | 42                  | 19,268                                   |
| Directors' fees                                     | 3,500                    | 300                            | 3,200               | 1,600                                    |
| Director and meeting expense                        | 2,000                    | 177                            | 1,823               | -  |
| Insurance   | 35,000                   | 33,843                         | 1,157               | 32,931                                   |
| Legal   | 65,000                   | 53,086                         | 11,914              | 44,541                                   |
| Miscellaneous                                       | 2,000                    | 488                            | 1,512               | 2,336                                    |
| Payroll taxes                                       | 268                      | -                              | 268                 | 138                                      |
| Election expense                                    | 40,000                   | 27,651                         | 12,349              | -  |
| Website   | 1,500                    | 900                            | 600                 | 150                                      |
| Contingency   | 24,069                   | -                              | 24,069              | -  |
| <b>TOTAL EXPENDITURES</b>                           | <u>250,000</u>           | <u>179,349</u>                 | <u>70,651</u>       | <u>136,124</u>                           |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b> | 1,150,607                | 1,225,866                      | 75,259              | 1,227,011                                |
| <b>OTHER FINANCING SOURCES (USES)</b>               |                          |                                |                     |  |
| Transfers to other fund                             | (1,304,600)              | (101,998)                      | 1,202,602           | (400,229)                                |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>         | <u>(1,304,600)</u>       | <u>(101,998)</u>               | <u>1,202,602</u>    | <u>(400,229)</u>                         |
| <b>NET CHANGE IN FUND BALANCES</b>                  | (153,993)                | 1,123,868                      | 1,277,861           | 826,782                                  |
| <b>FUND BALANCES - BEGINNING</b>                    | <u>1,529,705</u>         | <u>2,268,154</u>               | <u>738,449</u>      | <u>1,890,549</u>                         |
| <b>FUND BALANCES - ENDING</b>                       | <u>\$ 1,375,712</u>      | <u>\$ 3,392,022</u>            | <u>\$ 2,016,310</u> | <u>\$ 2,717,331</u>                      |

**BLACKSTONE METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE TEN MONTHS ENDED OCTOBER 31, 2022**

**OPERATIONS FEE FUND**

|   | <u>Annual<br/>Budget</u> | <u>Year to Date<br/>Actual</u> | <u>Variance</u>  | <u>Prior<br/>Year to Date<br/>Actual</u> |
|---|--------------------------|--------------------------------|------------------|--|
| <b>REVENUES</b>                                     |                          |                                |                  |  |
| Interest income                                     | \$ 150                   | \$ 2                           | \$ (148)         | \$ 28                                    |
| Operations fee (homeowners)                         | 561,660                  | 596,509                        | 34,849           | 539,112                                  |
| Operations fee (vacant lots)                        | 18,228                   | 4,650                          | (13,578)         | 7,626                                    |
| Other revenue                                       | -                        | 12,782                         | 12,782           | -  |
| Working capital                                     | 61,000                   | 25,045                         | (35,955)         | 35,500                                   |
| Design review fees                                  | 6,000                    | 2,540                          | (3,460)          | 270                                      |
| Legal collection fees                               | 7,000                    | 12,298                         | 5,298            | 1,800                                    |
| Violations and late fees                            | 6,000                    | 9,473                          | 3,473            | 5,193                                    |
| <b>TOTAL REVENUES</b>                               | <u>660,038</u>           | <u>663,299</u>                 | <u>3,261</u>     | <u>589,529</u>                           |
| <b>EXPENDITURES</b>                                 |                          |                                |                  |  |
| Legal - collections                                 | 7,000                    | 36,997                         | (29,997)         | 9,504                                    |
| Miscellaneous                                       | 3,000                    | 34,005                         | (31,005)         | 15                                       |
| Community activities                                | 16,000                   | 8,907                          | 7,093            | 8,013                                    |
| Design review                                       | 6,000                    | 8,398                          | (2,398)          | 8,390                                    |
| Facilities management - contract                    | 51,000                   | 36,675                         | 14,325           | 39,644                                   |
| Facilities management - costs                       | 14,000                   | 20,567                         | (6,567)          | 4,062                                    |
| Irrigation repairs and improvements                 | 51,000                   | 90,332                         | (39,332)         | 41,113                                   |
| Landscape maintenance - contract                    | 385,000                  | 319,320                        | 65,680           | 215,700                                  |
| Landscape improvements                              | 50,000                   | 34,769                         | 15,231           | 8,856                                    |
| Tree and shrub replacement                          | 100,000                  | 7,085                          | 92,915           | 9,870                                    |
| Safety  | -                        | 28,325                         | (28,325)         | -  |
| Gas and electric                                    | 20,000                   | 7,225                          | 12,775           | 9,984                                    |
| Trash removal                                       | 153,000                  | 117,265                        | 35,735           | 116,569                                  |
| Water - irrigation                                  | 128,000                  | 124,389                        | 3,611            | 79,662                                   |
| Grounds maintenance                                 | 31,000                   | 10,993                         | 20,007           | 15,095                                   |
| Holiday lighting                                    | 25,000                   | 3,845                          | 21,155           | 1,260                                    |
| Lighting  | 11,000                   | 8,105                          | 2,895            | 5,879                                    |
| Playground inspection and repairs                   | 11,000                   | -                              | 11,000           | 4,516                                    |
| Snow removal  | 35,000                   | -                              | 35,000           | 11,763                                   |
| Vandalism   | 3,000                    | -                              | 3,000            | 650                                      |
| Contingency   | 38,000                   | -                              | 38,000           | -  |
| <b>TOTAL EXPENDITURES</b>                           | <u>1,138,000</u>         | <u>897,202</u>                 | <u>240,798</u>   | <u>590,545</u>                           |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b> | (477,962)                | (233,903)                      | 244,059          | (1,016)                                  |
| <b>OTHER FINANCING SOURCES (USES)</b>               |                          |                                |                  |  |
| Transfers from other funds                          | 205,000                  | 101,998                        | (103,002)        | -  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>         | <u>205,000</u>           | <u>101,998</u>                 | <u>(103,002)</u> | <u>-</u>                                 |
| <b>NET CHANGE IN FUND BALANCES</b>                  | (272,962)                | (131,905)                      | 141,057          | (1,016)                                  |
| <b>FUND BALANCES - BEGINNING</b>                    | 294,186                  | 228,291                        | (65,895)         | 300,936                                  |
| <b>FUND BALANCES - ENDING</b>                       | <u>\$ 21,224</u>         | <u>\$ 96,386</u>               | <u>\$ 75,162</u> | <u>\$ 299,920</u>                        |

## **SUPPLEMENTARY INFORMATION**

**BLACKSTONE METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE TEN MONTHS ENDED OCTOBER 31, 2022**

**DEBT SERVICE - GO BONDS FUND**

|   | <u>Annual<br/>Budget</u> | <u>Year to Date<br/>Actual</u> | <u>Variance</u>     | <u>Prior<br/>Year to Date<br/>Actual</u> |
|---|--------------------------|--------------------------------|---------------------|--|
| <b>REVENUES</b>                                     |                          |                                |                     |  |
| Property taxes                                      | \$ 1,537,130             | \$ 1,532,463                   | \$ (4,667)          | \$ 1,497,622                             |
| Specific ownership taxes                            | 107,599                  | 81,346                         | (26,253)            | 85,482                                   |
| Interest income                                     | 1,600                    | 25,772                         | 24,172              | 1,290                                    |
| <b>TOTAL REVENUES</b>                               | <u>1,646,329</u>         | <u>1,639,581</u>               | <u>(6,748)</u>      | <u>1,584,394</u>                         |
| <b>EXPENDITURES</b>                                 |                          |                                |                     |  |
| County Treasurer's fee                              | 23,057                   | 23,006                         | 51                  | 22,480                                   |
| Paying agent fees                                   | 450                      | -                              | 450                 | 450                                      |
| Bond interest - Series 2017                         | 1,102,925                | 551,463                        | 551,462             | 557,463                                  |
| Bond principal - Series 2017                        | 420,000                  | -                              | 420,000             | -  |
| Contingency   | 6,568                    | -                              | 6,568               | -  |
| <b>TOTAL EXPENDITURES</b>                           | <u>1,553,000</u>         | <u>574,469</u>                 | <u>978,531</u>      | <u>580,393</u>                           |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b> | 93,329                   | 1,065,112                      | 971,783             | 1,004,001                                |
| <b>OTHER FINANCING SOURCES (USES)</b>               |                          |                                |                     |  |
| Repay developer advance                             | -                        | -                              | -                   | (331,500)                                |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>         | <u>-</u>                 | <u>-</u>                       | <u>-</u>            | <u>(331,500)</u>                         |
| <b>NET CHANGE IN FUND BALANCES</b>                  | 93,329                   | 1,065,112                      | 971,783             | 672,501                                  |
| <b>FUND BALANCES - BEGINNING</b>                    | <u>1,564,547</u>         | <u>1,593,247</u>               | <u>28,700</u>       | <u>1,755,726</u>                         |
| <b>FUND BALANCES - ENDING</b>                       | <u>\$ 1,657,876</u>      | <u>\$ 2,658,359</u>            | <u>\$ 1,000,483</u> | <u>\$ 2,428,227</u>                      |

**BLACKSTONE METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE TEN MONTHS ENDED OCTOBER 31, 2022**

**DEBT SERVICE - REVENUE FUND**

|                                    | <u>Annual<br/>Budget</u> | <u>Year to Date<br/>Actual</u> | <u>Variance</u>  | <u>Prior<br/>Year to Date<br/>Actual</u> |
|------------------------------------|--------------------------|--------------------------------|------------------|--|
| <b>REVENUES</b>                    |                          |                                |                  |  |
| Other revenue                      | \$ -                     | \$ -                           | \$ -             | \$ 12,789                                |
| <b>TOTAL REVENUES</b>              | <u>-</u>                 | <u>-</u>                       | <u>-</u>         | <u>12,789</u>                            |
| <b>EXPENDITURES</b>                |                          |                                |                  |  |
| <b>TOTAL EXPENDITURES</b>          |                          |                                |                  |  |
| <b>NET CHANGE IN FUND BALANCES</b> | -                        | -                              | -                | 12,789                                   |
| <b>FUND BALANCES - BEGINNING</b>   | <u>-</u>                 | <u>12,789</u>                  | <u>12,789</u>    | <u>-</u>                                 |
| <b>FUND BALANCES - ENDING</b>      | <u>\$ -</u>              | <u>\$ 12,789</u>               | <u>\$ 12,789</u> | <u>\$ 12,789</u>                         |

**BLACKSTONE METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE TEN MONTHS ENDED OCTOBER 31, 2022**

**CAPITAL PROJECTS FUND**

|   | <u>Annual<br/>Budget</u> | <u>Year to Date<br/>Actual</u> | <u>Variance</u>     | <u>Prior<br/>Year to Date<br/>Actual</u> |
|---|--------------------------|--------------------------------|---------------------|--|
| <b>REVENUES</b>                                     |                          |                                |                     |  |
| Interest income                                     | \$ 400                   | \$ 3,685                       | \$ 3,285            | \$ -                                     |
| <b>TOTAL REVENUES</b>                               | <u>400</u>               | <u>3,685</u>                   | <u>3,285</u>        | <u>-</u>                                 |
| <b>EXPENDITURES</b>                                 |                          |                                |                     |  |
| Legal   | -                        | 1,076                          | (1,076)             | -  |
| Monumentation                                       | -                        | -                              | -                   | 12,090                                   |
| Park improvements                                   | 35,000                   | -                              | 35,000              | -  |
| Entryways   | 750,000                  | 93,565                         | 656,435             | 9,385                                    |
| Trees   | 150,000                  | 185,670                        | (35,670)            | 359,250                                  |
| Lighting  | 35,000                   | 26,700                         | 8,300               | 19,504                                   |
| Filing 3 enhancements                               | 30,000                   | 23,674                         | 6,326               | -  |
| <b>TOTAL EXPENDITURES</b>                           | <u>1,000,000</u>         | <u>330,685</u>                 | <u>669,315</u>      | <u>400,229</u>                           |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b> | (999,600)                | (327,000)                      | 672,600             | (400,229)                                |
| <b>OTHER FINANCING SOURCES (USES)</b>               |                          |                                |                     |  |
| Transfers from other funds                          | 1,099,600                | -                              | (1,099,600)         | 400,229                                  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>         | <u>1,099,600</u>         | <u>-</u>                       | <u>(1,099,600)</u>  | <u>400,229</u>                           |
| <b>NET CHANGE IN FUND BALANCES</b>                  | 100,000                  | (327,000)                      | (427,000)           | -  |
| <b>FUND BALANCES - BEGINNING</b>                    | <u>350,000</u>           | <u>450,001</u>                 | <u>100,001</u>      | <u>-</u>                                 |
| <b>FUND BALANCES - ENDING</b>                       | <u>\$ 450,000</u>        | <u>\$ 123,001</u>              | <u>\$ (326,999)</u> | <u>\$ -</u>                              |

**BLACKSTONE METROPOLITAN DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE TEN MONTHS ENDED OCTOBER 31, 2022**

**CAPITAL PROJECTS - REGIONAL IMPROVEMENT FUND**

|  | <u>Annual<br/>Budget</u> | <u>Year to Date<br/>Actual</u> | <u>Variance</u> | <u>Prior<br/>Year to Date<br/>Actual</u> |
|--|--------------------------|--------------------------------|-----------------|--|
| <b>REVENUES</b>  |                          |                                |                 |  |
| Property taxes - Regional mill levy  | \$ 51,843                | \$ 51,686                      | \$ (157)        | \$ 47,625                                |
| <b>TOTAL REVENUES</b>  | <u>51,843</u>            | <u>51,686</u>                  | <u>(157)</u>    | <u>47,625</u>                            |
| <b>EXPENDITURES</b>  |                          |                                |                 |  |
| County Treasurer's fee   | 778                      | 776                            | 2               | 715                                      |
| Regional mill levy - Payment to SARIA  | 51,065                   | 50,910                         | 155             | 46,910                                   |
| <b>TOTAL EXPENDITURES</b>  | <u>51,843</u>            | <u>51,686</u>                  | <u>157</u>      | <u>47,625</u>                            |
| <b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>  | -                        | -                              | -               | -  |
| <b>OTHER FINANCING SOURCES (USES)</b>  |                          |                                |                 |  |
| <b>TOTAL OTHER FINANCING SOURCES (USES)</b>  | <u>-</u>                 | <u>-</u>                       | <u>-</u>        | <u>-</u>                                 |
| <b>EXCESS OF REVENUES AND OTHER FINANCING SOURCES<br/>OVER (UNDER) EXPENDITURES AND OTHER USES</b> | -                        | -                              | -               | -  |
| <b>FUND BALANCES - BEGINNING</b>   | <u>-</u>                 | <u>-</u>                       | <u>-</u>        | <u>-</u>                                 |
| <b>FUND BALANCES - ENDING</b>  | <u>\$ -</u>              | <u>\$ -</u>                    | <u>\$ -</u>     | <u>\$ -</u>                              |



**BLACKSTONE METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on November 27, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Second Amended and Restated Service Plan approved on July 26, 2010.

The District was established to provide sanitation, water, streets, traffic and safety controls, parks and recreation, and other related improvements for the benefit of the taxpayers and service users within the Districts' boundaries.

As of December 31, 2015, the District had remaining voted debt authorization of approximately \$1,981,510,000. The District has not budgeted to issue any new debt during 2022. Per the District's Service Plan, the District cannot issue debt in excess of \$100,000,000.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April, or in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The method of calculating assessed valuation of residential assessment rates in the State of Colorado changed to 7.15% from 7.20% for property tax years 2019-2020 on June 10, 2019 with a report submitted to the State Board of Equalization. Accordingly, the ARI mill levy increased to 1.113 from 1.105 mills and will remain at this amount for 2022.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**BLACKSTONE METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Aurora Regional Improvements Mill Levy**

Pursuant to the Service Plan, which is dated August 6, 2004, the District is required to impose a 1.000 mill levy for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the ARI Master Plan. The ARI Master Plan is one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time. The District is a participant in the South Aurora Regional Improvement Authority. Revenues collected and held under the ARI mill levy will be held in a segregated account for the benefit of the Authority.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.0% of the property taxes collected.

**Operations Fee**

The District imposes a monthly operations fee on homeowners and vacant lot owners. The fee varies between the two types of owners based on applicable costs to operate the landscape and maintenance of the District property. The fees and associated expenditures are tracked in the Operations Fee fund.

**Interest Income**

Interest earned on the District's available funds has been estimated based on historical earnings.

**Expenditures**

**General, Administrative, and Operations Expenditures**

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, audit, managerial, insurance, banking, meeting expense and other administrative expenses. Additionally, the operations expenditures to maintain District property are detailed in the Operations Fee fund.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Capital Outlay**

The District anticipates infrastructure improvements as displayed on page 6 of the Budget.

**BLACKSTONE METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017 General Obligation Refunding Bonds. The District's current debt service schedule is attached.

See related notes below under Debt and Leases.

**Debt and Leases**

On June 6, 2017 the District issued General Obligation Refunding Bonds Series 2017 in the amount of \$27,415,000. The proceeds from the sale of the 2017 Bonds were used to (i) refund the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2005A, (ii) fund an initial deposit of \$1,000,000 to the Surplus Account, and (iii) pay certain costs of issuance of the Bonds.

The Series 2017 Bonds bear interest at rates ranging from 2.375% to 5.000%, payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019. The Series 2017 Bonds mature on December 1, 2047. The Series 2017 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

The Series 2017 Bonds are a general obligation of the District. The full faith and credit of the District are pledged for the payment of the principal of, premium, if any and interest on the Bonds. Without limiting the foregoing, the Pledged Revenue is pledged to the payment of the Bonds, on a parity with Parity Bonds, if any. "Pledged Revenue" is defined in the Bond Resolution to mean: (i) all amounts derived by the District from imposition of the Required Mill Levy and, to the extent not applied to the payment or refunding of the Series 2005A Bonds, the debt service mill levy imposed by the District in 2016 (less costs of collection and any tax refunds or abatements authorized by or on behalf of the County); and (ii) Specific Ownership Taxes. The Series 2017 Bonds are secured by amounts held by the District in the Surplus Account, if any. All of the Series 2017 Bonds shall be additionally secured by a Bond Insurance Policy issued by National Public Finance Guarantee Corp, rated A by Standard & Poor's.

The District has no operating or capital leases.

**BLACKSTONE METROPOLITAN DISTRICT  
2022 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases – (continued)**

The following is an analysis of anticipated changes in the District’s long-term obligations, subordinate to the Senior Bonds, for the years ending December 31, 2020 and 2021.

|                                   | Balance -<br>December 31,<br>2020 | Additions        | Retirement of<br>Long-Term<br>Obligations | Balance -<br>December 31,<br>2021 |
|-----------------------------------|-----------------------------------|------------------|---|-----------------------------------|
| <b>Reimbursement Agreements</b>   |                                   |                  |   |                                   |
| Lennar - Capital                  | \$ 15,530,600                     | \$ -             | \$ (15,530,600)                           | \$ -                              |
| Lennar - Capital - Interest       | 15,774,592                        | -                | (15,774,592)                              | -                                 |
| MS Rialto - Capital               | 787,397                           | -                | -   | 787,397                           |
| MS Rialto - Capital - Interest    | 668,677                           | 55,118           | -   | 723,795                           |
| MS Rialto - Operations            | 414,611                           | -                | -   | 414,611                           |
| MS Rialto - Operations - Interest | 318,738                           | 29,023           | -   | 347,761                           |
| Total                             | <u>\$ 33,494,615</u>              | <u>\$ 84,141</u> | <u>\$ (31,305,192)</u>                    | <u>\$ 2,273,564</u>               |
|                                   | Balance -<br>December 31,<br>2021 | Additions        | Retirement of<br>Long-Term<br>Obligations | Balance -<br>December 31,<br>2022 |
| <b>Reimbursement Agreements</b>   |                                   |                  |   |                                   |
| MS Rialto - Capital               | \$ 787,397                        | \$ -             | \$ (787,397)                              | \$ -                              |
| MS Rialto - Capital - Interest    | 723,795                           | 55,118           | (778,913)                                 | -                                 |
| MS Rialto - Operations            | 414,611                           | -                | (414,611)                                 | -                                 |
| MS Rialto - Operations - Interest | 347,761                           | 29,023           | (376,784)                                 | -                                 |
| Total                             | <u>\$ 2,273,564</u>               | <u>\$ 84,141</u> | <u>\$ (2,357,705)</u>                     | <u>\$ -</u>                       |

**Reserves**

**Emergency Reserves**

The District has provided an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2022, as defined under TABOR.

**BLACKSTONE METROPOLITAN DISTRICT  
FKA - HIGH PLAINS METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$27,415,000**

**General Obligation Refunding Bonds  
Series 2017**

**Dated June 6, 2017**

**Rates ranging from 2.375% to 5.000%**

**Interest Payable June 1 and December 1**

**Principal Due December 1**

**Bonds and Interest  
Maturing in the Year  
Ending December 31,**

|      | <u>Principal</u>     | <u>Interest</u>      | <u>Total</u>         |
|------|----------------------|----------------------|----------------------|
| 2022 | \$ 420,000           | \$ 1,102,925         | \$ 1,522,925         |
| 2023 | 450,000              | 1,086,125            | 1,536,125            |
| 2024 | 500,000              | 1,068,125            | 1,568,125            |
| 2025 | 520,000              | 1,048,125            | 1,568,125            |
| 2026 | 565,000              | 1,035,775            | 1,600,775            |
| 2027 | 595,000              | 1,007,525            | 1,602,525            |
| 2028 | 655,000              | 977,775              | 1,632,775            |
| 2029 | 685,000              | 945,025              | 1,630,025            |
| 2030 | 755,000              | 910,775              | 1,665,775            |
| 2031 | 780,000              | 886,237              | 1,666,237            |
| 2032 | 835,000              | 860,888              | 1,695,888            |
| 2033 | 865,000              | 833,750              | 1,698,750            |
| 2034 | 940,000              | 790,500              | 1,730,500            |
| 2035 | 990,000              | 743,500              | 1,733,500            |
| 2036 | 1,070,000            | 694,000              | 1,764,000            |
| 2037 | 1,115,000            | 651,200              | 1,766,200            |
| 2038 | 1,195,000            | 606,600              | 1,801,600            |
| 2039 | 1,245,000            | 558,800              | 1,803,800            |
| 2040 | 1,330,000            | 509,000              | 1,839,000            |
| 2041 | 1,380,000            | 455,800              | 1,835,800            |
| 2042 | 1,475,000            | 400,600              | 1,875,600            |
| 2043 | 1,535,000            | 341,600              | 1,876,600            |
| 2044 | 1,630,000            | 280,200              | 1,910,200            |
| 2045 | 1,695,000            | 215,000              | 1,910,000            |
| 2046 | 1,805,000            | 147,200              | 1,952,200            |
| 2047 | 1,875,000            | 75,000               | 1,950,000            |
|      | <u>\$ 26,905,000</u> | <u>\$ 18,232,050</u> | <u>\$ 45,137,050</u> |

**Blackstone Metropolitan District**  
**Schedule of Cash Position**  
**October 31, 2022**  
Updated as of November 9, 2022

|   | <u>General Fund</u>    | <u>Special Revenue Fee Fund</u> | <u>Debt Service Fund GO Bonds</u> | <u>Debt Service Fund Revenue</u> | <u>Capital Projects Fund</u> | <u>Capital Projects Regional Imprvmt</u> | <u>Total</u>           |
|---|------------------------|---------------------------------|-----------------------------------|----------------------------------|------------------------------|--|------------------------|
| <b><u>1st Bank - Checking</u></b>                 |                        |                                 |                                   |                                  |                              |  |                        |
| Balance as of 10/31/22                            | \$ 27,506.41           | \$ 55,858.74                    | \$ -                              | \$ -                             | \$ -                         | \$ -                                     | \$ 83,365.15           |
| Subsequent activity:                              |                        |                                 |                                   |                                  |                              |  |                        |
| 11/02/22 - Xcel Energy                            | -                      | (731.04)                        | -                                 | -                                | -                            | -  | (731.04)               |
| 11/03/22 - Aurora Water Autopay                   | -                      | (7,932.94)                      | -                                 | -                                | -                            | -  | (7,932.94)             |
| 11/07/22 - Public Storage Autopay                 | -                      | (74.73)                         | -                                 | -                                | -                            | -  | (74.73)                |
| 11/08/22 - Transfer from HOA account              | -                      | 80,000.00                       | -                                 | -                                | -                            | -  | 80,000.00              |
| <i>Anticipated Bill.com Payment</i>               | (5,204.71)             | (93,350.63)                     | -                                 | -                                | (65,000.13)                  | -  | (163,555.47)           |
| <i>Anticipated Transfer from Colotrust</i>        | 19,999.87              | -                               | -                                 | -                                | 65,000.13                    | -  | 85,000.00              |
| <i>Anticipated Balance</i>                        | <u>42,301.57</u>       | <u>33,769.40</u>                | <u>-</u>                          | <u>-</u>                         | <u>-</u>                     | <u>-</u>                                 | <u>76,070.97</u>       |
| <b><u>Colotrust - Savings Account</u></b>         |                        |                                 |                                   |                                  |                              |  |                        |
| Balance as of 10/31/22                            | \$ 3,364,923.57        | \$ -                            | \$ 2,650,411.61                   | \$ 12,788.76                     | \$ 188,001.14                | \$ 157.39                                | \$ 6,216,282.47        |
| Subsequent activity:                              |                        |                                 |                                   |                                  |                              |  |                        |
| 11/09/22 - Property Tax (October)                 | 7,010.83               | -                               | 7,946.87                          | -                                | -                            | -  | 14,957.70              |
| Surplus fund                                      | -                      | -                               | (1,000,000.00)                    | -                                | -                            | -  | (1,000,000.00)         |
| <i>Anticipated Debt Service Principal Payment</i> | -                      | -                               | (551,462.50)                      | -                                | -                            | -  | (551,462.50)           |
| <i>Anticipated Debt Service Interest Payment</i>  | -                      | -                               | (210,000.00)                      | -                                | -                            | -  | (210,000.00)           |
| <i>Anticipated Transfer to Checking</i>           | (19,999.87)            | -                               | -                                 | -                                | (65,000.13)                  | -  | (85,000.00)            |
| <i>Anticipated Transfer to SARIA</i>              | -                      | -                               | -                                 | -                                | -                            | (157.39)                                 | (157.39)               |
| <i>Anticipated Balance</i>                        | <u>3,351,934.53</u>    | <u>-</u>                        | <u>896,895.98</u>                 | <u>12,788.76</u>                 | <u>123,001.01</u>            | <u>-</u>                                 | <u>4,384,620.28</u>    |
| <i>Total by fund</i>                              | <u>\$ 3,394,236.10</u> | <u>\$ 33,769.40</u>             | <u>\$ 896,895.98</u>              | <u>\$ 12,788.76</u>              | <u>\$ 123,001.01</u>         | <u>\$ -</u>                              | <u>\$ 4,460,691.25</u> |

**Yield Information:**

Colotrust Prime (October 2022) -2.5791%  
Colotrust Plus (October 2022) - 3.2053%

**BLACKSTONE METROPOLITAN DISTRICT**  
**Property Taxes Reconciliation**  
**2022**

|           | Current Year    |  |                          |             |                  |               |                     |                                    |        |                     | Prior Year                         |         |  |
|-----------|-----------------|--|--------------------------|-------------|------------------|---------------|---------------------|------------------------------------|--------|---------------------|------------------------------------|---------|--|
|           | Property Taxes  | Delinquent Taxes, Rebates & Abatements | Specific Ownership Taxes | Interest    | Treasurer's Fees | Due to County | Net Amount Received | % of Total Property Taxes Received |        | Total Cash Received | % of Total Property Taxes Received |         |  |
|           |                 |  |                          |             |                  |               |                     | Monthly                            | Y-T-D  |                     | Monthly                            | YTD     |  |
| January   | \$ 34,766.49    | \$ -                                   | \$ 14,307.85             | \$ -        | \$ (521.50)      | \$ -          | \$ 48,552.84        | 1.20%                              | 1.20%  | \$ 44,165.86        | 0.52%                              | 0.52%   |  |
| February  | 1,263,035.96    | -                                      | 16,463.69                | -           | (18,945.54)      | -             | 1,260,554.11        | 43.66%                             | 44.86% | 1,094,422.83        | 40.97%                             | 41.49%  |  |
| March     | 105,100.15      | -                                      | 16,322.20                | 46.87       | (1,577.21)       | -             | 119,892.01          | 3.63%                              | 48.49% | 246,292.88          | 4.21%                              | 45.71%  |  |
| April     | 133,141.11      | -                                      | 14,674.09                | -           | (1,997.12)       | -             | 145,818.08          | 4.60%                              | 53.09% | 262,344.17          | 13.29%                             | 58.99%  |  |
| May       | 153,057.63      | -                                      | 13,469.22                | 289.53      | (2,309.70)       | -             | 164,506.68          | 5.29%                              | 58.38% | 121,071.35          | 2.71%                              | 61.70%  |  |
| June      | 1,162,674.60    | -                                      | 14,454.82                | 574.60      | (17,448.74)      | -             | 1,160,255.28        | 40.19%                             | 98.57% | 1,070,088.63        | 37.24%                             | 98.94%  |  |
| July      | 23,720.78       | -                                      | 14,194.15                | 589.69      | (364.66)         | -             | 38,139.96           | 0.82%                              | 99.39% | 48,040.98           | 0.26%                              | 99.20%  |  |
| August    | 7,913.99        | -                                      | 18,613.20                | 258.32      | (122.58)         | -             | 26,662.93           | 0.27%                              | 99.66% | 24,857.45           | 0.00%                              | 99.20%  |  |
| September | 1,008.51        | -                                      | 15,653.94                | 40.34       | (15.73)          | -             | 16,687.06           | 0.03%                              | 99.70% | 25,220.23           | 0.31%                              | 99.51%  |  |
| October   | -               | -                                      | 14,957.70                | -           | -                | -             | 14,957.70           | 0.00%                              | 99.70% | 15,621.17           | 0.32%                              | 99.83%  |  |
| November  | -               | -                                      | -                        | -           | -                | -             | -                   | 0.00%                              | 99.70% | 26,428.78           | 0.23%                              | 100.06% |  |
| December  | -               | -                                      | -                        | -           | -                | -             | -                   | 0.00%                              | 99.70% | 15,971.62           | -0.08%                             | 99.98%  |  |
|           | \$ 2,884,419.22 | \$ -                                   | \$ 153,110.86            | \$ 1,799.35 | \$ (43,302.78)   | \$ -          | \$ 2,996,026.65     | 99.70%                             | 99.70% | \$ 2,994,525.95     | 99.98%                             | 99.98%  |  |

|                               | Taxes Levied           | % of Levied    | Property Tax Collected | % Collected to Amount Levied |
|-------------------------------|------------------------|----------------|------------------------|------------------------------|
| <b>Property Tax</b>           |                        |                |                        |                              |
| General Fund                  | \$ 1,304,232.00        | 45.08%         | \$ 1,300,270.95        | 99.70%                       |
| Debt Service Fund             | 1,537,130.00           | 53.13%         | 1,532,462.52           | 99.70%                       |
| Regional                      | 51,843.00              | 1.79%          | 51,685.75              | 99.70%                       |
|                               | <u>\$ 2,893,205.00</u> | <u>100.00%</u> | <u>\$ 2,884,419.22</u> |                              |
| <b>Specific Ownership Tax</b> |                        |                |                        |                              |
| General Fund                  | \$ 94,925.00           | 46.87%         | \$ 71,764.39           | 75.60%                       |
| Debt Service Fund             | 107,599.00             | 53.13%         | 81,346.47              | 75.60%                       |
|                               | <u>\$ 202,524.00</u>   | <u>100.00%</u> | <u>\$ 153,110.86</u>   |                              |
| <b>Treasurer's Fees</b>       |                        |                |                        |                              |
| General Fund                  | \$ 19,563.00           | 45.08%         | \$ 19,520.54           | 99.78%                       |
| Debt Service Fund             | 23,057.00              | 53.13%         | 23,006.32              | 99.78%                       |
| Regional                      | 778.00                 | 1.79%          | 775.92                 | 99.73%                       |
|                               | <u>\$ 43,398.00</u>    | <u>100.00%</u> | <u>\$ 43,302.78</u>    |                              |

|                        |                  |
|------------------------|------------------|
| Due To SARIA From 2021 | \$ 283.85        |
| Pledged Ptax Collected | 50,909.83        |
| Payments to SARIA      | 51,036.29        |
| <b>Due To SARIA</b>    | <b>\$ 157.39</b> |

**RESOLUTION  
ADOPTING BUDGET, APPROPRIATING FUNDS AND CERTIFYING MILL LEVIES  
FOR THE CALENDAR YEAR 2023**

---

The Board of Directors of Blackstone Metropolitan District (the “**Board**”), City of Aurora, Arapahoe County, Colorado (the “**District**”), held a regular meeting at 7777 S. Country Club Parkway, Aurora, Colorado on November 17, 2022 at the hour of 6:00 p.m.

Prior to the meeting, each of the directors was notified of the date, time and place of the budget meeting and the purpose for which it was called and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

*[Remainder of Page Intentionally Left Blank]*



NOTICE AS TO PROPOSED 2023 BUDGET

WHEREAS, the Board has designated its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held and interested electors were given the opportunity to register their protest to the proposed budget prior to the adoption of the budget by the Board.

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

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the District for fiscal year 2023. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Levy for General Operating Expenses. For the purpose of meeting all general operating expenses of the District during the 2023 budget year, there is hereby levied a tax of \_\_.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 3. Levy for Debt Service Obligations. For the purposes of meeting all debt service obligations of the District during the 2023 budget year, there is hereby levied a tax of \_\_.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 4. Levy for Contractual Obligation Expenses. For the purposes of meeting all contractual obligations of the District during the 2023 budget year, there is hereby levied a tax of \_\_.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 5. Levy for Capital Project Expenses. For the purposes of meeting all capital project obligations of the District during the 2023 budget year, there is hereby levied a tax of \_\_.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District.

Section 6. Mill Levy Adjustment. When developing the attached budget, consideration was given to any changes in the method of calculating assessed valuation, including any changes to the assessment ratios, or any constitutionally mandated tax credit, cut or abatement, as authorized in the District's service plan. The Board hereby determines in good faith (such determination to be binding and final), that to the extent possible, the adjustments to the mill levies made to account for changes in Colorado law described in the prior sentence, and the actual tax revenues generated by the mill levies, are neither diminished nor enhanced as a result of those changes.

Section 7. Certification to County Commissioners. The Board directs its legal counsel, manager, accountant or other designee to certify to the Board of County Commissioners of Arapahoe County, Colorado the mill levies for the District as set forth herein. Such certification shall be in compliance with the requirements of Colorado law.

Section 8. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated.

Section 9. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 10. Budget Certification. The budget shall be certified by a member of the District, or a person appointed by the District, and made a part of the public records of the District.

*[Remainder of Page Intentionally Left Blank]*

ADOPTED THIS 17<sup>TH</sup> DAY OF NOVEMBER 2022.

**DISTRICT:**

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

By: \_\_\_\_\_  
Officer of the District

Attest:

By: \_\_\_\_\_

**APPROVED AS TO FORM:**

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF ARAPAHOE  
BLACKSTONE METROPOLITAN DISTRICT

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a District meeting held at 7777 S. Country Club Parkway, Aurora, Colorado on Thursday, November 17, 2022 as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 17<sup>th</sup> day of November 2022.

\_\_\_\_\_

**EXHIBIT A**  
**BUDGET DOCUMENT**  
**BUDGET MESSAGE**

**BLACKSTONE METROPOLITAN DISTRICT**  
**ANNUAL BUDGET**  
**FOR THE YEAR ENDING DECEMBER 31, 2023**

**BLACKSTONE METROPOLITAN DISTRICT  
SUMMARY  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

11/15/22

|   | ACTUAL<br>2021      | BUDGET<br>2022      | ACTUAL<br>8/31/2022 | ESTIMATED<br>2022   | BUDGET<br>2023      |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCES   | \$ 3,947,211        | \$ 3,738,438        | \$ 4,527,255        | \$ 4,527,255        | \$ 5,207,884        |
| REVENUES  |                     |                     |                     |                     |                     |
| Property taxes  | 2,838,836           | 2,893,205           | 2,883,411           | 2,893,205           | 2,838,078           |
| Specific ownership taxes  | 195,691             | 202,524             | 122,499             | 183,824             | 170,285             |
| Interest income   | 3,236               | 3,600               | 31,848              | 49,010              | 74,055              |
| Operations fee (homeowners)                                     | 631,106             | 561,660             | 457,946             | 550,000             | 600,000             |
| Operations fee (vacant lots)                                    | 8,198               | 18,228              | 3,813               | 6,500               | 4,500               |
| Working capital   | 39,835              | 61,000              | 23,210              | 35,000              | 50,000              |
| Design review fees  | 430                 | 6,000               | 1,630               | 3,500               | 4,000               |
| Legal collection fees   | 2,370               | 7,000               | 11,022              | 18,000              | 20,000              |
| Violations and late fees  | 7,068               | 6,000               | 7,247               | 12,000              | 15,000              |
| Other revenue   | 6,802               | -                   | 9,993               | 9,993               | 10,000              |
| Total revenues  | <u>3,733,572</u>    | <u>3,759,217</u>    | <u>3,552,619</u>    | <u>3,761,032</u>    | <u>3,785,918</u>    |
| TRANSFERS IN  | <u>850,229</u>      | <u>1,304,600</u>    | <u>69,152</u>       | <u>452,072</u>      | <u>2,265,545</u>    |
| Total funds available   | <u>8,531,012</u>    | <u>8,802,255</u>    | <u>8,149,026</u>    | <u>8,740,359</u>    | <u>11,259,347</u>   |
| EXPENDITURES  |                     |                     |                     |                     |                     |
| General Fund  | 161,943             | 250,000             | 146,671             | 194,303             | 264,000             |
| Debt Service Fund   | 1,769,439           | 1,553,000           | 574,461             | 1,546,432           | 1,562,000           |
| Capital Projects Fund   | 400,229             | 1,000,000           | 79,729              | 294,500             | 1,815,000           |
| Operations Fee Fund   | 774,125             | 1,138,000           | 629,664             | 1,031,325           | 1,159,000           |
| Capital Projects Fund - Regional Improvement Fund               | 47,792              | 51,843              | 51,668              | 51,843              | 232,629             |
| Total expenditures  | <u>3,153,528</u>    | <u>3,992,843</u>    | <u>1,482,193</u>    | <u>3,118,403</u>    | <u>5,032,629</u>    |
| TRANSFERS OUT   | <u>850,229</u>      | <u>1,304,600</u>    | <u>69,152</u>       | <u>452,072</u>      | <u>2,265,545</u>    |
| Total expenditures and transfers out<br>requiring appropriation | <u>4,003,757</u>    | <u>5,297,443</u>    | <u>1,551,345</u>    | <u>3,570,475</u>    | <u>7,298,174</u>    |
| ENDING FUND BALANCES  | <u>\$ 4,527,255</u> | <u>\$ 3,504,812</u> | <u>\$ 6,597,681</u> | <u>\$ 5,169,884</u> | <u>\$ 3,961,173</u> |
| EMERGENCY RESERVE   | \$ 62,500           | \$ 62,000           | \$ 56,600           | \$ 61,600           | \$ 61,400           |
| AVAILABLE FOR OPERATIONS  | 2,226,357           | 1,333,612           | 3,385,009           | 2,994,638           | 1,805,604           |
| SERIES 2017 SURPLUS FUND  | 1,042,125           | 1,042,125           | 1,042,125           | 1,042,125           | 1,042,125           |
| CAPITAL PROJECTS RESERVE  | 450,000             | 450,000             | 450,000             | 450,000             | 450,000             |
| TOTAL RESERVE   | <u>\$ 3,780,982</u> | <u>\$ 2,887,737</u> | <u>\$ 4,933,734</u> | <u>\$ 4,548,363</u> | <u>\$ 3,359,129</u> |

No assurance provided. See summary of significant assumptions.

**BLACKSTONE METROPOLITAN DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

|   | ACTUAL<br>2021       | BUDGET<br>2022       | ACTUAL<br>8/31/2022  | ESTIMATED<br>2022    | BUDGET<br>2023       |
|---|----------------------|----------------------|----------------------|----------------------|----------------------|
| <b>ASSESSED VALUATION</b>               |                      |                      |                      |                      |                      |
| Residential                             | \$ 37,701,453        | \$ 42,632,450        | \$ 42,632,450        | \$ 42,632,450        | \$ 42,869,846        |
| Commercial                              | 1,583,057            | 1,378,952            | 1,378,952            | 1,378,952            | 1,680,227            |
| State assessed                          | 2,250                | 3,720                | 3,720                | 3,720                | 916,460              |
| Personal                                | 821,497              | 900,597              | 900,597              | 900,597              | -                    |
| Vacant land                             | 2,839,541            | 1,663,976            | 1,663,976            | 1,663,976            | 1,059,326            |
| Certified Assessed Value                | <u>\$ 42,947,798</u> | <u>\$ 46,579,695</u> | <u>\$ 46,579,695</u> | <u>\$ 46,579,695</u> | <u>\$ 46,525,859</u> |
| <b>MILL LEVY</b>                        |                      |                      |                      |                      |                      |
| General                                 | 30.000               | 28.000               | 28.000               | 28.000               | 26.000               |
| Debt Service                            | 35.000               | 33.000               | 33.000               | 33.000               | 30.000               |
| Capital Projects - Regional Improvement | 1.113                | 1.113                | 1.113                | 1.113                | 5.000                |
| Total mill levy                         | <u>66.113</u>        | <u>62.113</u>        | <u>62.113</u>        | <u>62.113</u>        | <u>61.000</u>        |
| <b>PROPERTY TAXES</b>                   |                      |                      |                      |                      |                      |
| General                                 | \$ 1,288,434         | \$ 1,304,231         | \$ 1,304,231         | \$ 1,304,231         | \$ 1,209,673         |
| Debt Service                            | 1,503,173            | 1,537,130            | 1,537,130            | 1,537,130            | 1,395,776            |
| Capital Projects - Regional Improvement | 47,801               | 51,843               | 51,843               | 51,843               | 232,629              |
| Levied property taxes                   | 2,839,408            | 2,893,205            | 2,893,204            | 2,893,205            | 2,838,078            |
| Adjustments to actual/rounding          | (572)                | -                    | (9,794)              | -                    | -                    |
| Budgeted property taxes                 | <u>\$ 2,838,836</u>  | <u>\$ 2,893,205</u>  | <u>\$ 2,883,410</u>  | <u>\$ 2,893,205</u>  | <u>\$ 2,838,078</u>  |
| <b>BUDGETED PROPERTY TAXES</b>          |                      |                      |                      |                      |                      |
| General                                 | \$ 1,288,173         | \$ 1,304,232         | \$ 1,299,816         | \$ 1,304,232         | \$ 1,209,673         |
| Debt Service                            | 1,502,871            | 1,537,130            | 1,531,927            | 1,537,130            | 1,395,776            |
| Capital Projects - Regional Improvement | 47,792               | 51,843               | 51,668               | 51,843               | 232,629              |
|   | <u>\$ 2,838,836</u>  | <u>\$ 2,893,205</u>  | <u>\$ 2,883,410</u>  | <u>\$ 2,893,205</u>  | <u>\$ 2,838,078</u>  |



**BLACKSTONE METROPOLITAN DISTRICT  
GENERAL FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

|   | ACTUAL<br>2021      | BUDGET<br>2022      | ACTUAL<br>8/31/2022 | ESTIMATED<br>2022   | BUDGET<br>2023      |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCE  | \$ 1,890,549        | \$ 1,529,705        | \$ 2,268,157        | \$ 2,268,157        | \$ 3,037,138        |
| REVENUES  |                     |                     |                     |                     |                     |
| Property taxes  | 1,288,173           | 1,304,232           | 1,299,816           | 1,304,232           | 1,209,673           |
| Specific ownership taxes  | 93,274              | 94,925              | 57,416              | 86,124              | 86,538              |
| Interest income   | 1,531               | 1,450               | 16,643              | 25,000              | 42,000              |
| Other revenue   | 6,802               | -                   | -                   | -                   | -                   |
| Total revenues  | <u>1,389,780</u>    | <u>1,400,607</u>    | <u>1,373,875</u>    | <u>1,415,356</u>    | <u>1,338,211</u>    |
| Total funds available   | <u>3,280,329</u>    | <u>2,930,312</u>    | <u>3,642,032</u>    | <u>3,683,513</u>    | <u>4,375,349</u>    |
| EXPENDITURES  |                     |                     |                     |                     |                     |
| General and administrative                                      |                     |                     |                     |                     |                     |
| Accounting  | 42,558              | 52,000              | 26,627              | 45,000              | 55,000              |
| Audit   | 5,000               | 5,100               | -                   | 5,100               | 5,500               |
| County Treasurer's fee  | 19,340              | 19,563              | 19,513              | 19,563              | 18,145              |
| Directors' fees   | 1,700               | 3,500               | -                   | 600                 | 5,000               |
| Director and meeting expense                                    | -                   | 2,000               | -                   | -                   | 2,000               |
| Election expense  | -                   | 40,000              | 27,651              | 27,651              | 40,000              |
| Insurance   | 32,931              | 35,000              | 33,843              | 33,843              | 40,000              |
| Legal   | 56,792              | 65,000              | 37,649              | 60,000              | 70,000              |
| Miscellaneous   | 3,327               | 2,000               | 488                 | 1,000               | 2,000               |
| Payroll taxes   | 145                 | 268                 | -                   | 46                  | 383                 |
| Website   | 150                 | 1,500               | 900                 | 1,500               | 1,500               |
| Contingency   | -                   | 24,069              | -                   | -                   | 24,472              |
| Total expenditures  | <u>161,943</u>      | <u>250,000</u>      | <u>146,671</u>      | <u>194,303</u>      | <u>264,000</u>      |
| TRANSFERS OUT   |                     |                     |                     |                     |                     |
| Transfers to other fund   | <u>850,229</u>      | <u>1,304,600</u>    | <u>69,152</u>       | <u>452,072</u>      | <u>2,250,445</u>    |
| Total expenditures and transfers out<br>requiring appropriation | <u>1,012,172</u>    | <u>1,554,600</u>    | <u>215,823</u>      | <u>646,375</u>      | <u>2,514,445</u>    |
| ENDING FUND BALANCE   | <u>\$ 2,268,157</u> | <u>\$ 1,375,712</u> | <u>\$ 3,426,209</u> | <u>\$ 3,037,138</u> | <u>\$ 1,860,904</u> |
| EMERGENCY RESERVE   | \$ 41,800           | \$ 42,100           | \$ 41,200           | \$ 42,500           | \$ 40,200           |
| AVAILABLE FOR OPERATIONS  | <u>2,226,357</u>    | <u>1,333,612</u>    | <u>3,385,009</u>    | <u>2,994,638</u>    | <u>1,820,704</u>    |
| TOTAL RESERVE   | <u>\$ 2,268,157</u> | <u>\$ 1,375,712</u> | <u>\$ 3,426,209</u> | <u>\$ 3,037,138</u> | <u>\$ 1,860,904</u> |

**BLACKSTONE METROPOLITAN DISTRICT  
OPERATIONS FEE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

11/15/22

|   | ACTUAL<br>2021 | BUDGET<br>2022 | ACTUAL<br>8/31/2022 | ESTIMATED<br>2022 | BUDGET<br>2023 |
|---|----------------|----------------|---------------------|-------------------|----------------|
| BEGINNING FUND BALANCE  | \$ 300,936     | \$ 294,186     | \$ 215,850          | \$ 215,850        | \$ 19,100      |
| <b>REVENUES</b>   |                |                |                     |                   |                |
| Interest income   | 32             | 150            | 2                   | 10                | 305            |
| Operations fee (homeowners)                                     | 631,106        | 561,660        | 457,946             | 550,000           | 600,000        |
| Operations fee (vacant lots)                                    | 8,198          | 18,228         | 3,813               | 6,500             | 4,500          |
| Working capital   | 39,835         | 61,000         | 23,210              | 35,000            | 50,000         |
| Design review fees  | 430            | 6,000          | 1,630               | 3,500             | 4,000          |
| Legal collection fees   | 2,370          | 7,000          | 11,022              | 18,000            | 20,000         |
| Violations and late fees  | 7,068          | 6,000          | 7,247               | 12,000            | 15,000         |
| Other revenue   | -              | -              | 9,993               | 9,993             | 10,000         |
| Total revenues  | 689,039        | 660,038        | 514,863             | 635,003           | 703,805        |
| <b>TRANSFERS IN</b>   |                |                |                     |                   |                |
| Transfers from other funds                                      | -              | 205,000        | 69,152              | 199,572           | 457,295        |
| Total funds available   | 989,975        | 1,159,224      | 799,865             | 1,050,425         | 1,180,200      |
| <b>EXPENDITURES</b>   |                |                |                     |                   |                |
| Operations and maintenance                                      |                |                |                     |                   |                |
| Community activities  | 8,580          | 16,000         | 2,645               | 16,000            | 35,000         |
| Contingency   | -              | 38,000         | -                   | -                 | 35,000         |
| Design review   | 13,634         | 6,000          | 7,228               | 10,000            | 12,000         |
| Facilities management - contract                                | 47,794         | 51,000         | 28,525              | 51,000            | 53,000         |
| Facilities management - costs                                   | 5,722          | 14,000         | 16,115              | 20,000            | 25,000         |
| Legal - collections   | 10,522         | 7,000          | 26,289              | 32,000            | 30,000         |
| Security  | -              | -              | -                   | 28,325            | 24,000         |
| Miscellaneous   | 15             | 3,000          | 42,352              | 50,000            | 5,000          |
| Landscape maintenance   |                |                |                     |                   |                |
| Irrigation repairs and improvements                             | 41,858         | 51,000         | 18,706              | 30,000            | 50,000         |
| Landscape improvements  | 8,856          | 50,000         | 28,372              | 45,000            | 50,000         |
| Landscape maintenance - contract                                | 279,564        | 385,000        | 255,456             | 385,000           | 395,000        |
| Tree and shrub maintenance                                      | 20,445         | 100,000        | -                   | -                 | 25,000         |
| Grounds & park maintenance                                      |                |                |                     |                   |                |
| Grounds maintenance   | 15,725         | 31,000         | 10,183              | 15,000            | 25,000         |
| Holiday lighting  | 12,035         | 25,000         | -                   | 25,000            | 25,000         |
| Lighting  | 5,879          | 11,000         | 5,739               | 8,000             | 11,000         |
| Playground inspection and repairs                               | 4,516          | 11,000         | -                   | 4,000             | 11,000         |
| Snow removal  | 11,763         | 35,000         | -                   | 15,000            | 35,000         |
| Vandalism   | 650            | 3,000          | -                   | -                 | -              |
| Utilities   |                |                |                     |                   |                |
| Gas and electric  | 12,176         | 20,000         | 5,864               | 9,000             | 20,000         |
| Trash removal   | 152,019        | 153,000        | 91,174              | 153,000           | 153,000        |
| Water - irrigation  | 122,372        | 128,000        | 91,016              | 135,000           | 140,000        |
| Total expenditures  | 774,125        | 1,138,000      | 629,664             | 1,031,325         | 1,159,000      |
| Total expenditures and transfers out<br>requiring appropriation | 774,125        | 1,138,000      | 629,664             | 1,031,325         | 1,159,000      |
| ENDING FUND BALANCE   | \$ 215,850     | \$ 21,224      | \$ 170,201          | \$ 19,100         | \$ 21,200      |
| EMERGENCY RESERVE   | \$ 20,700      | \$ 19,900      | \$ 15,400           | \$ 19,100         | \$ 21,200      |
| TOTAL RESERVE   | \$ 20,700      | \$ 19,900      | \$ 15,400           | \$ 19,100         | \$ 21,200      |

No assurance provided. See summary of significant assumptions.

**BLACKSTONE METROPOLITAN DISTRICT  
DEBT SERVICE FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

|   | ACTUAL<br>2021      | BUDGET<br>2022      | ACTUAL<br>8/31/2022 | ESTIMATED<br>2022   | BUDGET<br>2023      |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| BEGINNING FUND BALANCE  | \$ 1,755,726        | \$ 1,564,547        | \$ 1,593,248        | \$ 1,593,248        | \$ 1,701,646        |
| REVENUES  |                     |                     |                     |                     |                     |
| Property taxes  | 1,502,871           | 1,537,130           | 1,531,927           | 1,537,130           | 1,395,776           |
| Specific ownership taxes  | 102,417             | 107,599             | 65,083              | 97,700              | 83,747              |
| Interest income   | 1,673               | 1,600               | 13,029              | 20,000              | 25,000              |
| Total revenues  | <u>1,606,961</u>    | <u>1,646,329</u>    | <u>1,610,039</u>    | <u>1,654,830</u>    | <u>1,504,523</u>    |
| Total funds available   | <u>3,362,687</u>    | <u>3,210,876</u>    | <u>3,203,287</u>    | <u>3,248,078</u>    | <u>3,206,169</u>    |
| EXPENDITURES  |                     |                     |                     |                     |                     |
| Debt Service  |                     |                     |                     |                     |                     |
| Bond interest - Series 2017                                     | 1,114,925           | 1,102,925           | 551,463             | 1,102,925           | 1,086,125           |
| Bond principal - Series 2017                                    | 300,000             | 420,000             | -                   | 420,000             | 450,000             |
| County Treasurer's fee  | 22,564              | 23,057              | 22,998              | 23,057              | 20,937              |
| Paying agent fees   | 450                 | 450                 | -                   | 450                 | 450                 |
| Repay developer advance   | 331,500             | -                   | -                   | -                   | -                   |
| Contingency   | -                   | 6,568               | -                   | -                   | 4,488               |
| Total expenditures  | <u>1,769,439</u>    | <u>1,553,000</u>    | <u>574,461</u>      | <u>1,546,432</u>    | <u>1,562,000</u>    |
| Total expenditures and transfers out<br>requiring appropriation | <u>1,769,439</u>    | <u>1,553,000</u>    | <u>574,461</u>      | <u>1,546,432</u>    | <u>1,562,000</u>    |
| ENDING FUND BALANCE   | <u>\$ 1,593,248</u> | <u>\$ 1,657,876</u> | <u>\$ 2,628,826</u> | <u>\$ 1,701,646</u> | <u>\$ 1,644,169</u> |
| SERIES 2017 SURPLUS FUND  | <u>\$ 1,042,125</u> | <u>\$ 1,042,125</u> | <u>\$ 1,042,125</u> | <u>\$ 1,042,125</u> | <u>\$ 1,042,125</u> |
| TOTAL RESERVE   | <u>\$ 1,042,125</u> | <u>\$ 1,042,125</u> | <u>\$ 1,042,125</u> | <u>\$ 1,042,125</u> | <u>\$ 1,042,125</u> |

**BLACKSTONE METROPOLITAN DISTRICT  
CAPITAL PROJECTS FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

|   | ACTUAL<br>2021 | BUDGET<br>2022 | ACTUAL<br>8/31/2022 | ESTIMATED<br>2022 | BUDGET<br>2023 |
|---|----------------|----------------|---------------------|-------------------|----------------|
| BEGINNING FUND BALANCE  | \$ -           | \$ 350,000     | \$ 450,000          | \$ 450,000        | \$ 450,000     |
| REVENUES  |                |                |                     |                   |                |
| Interest income   | -              | 400            | 2,174               | 4,000             | 6,750          |
| Total revenues  | -              | 400            | 2,174               | 4,000             | 6,750          |
| TRANSFERS IN  |                |                |                     |                   |                |
| Transfers from other funds                                      | 850,229        | 1,099,600      | -                   | 252,500           | 1,808,250      |
| Total funds available   | 850,229        | 1,450,000      | 452,174             | 706,500           | 2,265,000      |
| EXPENDITURES  |                |                |                     |                   |                |
| Capital Projects  |                |                |                     |                   |                |
| Reserve study   | -              | -              | -                   | -                 | 15,000         |
| Legal   | -              | -              | 682                 | 1,500             | -              |
| Entryways/Roundabouts   | 9,385          | 750,000        | 28,673              | 40,000            | 1,500,000      |
| Lighting  | 19,504         | 35,000         | 26,700              | 35,000            | -              |
| Monumentation   | 12,090         | -              | -                   | -                 | -              |
| Park improvements   | -              | 35,000         | -                   | -                 | -              |
| Filing 3 improvements   | -              | 30,000         | 23,674              | 30,000            | -              |
| Trees   | 359,250        | 150,000        | -                   | 188,000           | 300,000        |
| Total expenditures  | 400,229        | 1,000,000      | 79,729              | 294,500           | 1,815,000      |
| Total expenditures and transfers out<br>requiring appropriation | 400,229        | 1,000,000      | 79,729              | 294,500           | 1,815,000      |
| ENDING FUND BALANCE   | \$ 450,000     | \$ 450,000     | \$ 372,445          | \$ 412,000        | \$ 450,000     |
| CAPITAL PROJECTS RESERVE  | \$ 450,000     | \$ 450,000     | \$ 450,000          | \$ 450,000        | \$ 450,000     |
| TOTAL RESERVE   | \$ 450,000     | \$ 450,000     | \$ 450,000          | \$ 450,000        | \$ 450,000     |

**BLACKSTONE METROPOLITAN DISTRICT  
CAPITAL PROJECTS - REGIONAL IMPROVEMENT FUND  
2023 BUDGET  
WITH 2021 ACTUAL AND 2022 ESTIMATED  
For the Years Ended and Ending December 31,**

10/15/22

|   | ACTUAL<br>2021 | BUDGET<br>2022 | ACTUAL<br>8/31/2022 | ESTIMATED<br>2022 | BUDGET<br>2023 |
|---|----------------|----------------|---------------------|-------------------|----------------|
| BEGINNING FUND BALANCE  | \$ -           | \$ -           | \$ -                | \$ -              | \$ -           |
| REVENUES  |                |                |                     |                   |                |
| Property taxes - Regional mill levy                             | 47,792         | 51,843         | 51,668              | 51,843            | 232,629        |
| Total revenues  | <u>47,792</u>  | <u>51,843</u>  | <u>51,668</u>       | <u>51,843</u>     | <u>232,629</u> |
| Total funds available   | <u>47,792</u>  | <u>51,843</u>  | <u>51,668</u>       | <u>51,843</u>     | <u>232,629</u> |
| EXPENDITURES  |                |                |                     |                   |                |
| Capital Projects  |                |                |                     |                   |                |
| County Treasurer fees - Regional mill levy                      | 718            | 778            | 776                 | 778               | 3,489          |
| Regional mill levy - Payment to SARIA                           | 47,074         | 51,065         | 50,892              | 51,065            | 229,140        |
| Total expenditures  | <u>47,792</u>  | <u>51,843</u>  | <u>51,668</u>       | <u>51,843</u>     | <u>232,629</u> |
| Total expenditures and transfers out<br>requiring appropriation | <u>47,792</u>  | <u>51,843</u>  | <u>51,668</u>       | <u>51,843</u>     | <u>232,629</u> |
| ENDING FUND BALANCE   | <u>\$ -</u>    | <u>\$ -</u>    | <u>\$ -</u>         | <u>\$ -</u>       | <u>\$ -</u>    |

**BLACKSTONE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District, a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court for Arapahoe County on November 27, 2002, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes). The District operates under a Second Amended and Restated Service Plan approved on July 26, 2010.

The District was established to provide sanitation, water, streets, traffic and safety controls, parks and recreation, and other related improvements for the benefit of the taxpayers and service users within the Districts' boundaries.

As of December 31, 2015, the District had remaining voted debt authorization of approximately \$1,981,510,000. The District has not budgeted to issue any new debt during 2023. Per the District's Service Plan, the District cannot issue debt in excess of \$100,000,000.

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

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April, or in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2023, the assessment rate for single family residential property decreases to 6.95% from 7.15%. The rate for multifamily residential property, the newly created subclass, decreases to 6.80% from 7.15%. Agricultural and renewable energy production property decreases to 26.4% from 29.0%. Producing oil and gas remains at 87.5%. All other nonresidential property stays at 29%.

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

**BLACKSTONE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues (continued)**

**Aurora Regional Improvements Mill Levy**

Pursuant to the Service Plan, which is dated August 6, 2004, the District is required to impose a 1.000 mill levy for payment of the planning, designing, permitting, construction, acquisition and financing of the regional improvements described in the ARI Master Plan. The ARI Master Plan is one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the districts which constitute such ARI Authority, which master plan will change from time to time. The District is a participant in the South Aurora Regional Improvement Authority. Revenues collected and held under the ARI mill levy will be held in a segregated account for the benefit of the Authority. The required mill levy after the twentieth year is 5.000.

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 6.0% of the property taxes collected.

**Operations Fee**

The District imposes a monthly operations fee on homeowners and vacant lot owners. The fee varies between the two types of owners based on applicable costs to operate the landscape and maintenance of the District property. The fees and associated expenditures are tracked in the Operations Fee fund.

**Interest Income**

Interest earned on the District's available funds has been estimated based on historical earnings.

**Expenditures**

**General, Administrative, and Operations Expenditures**

Administrative expenditures include the services necessary to maintain the District's administrative viability such as legal, accounting, audit, managerial, insurance, banking, meeting expense and other administrative expenses. Additionally, the operations expenditures to maintain District property are detailed in the Operations Fee fund.

**County Treasurer's Fees**

County Treasurer's fees have been computed at 1.5% of property tax collections.

**Capital Outlay**

The District anticipates infrastructure improvements as displayed on page 6 of the Budget.

**BLACKSTONE METROPOLITAN DISTRICT  
2023 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures (continued)**

**Debt Service**

Principal and interest payments are provided based on the debt amortization schedule from the Series 2017 General Obligation Refunding Bonds. The District's current debt service schedule is attached.

See related notes below under Debt and Leases.

**Debt and Leases**

On June 6, 2017 the District issued General Obligation Refunding Bonds Series 2017 in the amount of \$27,415,000. The proceeds from the sale of the 2017 Bonds were used to (i) refund the District's outstanding Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2005A, (ii) fund an initial deposit of \$1,000,000 to the Surplus Account, and (iii) pay certain costs of issuance of the Bonds.

The Series 2017 Bonds bear interest at rates ranging from 2.375% to 5.000%, payable semi-annually on June 1 and December 1, beginning on December 1, 2017. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2019. The Series 2017 Bonds mature on December 1, 2047. The Series 2017 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity.

The Series 2017 Bonds are a general obligation of the District. The full faith and credit of the District are pledged for the payment of the principal of, premium, if any and interest on the Bonds. Without limiting the foregoing, the Pledged Revenue is pledged to the payment of the Bonds, on a parity with Parity Bonds, if any. "Pledged Revenue" is defined in the Bond Resolution to mean: (i) all amounts derived by the District from imposition of the Required Mill Levy and, to the extent not applied to the payment or refunding of the Series 2005A Bonds, the debt service mill levy imposed by the District in 2016 (less costs of collection and any tax refunds or abatements authorized by or on behalf of the County); and (ii) Specific Ownership Taxes. The Series 2017 Bonds are secured by amounts held by the District in the Surplus Account, if any. All of the Series 2017 Bonds shall be additionally secured by a Bond Insurance Policy issued by National Public Finance Guarantee Corp, rated A by Standard & Poor's.

The District has no operating or capital leases.

**Reserves**

**Emergency Reserves**

The District has provided an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2023, as defined under TABOR.

**This information is an integral part of the accompanying budget.**



**BLACKSTONE METROPOLITAN DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$27,415,000**

**General Obligation Refunding Bonds  
Series 2017**

**Dated June 6, 2017**

**Rates ranging from 2.375% to 5.000%  
Interest Payable June 1 and December 1  
Principal Due December 1**

**Bonds and Interest  
Maturing in the Year  
Ending December 31,**

|      | <u>Principal</u>     | <u>Interest</u>      | <u>Total</u>         |
|------|----------------------|----------------------|----------------------|
| 2023 | \$ 450,000           | \$ 1,086,125         | \$ 1,536,125         |
| 2024 | 500,000              | 1,068,125            | 1,568,125            |
| 2025 | 520,000              | 1,048,125            | 1,568,125            |
| 2026 | 565,000              | 1,035,775            | 1,600,775            |
| 2027 | 595,000              | 1,007,525            | 1,602,525            |
| 2028 | 655,000              | 977,775              | 1,632,775            |
| 2029 | 685,000              | 945,025              | 1,630,025            |
| 2030 | 755,000              | 910,775              | 1,665,775            |
| 2031 | 780,000              | 886,237              | 1,666,237            |
| 2032 | 835,000              | 860,888              | 1,695,888            |
| 2033 | 865,000              | 833,750              | 1,698,750            |
| 2034 | 940,000              | 790,500              | 1,730,500            |
| 2035 | 990,000              | 743,500              | 1,733,500            |
| 2036 | 1,070,000            | 694,000              | 1,764,000            |
| 2037 | 1,115,000            | 651,200              | 1,766,200            |
| 2038 | 1,195,000            | 606,600              | 1,801,600            |
| 2039 | 1,245,000            | 558,800              | 1,803,800            |
| 2040 | 1,330,000            | 509,000              | 1,839,000            |
| 2041 | 1,380,000            | 455,800              | 1,835,800            |
| 2042 | 1,475,000            | 400,600              | 1,875,600            |
| 2043 | 1,535,000            | 341,600              | 1,876,600            |
| 2044 | 1,630,000            | 280,200              | 1,910,200            |
| 2045 | 1,695,000            | 215,000              | 1,910,000            |
| 2046 | 1,805,000            | 147,200              | 1,952,200            |
| 2047 | 1,875,000            | 75,000               | 1,950,000            |
|      | <u>\$ 26,485,000</u> | <u>\$ 17,129,125</u> | <u>\$ 43,614,125</u> |



**CliftonLarsonAllen LLP**  
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phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

## **Special Districts Preparation SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and BLACKSTONE METROPOLITAN DISTRICT (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

### **Scope of professional services**

**Carrie Bartow, CPA** is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

### ***Ongoing normal accounting services:***

- Outsourced accounting activities
  - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
    - Cash receipts journal
    - Cash disbursements journal
    - General ledger
    - Accounts receivable journals and ledgers
    - Deposits with banks and financial institutions
    - Schedule of disbursements
    - Bank account reconciliations
    - Investment records
    - Detailed development fee records
  - Process accounts payable including the preparation and issuance of checks for approval by the Board of Directors.
  - Prepare billings, record billings, enter cash receipts, and track revenues
  - Reconcile certain accounts regularly and prepare journal entries
  - Prepare depreciation schedules

- Prepare monthly/quarterly/as requested financial statements and supplementary information, but not perform a compilation with respect to those financial statements. Additional information is provided below.
- Prepare a schedule of cash position to manage the district’s cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district’s board of directors.
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district’s board of directors in monitoring actual expenditures against appropriation/budget.
- Oversee investment of district funds based on investment policies established by the board of directors, but in any case, in accordance with State law.
- Research and make recommendations to the board of directors on financial investments and cash management matters, as requested.
- If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district’s auditors.
- If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below.
- Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required.
- Review claims for reimbursement from related parties prior to the board of directors’ review and approval.
- Read supporting documentation related to the district’s acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness. Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW. These procedures may not satisfy district policies, procedures, and agreements’ requirements. Note: our procedures should not be relied upon as the final authorization for this transaction.
- Attend board meetings as requested.
- Be available during the year to consult with you on any accounting matters related to the district.
- Review and approve monthly reconciliations and journal entries prepared by staff
- Reconcile complex accounts monthly and prepare journal entries
- Analyze financial statements and present to management and the board of directors.
- Develop and track key business metrics as requested and review periodically with the board of directors.

- Document accounting processes and procedures
- Continue process and procedure improvement implementation
- Report and manage cash flows
- Assist with bank communications.
- Perform other non-attest services.

### **Compilation services**

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

### **Preparation services – financial statements**

We will prepare the monthly/quarterly/as requested financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

### **Preparation services – annual**

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district’s auditors.

### ***Preparation services – prospective financial information (i.e., unexpired budget information)***

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management’s knowledge and belief, the entity’s expected financial position, results of operations, and cash flows for the forecast period. It is based on management’s assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast.

References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

### **Engagement objectives and our responsibilities**

The objectives of our engagement are to:

- a. Prepare monthly/quarterly/as requested financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.
- b. As requested, apply accounting and financial reporting expertise to assist you in the presentation of your monthly/quarterly/as requested financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c. Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d. Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.
- e. If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f. If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

### **Engagement procedures and limitations**

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the monthly/quarterly/as requested financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any

wrongdoing within the district or noncompliance with laws and regulations. However, if any of the foregoing are identified as a result of our engagement, we will promptly report this information to the board of directors of the district. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement, but will promptly report them to the board of directors of the district if they are identified. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

### **Our report**

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party and may not be suitable for another purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation on the Application for Exemption from Audit (if an audit is not required), we will not issue report on the Application for Exemption from Audit as a result of this engagement.

### **No assurance statements**

The monthly/quarterly/as requested financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: "No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted".

If an audit is required, the year-end financial statements prepared for use by the district's auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

### **Management responsibilities**

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed

by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management's responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district's operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a. The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b. The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c. The presentation of the supplementary information.
- d. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e. The prevention and detection of fraud.
- f. To ensure that the entity complies with the laws and regulations applicable to its activities.
- g. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h. To provide us with the following:
  - i. Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
  - ii. Additional information that may be requested for the purpose of the engagement.
  - iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the Board Treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

### **Fees, time estimates, and terms**

Our professional fees will be billed based on the time involved and the degree of responsibility and skills required. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

The hour rates currently in effect for our services are as follows:

|                         |               |
|-------------------------|---------------|
| Principal               | \$300 - \$500 |
| Chief Financial Officer | \$280 - \$385 |
| Controller              | \$220 - \$330 |
| Assistant Controller    | \$190 - \$250 |
| Senior                  | \$140 - \$190 |
| Staff                   | \$120 - \$165 |
| Administrative support  | \$110 - \$150 |

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. We will also add a technology and client support fee of five percent (5%) of all professional fees billed. The fee estimates are based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fees will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimates.

### **Use of financial statements, the annual budget, the Application for Exemption from Audit**

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.



With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial statements should not be relied on or distributed.

**Municipal advisors**

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

**Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**



Carrie Bartow, CPA  
Principal  
Carrie.Bartow@CLAconnect.com

APPROVED:

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Signature

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Title

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Date



**CliftonLarsonAllen LLP**  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111  
phone 303-779-5710 fax 303-779-0348  
**CLAconnect.com**

### **Special Districts Payroll Services SOW**

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and BLACKSTONE METROPOLITAN DISTRICT (“you” and “your”). The purpose of this SOW is to outline certain services you wish us to perform in connection with that agreement.

#### **Scope of payroll preparation services**

We will provide the following payroll preparation services from information you provide:

- For each pay period:
  - Perform payroll calculations
  - Prepare payroll checks or pay-stubs in the case of direct deposit of employee net pay
  - Initiate electronic transfer of funds for employee net pay and payroll tax deposit liabilities
  - Processing retirement plan contribution payments
  - Preparation of information needed for the retirement plan and other census information
- Prepare the following government forms annually for each calendar year-end (may be filed electronically):
  - All copies of required forms W-2 and W-3
  - Form 940 – Employers Annual Federal Unemployment Tax Return, if applicable
  - Form 943 – Employers Annual Tax Return for Agricultural Employees
  - All necessary state forms, if applicable
- If applicable, prepare the following government reporting forms for each calendar quarter-end (may be filed electronically):
  - Form 941 – Employers Quarterly Tax Return
  - State Employers Quarterly Withholding Return
  - State Employers Quarterly Unemployment Tax Return (SUTA)
  - Initiate electronic funds transfer for quarterly Federal Unemployment Tax (FUTA) liability
- Cash access services related to payroll services
  - Obtain one or more signature stamps bearing the name(s) and facsimile signature(s) of any of your officer(s) who are responsible for signing checks and bank drafts on your behalf.

- Obtain access to electronic signatures or signatures embedded into cloud-based software for the purpose of drafting payments on your behalf.
- Prepare checks to be drawn upon your bank account(s) and to use the above noted methods to thereby finally approve such checks for payment by the corresponding bank(s).
- Initiate the direct deposit of employee net pay from funds drawn upon your bank account(s).
- The following services would impair independence
  - Accept responsibility to authorize payment of client funds, electronically or otherwise, except as specifically provided for with respect to electronic payroll tax payments.
  - Accept responsibility to sign or cosign client checks, even if only in emergency situations.
  - Maintain a client’s bank account or otherwise have custody of a client’s funds or make credit for banking decisions for the client.

### **Our responsibility to you and limitations of the payroll services**

We will prepare your federal and state (if applicable) payroll forms and tax returns in accordance with the applicable payroll tax laws.

We will not audit or otherwise verify the accuracy or completeness of the information we receive from you for the preparation of the payroll and related returns, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information. However, we will inform the board of directors of the district of any material errors and of any evidence or information that comes to our attention during the performance of our payroll preparation services that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our payroll preparation services regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify deficiencies in your internal control as part of this engagement but will promptly report them to the board of directors of the district if identified. You agree that we shall not be responsible for any misstatements in your payroll that we may not identify as a result of misrepresentations made to us by you.

Our payroll preparation services will include electronically transmitting information to taxing authorities and your financial institution to facilitate the electronic transfer of funds. Authorizations for us to provide these services will be made in separate communications.

Our payroll preparation services will include transmitting federal Form W-2, federal Form 1099, and payroll data forms to federal and state taxing authorities on your behalf. Authorizations for us to provide these services will be made in separate communications.

### **Your responsibilities**

It is your responsibility to provide us with all of the information needed to prepare complete and accurate payrolls and returns. We will have no obligations with regard to a particular payroll or withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us. All necessary information should be provided to us within two days of the close of each payroll period or no later than two days prior to your payroll check date. A list of information we will require and the dates required will be provided in a separate communication.

For all nonattest services we may provide to you, including these payroll services, management agrees to assume all management responsibilities; oversee the services; by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services.

Specifically, your responsibilities include:

- Accuracy of information used in the preparation of the payrolls.
- Careful review of paychecks or pay-stubs, and payroll journals for each periodic payroll.
- Accuracy of information used in the preparation and filing of all government forms.
- Review and pre-approval of each electronic funds transfer initiated on your behalf for employee net pay amounts, payroll tax and withholding liabilities, and related benefit amounts.

You are responsible to carefully review the paper returns that we prepare on your behalf before signing and submitting them to tax authorities. You are responsible to review the paper copies of payroll forms and tax returns that were filed electronically on your behalf. We will advise you with regard to tax positions taken in the preparation of the payroll forms and tax returns, but the responsibility for the payroll forms and tax returns remains with you.

You are also responsible for the payment of payroll tax and withholding liabilities. Therefore, the Internal Revenue Service recommends that you enroll in the U.S. Department of the Treasury Electronic Federal Tax Payment System (EFTPS) to monitor your account and ensure that timely tax payments are being made for you. You may enroll in the EFTPS online at [www.eftps.gov](http://www.eftps.gov), or call 800-555-4477 for an enrollment form. Individual states have similar programs that allow you to monitor your account. A list of links by state is provided online at <http://www.americanpayroll.org/weblink/statelocal-wider/>.

### **Your responsibilities relevant to CLA's access to your cash**

Someone with management authority is responsible for the processes below. All approvals listed must be documented in writing, either electronically or manually:

- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
- Approve all payroll runs prior to cash being committed.

### **Fees**

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed. Other than annual adjustments reflecting inflation, our professional fees will not fluctuate unless there is a significant change in the number of employees, taxing jurisdictions, or in the services you wish for us to provide. If such changes should occur, we will discuss any fee adjustments with you prior to making any changes to your billing. Lastly, any additional forms that you would like us to complete will be charged at an hourly fee.

The hour rates currently in effect for our services are as follows:

|                         |               |
|-------------------------|---------------|
| Principal               | \$300 - \$500 |
| Chief Financial Officer | \$280 - \$385 |
| Controller              | \$220 - \$330 |
| Assistant Controller    | \$190 - \$250 |
| Senior                  | \$140 - \$190 |
| Staff                   | \$120 - \$165 |
| Administrative support  | \$110 - \$150 |

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are examples of services considered to be outside the scope of our engagement. We will bill you for additional services you would like us to provide at an hourly fee at periodic dates after the additional service has been performed.

- Reprocessing for corrected information provided to us subsequent to original payroll
- Preparation of non-standard reports
- Calculation of fringe benefit additions
- Processing retirement plan contribution payments
- Preparation of retirement plan and other census information
- Responding to workers compensation insurance audits
- Responding to employment verification requests
- Preparation of additional state tax registrations
- Preparation of amended payroll tax returns
- Responding to tax notices

#### **Tax examinations**

All government forms and returns are subject to potential examination by the IRS and state taxing authorities. In the event of an examination, we will be available, at your request, to assist or represent you. Services in connection with tax examinations are not included in our fee for preparation of your payroll returns. Our fee for such services will be billed to you separately, along with any direct costs.

#### **Record retention**

You are responsible for retaining all documents, records, payroll journals, canceled checks, receipts, or other evidence in support of information and amounts reported in your payroll records and on your quarterly and calendar year-end payroll forms and tax returns. These items may be necessary in the event the taxing authority examines or challenges your returns. These records should be kept for at least seven years. Your copy of the payroll forms and tax returns should be retained indefinitely.

In preparing the payrolls, payroll forms, and tax returns, we rely on your representation that you understand and have complied with these documentation requirements. You are responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of your financial records.

All of the records that you provide to us to prepare your payrolls and related forms and tax returns will be returned to you after our use. Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the records of you.

### **Tax consulting services**

This SOW also covers tax consulting services that may arise for which you seeks our consultation and advice, both written and oral, that are not the subject of a separate SOW. These additional services are not included in our fees for the preparation of the payroll and related federal and state forms and tax returns.

We will base our tax analysis and conclusions on the facts you provide to us, and will not independently verify those facts. We will review the applicable tax law, tax regulations, and other tax authorities, all of which are subject to change. At your request, we will provide a memorandum of our conclusions. Written advice provided by us is for your information and use only and is not to be provided to any third party without our express written consent.

Unless we are separately engaged to do so, we will not continuously monitor and update our advice for subsequent changes or modifications to the tax law and regulations, or to the related judicial and administrative interpretations.

### **Communications and confidentiality**

CLA will hold the information supplied by you to us in confidence and CLA will not disclose it to any other person or party, unless you authorizes us to do so, it is published or released by you, or it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

The Internal Revenue Code contains a limited privilege for confidentiality of tax advice between you and our firm. In addition, the laws of some states likewise recognize a confidentiality privilege for some accountant-client communications. You understand that CLA makes no representation, warranty or promise, and offers no opinion with respect to the applicability of any confidentiality privilege to any information supplied or communications you have with us, and, to the extent that we follow instructions from you to withhold such information or communications in the face of a request from a third party (including a subpoena, summons or discovery demand in litigation), you agree to hold CLA harmless should the privilege be determined not to apply to particular information or communications.

### **Consent to send you publications and other materials**

For your convenience, CLA produces a variety of publications, hard copy and electronic, to keep you informed about pertinent business and personal financial issues. This includes published articles, invitations to upcoming seminars, webinars and webcasts, newsletters, surveys, and press releases. To determine whether these materials may be of interest to you, CLA will need to use your tax return information. Such tax information includes your name and address as well as the business and financial information you provided to us.

By signing and dating this SOW, you authorize CLA to use the information that you provide to CLA during the preparation of your tax returns to determine whether to offer you relevant materials. Your consent is valid until further notice. If you do not wish to authorize such use, please strike out this paragraph prior to signing the SOW.

### **Legal compliance**

You agree to assume sole responsibility for full compliance with all applicable federal and state laws, rules or regulations, and reporting obligations that apply to you or your business, including the accuracy and lawfulness of any reports you submit to any government regulator, authority, or agency. You also agree to be solely responsible for providing legally sufficient substantiation, evidence, or support for any reports or information supplied by you to any governmental or regulatory body, or for any insurance reimbursement in the event that you is requested to do so by any lawful authority. Except as outlined in this SOW, CLA, its successors, affiliates, officers, and employees do not assume or undertake any duty to perform or to be responsible in any way for any such duties, requirements, or obligations.

### **Agreement**

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us by email or U.S. mail to indicate your acknowledgment and understanding of, and agreement with, this SOW.

Sincerely,

**CliftonLarsonAllen LLP**



Carrie Bartow, CPA

Principal

Carrie.Bartow@CLAconnect.com



APPROVED:

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Signature

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Title

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Date

# **LEGAL REPORT**

## April Delgado

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**From:** Altitude Community Law <hoalaw@altitude.law>  
**Sent:** Wednesday, October 5, 2022 3:34 PM  
**To:** April Delgado  
**Subject:** Blackstone Metropolitan District



### 2023 NOTICE OF LEGAL SERVICES AND FEE SUMMARY

The following is a summary of fees and charges for legal services being offered by Altitude Community Law for 2023. For more details, contact your Primary Attorney or email us today at [hoalaw@altitude.law](mailto:hoalaw@altitude.law).

**No signature is required at this time, as this is a notice only.**

**Existing clients will be billed at our new 2023 rates effective with their January billing.**

**Clients remain on their current billing structure (retainer/non-retainer, etc.) until we are notified otherwise.**

Our retainer programs reduce your association's legal expenditures and simplify the budgeting process by establishing a fixed monthly fee. This fee purchases the essential legal services your association requires, making us available to you as needed. We offer three retainer packages to better fit your needs.

#### RETAINER SERVICES AND BENEFITS

For a monthly fee of \$230, retainer clients receive the following legal services and benefits without further charges:

Phone Calls. We will engage in unlimited telephone consultations with a designated board member or association manager regarding legal and other questions and status of ongoing work we are performing for you, exclusive of litigation, foreclosure, covenant enforcement, and document amendments. Written consultations/communications such as emails, written correspondence, and calls with multiple board members at the same time will be billed at our reduced hourly rates, as will our time to review governing documents, correspondence, etc., if necessary to answer a question.

Reduced Hourly Rates. For legal services billed hourly beyond what is included in the retainer, we will provide those services at \$20 per hour less than our non-retainer rates for attorneys and \$10 per hour less than our non-retainer rates for paralegals. No rate change for legal assistants.

In-Office Consultation. We will meet with a designated board member and/or the association's manager in our office for 30 minutes on any new matter. If the meeting extends beyond the 30 minutes, you will be billed at our reduced hourly rates.

Attendance at Board Meeting. At your request, we will attend one board meeting per twelve-month period for up to one hour. While our attendance at said board meeting is provided at no charge to retainer clients, we will bill you at our reduced hourly rates for our travel time to and from the attorney's primary office location if in-person attendance is requested instead of virtually. As a retainer client, we will prioritize attending the board meeting of your choosing. If our attendance exceeds one hour, you will be billed at our reduced hourly rates.

Audit Response Letter. We will prepare a letter to your financial auditor in connection with your annual audit indicating pending or threatened litigation. We will also review your annual financial audit upon completion.

Periodic Report. We will prepare and file your periodic report with the Secretary of State if you have designated us as your registered agent.

DORA Renewal. We will prepare and file your renewal report with DORA if requested.

#### RETAINER PLUS SERVICES AND BENEFITS

For a monthly fee of \$300, we will provide the following legal services and benefits without further charges:

In addition to the services provided to Retainer clients, Retainer Plus clients will receive the following additional services:

Email Consultations. We will engage in 30 (thirty) minutes of email consultations every month with a designated board member and the association's manager regarding legal and other questions and the status of ongoing work that we are performing on your behalf, exclusive of litigation, foreclosure, covenant enforcement, and document amendment matters. Additional written consultations and communications will be billed at our reduced hourly rates. If it is necessary to review governing documents, correspondence, etc. to answer a question, you will be billed at our reduced hourly rates.

SB100 Policy Update. We will provide one free SB100 Policy update for your association.

Credit Card Payments. For Retainer Plus clients, we will accept homeowner payments via credit card.

#### PREMIUM RETAINER SERVICES AND BENEFITS

For a monthly fee of \$550, we will provide the following legal services and benefits without further charges:

In addition to the services provided to Retainer and Retainer Plus clients, Premium Retainer clients will receive the following additional services:

Email Exchanges. We will communicate with your designated board member and the association's manager via email up to 60 (sixty) additional minutes every month which includes minor research.

Attendance at One Additional Board Meeting per Year. At your request, we will attend a total of two board meetings per twelve-month period for up to one hour each. While our attendance at said board meetings is provided at no charge to retainer clients, we will bill you at our reduced hourly rates for our travel time to and from the attorney's primary office location if in-person attendance is requested instead of virtually. If our attendance exceeds one hour, you will be billed at our reduced hourly rates.

Other needed revisions to Policies required by new legislation reduced by \$100.

#### RETAINER SERVICES GENERALLY

Clients on retainer will remain on their chosen level of retainer until we are notified otherwise in writing.

#### FIXED FEE SERVICES

Altitude Community Law offers fixed fee services. The association will pay Altitude Community Law (the Firm) for performance of the services as outlined in a proposal for services, plus costs. The association understands that it is not entering into an hourly fee agreement for that specified service, except as otherwise set forth. This means the Firm will devote such time to the matter as is necessary, but the Firm's fee will not be increased or decreased based upon the number of hours spent.

#### NON-RETAINER SERVICES AND BILLING TERMS

If you desire representation on a non-retainer basis, you will be billed hourly for all work performed unless a fixed fee (such as collection matters or amendment of documents) has been agreed to in advance. Our hourly rates for 2023 non-retainer clients are \$115 - \$155 for legal assistants/paralegals, \$330 - \$350 for attorneys. Non-retainer clients are billed hourly for all phone calls.

#### TERMINATION OF REPRESENTATION

You may terminate our representation at any time by notifying us in writing and we may resign from representation by notifying you in writing. In either case, you understand that court or administrative rules may require us to obtain a judicial or administrative order to permit our withdrawal. We agree that upon receipt of your termination notice, we will take such action as is necessary to withdraw from representing you, including requesting any necessary judicial or administrative order for withdrawal. However, whether you terminate our representation, we cease performing further work and/or

withdraw from representing you, as allowed under the Colorado Rules of Professional Conduct or for your failure to comply with the terms of this Agreement, you understand and agree that you continue to be responsible to us for the payment of all fees and expenses due and owing and incurred in withdrawing from representing you, including any fees and expenses we incur to obtain, and/or during the time we are seeking to obtain, any necessary judicial or administrative order to approve our withdrawal.

If you so request, we will send to you your files in an electronic format as soon as a particular matter is concluded. If you do not request your files, the firm will keep the files for a minimum of ten (10) years, after which it may retain, destroy or otherwise dispose of them.

#### PRIVACY POLICY

Attorneys, like other professionals who provide certain financial services, are now required by federal and state laws to inform their clients of their policies regarding privacy of client information. Attorneys have been and continue to be bound by professional standards of confidentiality that are even more stringent than those required by this new law. Thus, we have always protected the privacy of your confidential information.

In the course of providing legal services, we sometimes receive significant nonpublic personal information from our clients. As a client of Altitude Community Law, you should know that all such information we receive from you is held in confidence. We do not disclose such information to anyone outside the firm except when required or authorized by applicable law or the applicable rules of professional conduct governing lawyers, or when authorized by you in writing.

We retain records relating to professional services that we provide so that we are better able to assist you with your professional needs and, in some cases, to comply with professional guidelines. In order to guard your nonpublic personal information, we maintain, physical, electronic and procedural safeguards that comply with our professional standards.

If you have any questions or would like more information about our privacy policies and practices, please let us know.

#### GENERAL TERMS FOR ALL CLIENTS

We represent the association as a corporate entity. We will take our direction for work as instructed by the manager or the board. We do not represent any individual board members or homeowners.

Clients are required to reimburse us for cost advances and other out-of-pocket expenses. Reimbursement is made at actual cost for outside charges such as court recording fees, filing fees, service of process charges, computerized legal research, expert witness fees, title searches, deposition reporting and transcription fees, outside photocopying, etc. Typically, we do not charge for internal photocopies, faxes, postage and long-distance telephone calls unless these charges are extraordinary. We provide monthly statements for services and expenses incurred. Unless other arrangements are made and agreed upon in writing, all charges are due and payable upon your receipt of the statement. A finance charge of 12% per annum may be imposed upon any amount not paid within 30 days of becoming due. Fees may be modified upon 30 days prior written notice. If it becomes necessary to file suit to recover unpaid attorney fees, the prevailing party shall be entitled to receive its attorney fees.

In the event we have not been provided with, or our files do not contain, all of the recorded documents of the association, we retain the right to obtain any such recorded documents to supplement our file without association approval and at the association's cost. The association's cost will include, but not be limited to, hourly charges for procuring the documents and copying costs. In order to provide you with the most efficient and effective service we will, at all times, unless otherwise directed, work through your manager if appropriate.

Please see Exhibit A to Legal Services and Fee Summary Agreement for 2023 Legal Collection Services.

Should you have any questions, please do not hesitate to call any of our attorneys. We are happy to answer any of your questions or meet with you at no charge to discuss our services and fees in greater detail.

## EXHIBIT A TO LEGAL SERVICES AND FEE SUMMARY AGREEMENT FOR 2023 LEGAL COLLECTION SERVICES

### Fee Structure

This is a flat fee agreement for collection services. The Association will pay Altitude Community Law (the Firm) for performance of the services described below, plus costs. The Association understands that it is not entering into an hourly fee agreement for collection services, except as otherwise set forth below. This means the Firm will devote such time to the representation as is necessary, but the Firm's fee will not be increased or decreased based upon the number of hours spent.

The Association has the right to terminate the representation at any time and for any reason, and the Firm may terminate the representation in accordance with Rule 1.16 of the Colorado Rules of Professional Conduct. In the event that the Association terminates the representation without wrongful conduct by the Firm that would cause the Firm to forfeit any fee, or the Firm justifiably withdraws in accordance with Rule 1.16 from representing the Association, the Association shall pay, and the Firm shall be entitled to, the fee or part of the fee earned by the Firm as described in paragraph 1 above, up to the time of termination. If the representation is terminated between the completion of increments (if any), the Association shall pay a fee based on our standard hourly rate set forth in our standard fee agreement. However, such fees shall not exceed the amount that would have been earned had the representation continued until the completion of the increment, and in any event all fees shall be reasonable. Once the work is performed, the Fee will be deemed earned and is due upon receipt of an invoice.

#### Case Intake, Review and Assessment - No charge

We do not charge you to review new collection cases and make recommendations. However, if we receive open collection files from another attorney, there will be a \$25 set-up and review fee per file. This fee will be waived if you are a retainer client.

At the rates set here in, upon receiving a new turnover, we will perform the following work for due diligence and to put the Association in the best possible collection position: Assessment Lien Package (if a lien has not already been recorded), Demand Letter, Public Trustee Search, and Bankruptcy Search. Next steps after this work depends on the homeowner's response, balance due, history, information acquired, and other factors.

#### Demand Letter - \$155

Preparation of a demand letter includes reviewing the ledger or equivalent record to ascertain the amounts owed including interest, late charges, fines and charge backs, if relevant, and review prior notice given to owner to meet statutory requirements; drafting and mailing the demand letter to the homeowner; follow-up, including telephone calls with the management company and homeowner, negotiation of an acceptable payment plan; follow up letter (as needed) to confirm payment arrangements. All correspondence other than the initial demand and payment plan letter is \$50 per letter (e.g., follow up demand letter, breach of payment plan letter).

#### Super Lien Demand Letter - \$110

Preparation of a demand letter post foreclosure includes reviewing ledger to ascertain amounts owed; verifying party to whom demand should be sent; drafting and mailing demand letter: or if request is received from a lender for the super lien amount, drafting a response. All discussions with the owner or lender after the letter are billed hourly.

#### Assessment Lien Package - \$110

This charge includes preparing both the lien and the lien release. It also includes verification of ownership with either the assessor's office or title company.

#### Lawsuit: - \$455 plus costs

This charge includes preparing the summons and complaint, filing these papers with the court, appearing at the return date and obtaining default judgment. It also includes all negotiations and telephone conferences with the owners prior to an answer being filed with the court.

#### Lawsuit: Trial - Hourly rates apply

All preparation for trial and appearances in court are billed on an hourly basis. If the association prevails at trial, it can recover its attorney fees and costs from the delinquent owner.

#### Interrogatories - \$130

We prepare and file a motion with the court to request the court to order an owner to answer a series of questions from us about the owner's assets. We will use the answer to help satisfy any judgment obtained by the association. We will also arrange for service of the order on the client and monitor and evaluate answers received from the owner.

#### Contempt Citation - \$155

If an owner fails to answer the interrogatories as ordered by the court, we will prepare and file all the necessary paperwork to require the owner to appear before the judge to explain why the questions were not answered. Our fee also includes our appearance at court, subsequent appearance if the owner fails to appear initially and review and evaluation of the answers once received from the owner.

#### Garnishments - \$155 (each)

We will identify entities (usually banks, employers or tenants) which owe or have money of the owner and prepare documentation to be filed with the court to order the entity to release all or a portion of the money they hold for or are obligated to pay the owner to the association. We will arrange for service of the necessary documentation and will monitor for responses.

#### Payment Plans - \$125 - \$225 (each)

We will charge a fee depending upon the length of the payment plan to prepare the necessary documentation, monitor and process payments and close the file. Unless we are instructed otherwise, we may agree to payment plans of up to 24 months with any homeowner. We request that interest and late fees not be added to the ledger during payment plans, as long as the homeowner pays as agreed. Monthly payments amounts are calculated based on no additional interest or late fees being incurred during the payment plan.

#### Motions - \$150 - \$200

Occasionally, certain motions may be necessary in a case in order to get the court to issue a ruling without further legal action. These will be prepared, filed, monitored and argued before the court, if necessary.

#### Outbound Phone Calls - \$55

Once we obtain a phone number for an owner, we will make up to 3 outbound calls to an owner to secure payment. All other calls with an owner will be at no charge.

#### Payoff Calculations - \$130

It is important for your management company or treasurer to confirm all payoff amounts with us prior to issuing status letters or advising owners of balances so that all legal costs and fees can be included. We will also insure that all fees necessary to close or dismiss a file are included. Rush charges do apply.

#### Monitoring Lender Foreclosure - \$220 (one-time charge)

It is important to monitor lender foreclosure through the sale and redemption period. We obtain periodic ownership and encumbrance reports, if needed, and routinely verify the status of the foreclosure action. We advise you of the association's rights and options throughout the process. Once a sale is completed, we advise the association of the new owner and the association's rights.

#### Monitoring Bankruptcy - \$230 Chapter 7; \$360 Chapter 13 (one-time charge)

We prepare and file a Proof of Claim, if necessary, monitoring the bankruptcy through discharge. Our services include reviewing the plan (if Chapter 13) to make sure it includes provisions for payment of pre- and post-petition assessments, and checking with the trustee and debtor's attorney to determine if property has been abandoned. If it becomes necessary to file any motion with the court, we charge fixed fees as follows:

Motion to Dismiss: \$595

Motion for Relief from Stay: \$795

Objection to Plan: \$395

All preparation for and appearances in court are charged on an hourly basis.

#### Assessment Increase Notice - \$395

We prepare notice to bankruptcy court of any increase in ongoing debt owed to the association upon receipt of notice from you, including filing proof of claim and letter to bankruptcy attorney or debtor.

Public Trustee/Bankruptcy Search - \$30 (each)

Verifying whether a property is in foreclosure or subject to a bankruptcy before filing a lawsuit can save the association hundreds of dollars. So, we will search both the public trustee and bankruptcy records and then advise the association if different action is necessary.

Receiverships (County Court) - \$450 initial, then hourly. Costs are approximately \$250

We will prepare pleadings and appear in court to obtain appointment of a receiver to collect rents where the property is abandoned or being rented by the owner. Once appointed, we supervise disbursement of the monies collected by the receiver at an hourly rate.

Lien/Judicial Foreclosures (District Court) - Hourly rates apply

We recommend foreclosure be considered a viable collection remedy in all problem cases. Our fee is based on complexity of circumstances and should reflect value you will receive from monetary results of the foreclosure.

Lien Sales - \$500

We list all liens that are potentially available for sale on our website at <https://Altitude.Law/general-topics/liens-for-sale/> at no cost. In the event a lien is sold we collect our fee from the purchaser of the lien. In order to handle quickly, within the legal time limits, we reserve the right to sell liens, without prior approval if the purchase price is equal to or more than the balance due.

Status Report - \$75/month (if not accessed electronically)

We provide online access to each association's collection status report. For more information please contact us. If your association chooses to have us prepare your status report, there will be a monthly fee.

Asset/Person Locations - \$25 - \$100

From time to time we must locate debtors and/or their assets in order to secure payment for you. We will use various databases for which there is a cost to us, to secure possible leads. This information is then reviewed and analyzed to develop the best strategy for quickly and efficiently securing payments.



**BLACKSTONE METROPOLITAN DISTRICT  
ANNUAL ADMINISTRATIVE RESOLUTION  
(2023)**

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WHEREAS, Blackstone Metropolitan District (the “**District**”) was organized as a special district pursuant to an Order and Decree of the District Court in and for the County of Arapahoe, Colorado (the “**County**”) and is located entirely within the City of Aurora, Colorado; and

WHEREAS, the Board of Directors of the District (the “**Board**”) has a duty to perform certain obligations in order to assure the efficient operation of the District and hereby directs its consultants to take the following actions.

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

1. The Board directs the District’s legal counsel to cause an accurate map of the District’s boundaries to be prepared in accordance with the standards specified by the Division of Local Government (“**Division**”) and to be filed in accordance with § 32-1-306, C.R.S.

2. The Board directs the District’s legal counsel to notify the Board of County Commissioners, the County Assessor, the County Treasurer, the County Clerk and Recorder, the governing body of any municipality in which the District is located, and the Division of the name of the chairman of the Board, the contact person, telephone number, and business address of the District, as required by § 32-1-104(2), C.R.S.

3. The Board directs the District’s legal counsel to prepare and file with the Division, within thirty (30) days of a written request from the Division, an informational listing of all contracts in effect with other political subdivisions, in accordance with § 29-1-205, C.R.S.

4. The Board directs the District’s accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by §§ 11-58-101, *et seq.*, C.R.S.

5. The Board directs the District’s accountant to: (a) obtain proposals for auditors to be presented to the Board; (b) cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and (c) cause the audit to be filed with the State Auditor by July 31st, or by the filing deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the District’s accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31st in accordance with § 29-1-604, C.R.S.

6. The Board directs the District’s legal counsel, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, to cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District the District’s audit report or a copy of its application for exemption from audit in accordance with § 29-1-606(7), C.R.S.

7. The Board directs the District's accountant to submit a proposed budget to the Board by October 15th, to prepare the final budget and budget message, including any amendments thereto, if necessary, and directs the District Manager to schedule a public hearing on the proposed budget and/or amendments, and to post or publish notices thereof, and the District Manager file the budget, budget resolution and budget message with the Division on or before January 30th, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

8. The Board directs the District's accountant to monitor all expenditures and, if necessary, to notify the District's legal counsel, Manager, and the Board when expenditures are expected to exceed appropriated amounts, and directs legal counsel to prepare all budget amendment resolutions and directs District Manager to schedule a public hearing on a proposed budget amendment and to post or publish notices thereof and to file the amended budget with the Division on or before the date of making such expenditure or contracting for such expenditure, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

9. The Board directs legal counsel to cause the preparation of the Unclaimed Property Act report and submission of the same to the State Treasurer by November 1st if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with § 38-13-110, C.R.S.

10. The Board directs the District's accountant to prepare the mill levy certification form and directs the District's accountant to file the mill levy certification form with the Board of County Commissioners on or before December 15th, in accordance with § 39-5-128, C.R.S.

11. The Board directs that all legal notices shall be published in accordance with § 32-1-103(15), C.R.S.

12. The Board determines that each director shall receive compensation for their services as directors subject to the limitations set forth in §§ 32-1-902(3)(a)(I) & (II), C.R.S.

13. The District hereby acknowledges, in accordance with § 32-1-902, C.R.S., the following officers for the District:

|                      |               |
|----------------------|---------------|
| Chairman/President:  | Shawn McGoff  |
| Assistant Treasurer: | Perry Deeds   |
| Treasurer:           | Lee McCall    |
| Secretary:           | Rick Schroder |
| Director:            | [_____]       |
| Recording Secretary: | Legal Counsel |

14. The Board hereby determines that each member of the Board shall, for any potential or actual conflicts of interest, complete conflicts of interest disclosures and directs legal counsel to file the conflicts of interest disclosures with the Board and with the Colorado Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board, in accordance with § 32-1-902(3)(b) and § 18-8-308, C.R.S. Written disclosures provided by Board

members required to be filed with the governing body in accordance with § 18-8-308, C.R.S., shall be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to legal counsel regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections, or deletions to said conflicts of interest disclosures.

15. The Board confirms its obligations under § 24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.

16. The Board hereby appoints legal counsel as the official custodian for the maintenance, care, and keeping of all public records of the District, in accordance with §§ 24-72-202, *et seq.*, C.R.S. The Board hereby directs its legal counsel, accountant, manager, and all other consultants to adhere to the Colorado Special District Records Retention Schedule as adopted by the District.

17. The Board directs the District Manager to post notice of all regular and special meetings in accordance with § 32-1-903(2) and § 24-6-402(2)(c), C.R.S. The Board hereby designates [www.blackstonemetro.org](http://www.blackstonemetro.org) as the District's website for the posting of its regular and special meeting notices. The Board also hereby designates, unless otherwise designated by the Board, \_\_\_\_\_ as the location the District will post notices of meetings in the event of exigent or emergency circumstances which prevent the District from posting notice of the meeting on the District's website. The Board directs the District Manager to provide the website address set forth above to the Department of Local Affairs for inclusion in the inventory maintained pursuant to § 24-32-116, C.R.S.

18. The Board determines to hold regular meetings on the third Thursday of March, May, July, September, and November at 6:00 p.m. at Blackstone Country Club, 7777 S. Country Club Parkway, Aurora, Colorado and the third Thursday of February, April, June, August, and October at 6:00 p.m. by telephone, electronic, or other means not including physical presence. All notices of meetings shall designate whether such meeting will be held by electronic means, at a physical location, or both, and shall designate how members of the public may attend such meeting, including the conference number or link by which members of the public can attend the meeting electronically, if applicable.

19. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in § 24-6-402(2)(c), C.R.S., provided that any actions taken at such emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.

20. For the convenience of the electors of the District, and pursuant to its authority set forth in § 1-13.5-1101, C.R.S., the Board hereby deems that all regular and special elections of the District shall be conducted as independent mail ballot elections in accordance with §§ 1-13.5-1101, *et seq.*, C.R.S., unless otherwise deemed necessary and expressed in a separate election resolution adopted by the Board.

21. Pursuant to the authority set forth in § 1-1-111, C.R.S., the Board hereby appoints Ashley B. Frisbie, as the Designated Election Official (the “DEO”) of the District for any elections called by the Board, or called on behalf of the Board by the DEO, and hereby authorizes and directs the DEO to take all actions necessary for the proper conduct of the election, including, if applicable, cancellation of the election in accordance with § 1-13.5-513, C.R.S.

22. In accordance with § 1-11-103(3), C.R.S., the Board hereby directs the DEO to certify to the Division the results of any elections held by the District and, pursuant to § 32-1-1101.5(1), C.R.S., to certify results of any ballot issue election to incur general obligation indebtedness to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District and file a copy of such certification with the Division of Securities.

23. The Board directs legal counsel to cause a notice of authorization of or notice to incur general obligation debt to be recorded with the County Clerk and Recorder within thirty (30) days of authorizing or incurring any indebtedness, in accordance with § 32-1-1604, C.R.S.

24. Pursuant to the authority set forth in § 24-12-103, C.R.S., the Board hereby designates, in addition to any officer of the District, Allison L. Hanson of the law firm of White Bear Ankele Tanaka & Waldron, Attorneys at Law, as a person with the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion.

25. The Board directs legal counsel to cause the preparation of and filing with the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, if requested, the application for quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.

26. The Board directs legal counsel to cause the preparation of and the filing with the Board of County Commissioners or the governing body of any municipality in which the District is located, the Division, the State Auditor, the County Clerk and Recorder, and any interested parties entitled to notice pursuant to § 32-1-204(1), C.R.S., an annual report in accordance with § 32-1-207(3)(c), C.R.S.

27. The Board directs legal counsel to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District’s liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the District’s accountant to pay the annual SDA membership dues, agency fees, and insurance premiums, as applicable, in a timely manner. The Board appoints legal counsel to designate the proxy for the SDA Annual meeting for voting and quorum purposes.

28. The Board hereby opts to include elected or appointed officials as employees within the meaning of § 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs legal counsel to obtain workers’ compensation coverage for the District.

29. The Board hereby directs legal counsel to prepare the disclosure notice required by § 32-1-809, C.R.S., and to disseminate the information to the electors of the District accordingly.

Further, the Board hereby designates the following website as the District's official website for the purposes thereof: [www.blackstonemetro.org](http://www.blackstonemetro.org).

30. The Board hereby directs legal counsel to prepare and record with the County Clerk and Recorder updates to the disclosure statement notice and map required by § 32-1-104.8, C.R.S., if additional property is included within the District's boundaries.

31. In accordance with § 38-35-109.5(2), C.R.S., the District hereby designates the President of the Board as the official who shall record any instrument conveying title of real property to the District within thirty (30) days of any such conveyance.

32. The Board hereby affirms the adoption of the corporate seal in substantially the form appearing on the signature page of this resolution in accordance with § 32-1-902, C.R.S., regardless of whether initially produced electronically or manually. The requirement of any District resolution, proceeding or other document to "affix" the District seal thereto, including for the purpose of satisfying any applicable State law, shall be satisfied by manual impression or print, facsimile reproduction or electronic reproduction, or inclusion of the image of such seal. Without limiting the foregoing, any electronic production or reproduction of the image of the seal shall constitute an electronic record of information, as defined in the Uniform Electronic Transactions Act, and the Board hereby authorizes its use in accordance with the authority provided by § 24-71.3-118, C.R.S.

33. The Board directs the District's accountant to prepare and submit the documentation required by any continuing disclosure obligation signed in conjunction with the issuance of debt by the District.

34. The Board directs legal counsel to monitor, and inform the Board of, any legislative changes that may occur throughout the year.

***[Remainder of Page Intentionally Left Blank, Signature Page Follows]***

ADOPTED THIS 17<sup>TH</sup> DAY OF NOVEMBER 2022.

(SEAL)

**DISTRICT:**

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

By: \_\_\_\_\_  
Officer of the District

Attest:

By: \_\_\_\_\_

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

**CERTIFICATION OF RESOLUTION**

I hereby certify that the foregoing constitutes a true and correct copy of the resolution of the Board adopted at a meeting held on November 17, 2022, at 7777 S. Country Club Parkway, Aurora, Colorado and via teleconference.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 17<sup>th</sup> day of November, 2022.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

**AMENDED AND RESTATED  
CROSS-ACCESS EASEMENT AGREEMENT**

This AMENDED AND RESTATED CROSS-ACCESS EASEMENT AGREEMENT (“**Agreement**”) is made and entered this \_\_\_\_ day of \_\_\_\_\_ 2022 (the “**Effective Date**”), by and between **CC BLACKSTONE, LLC**, a Nevada limited liability company (“**Blackstone**”), whose address is 3030 LBJ Freeway, Ste. 500, Dallas, Texas 75234, and **BLACKSTONE METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), whose address is c/o White Bear Ankele Tanaka and Waldron, 2154 E. Commons Ave., Suite 2000, Centennial, CO 80122. Blackstone and the District are referred to herein individually as a “**Party**” and collectively as the “**Parties.**”

**RECITALS**

A. Blackstone CC, LLC, a Colorado limited liability company, and East Plains Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado, executed that certain Cross Access Easement Agreement dated October 19, 2009, and recorded at Reception No. B9114898, Arapahoe County Clerk and Recorder (the “**2009 Agreement**”).

B. Blackstone is the successor-in-interest to Blackstone CC, LLC, and the District is the successor-in-interest to East Plains Metropolitan District.

C. Blackstone owns or is responsible for maintaining certain real property located in Aurora, Colorado, as more particularly depicted on **Exhibit A** attached hereto and incorporated herein by this reference (the “**Blackstone Property**”).

D. The District owns or is responsible for maintaining certain real property located in Aurora, Colorado, as more particularly depicted on **Exhibit A** attached hereto and incorporated herein by this reference (the “**District Property**”).

E. Blackstone is also responsible for the maintenance of certain tree lawns within the City of Aurora right-of-way, pursuant to Aurora Municipal Code Section 142-75, such tree-lawns are depicted on **Exhibit A** (the “**Blackstone Tree Lawns**”).

F. Lennar Colorado, LLC, a Colorado limited liability company, constructed an entry monument sign on Lot 1, Block 1, High Plains Country Club Filing No. 5, which property is owned by Blackstone and is generally located on the northwest corner of E. Mineral Place and S. Monaghan Road, as more particularly described on **Exhibit B** (the “**Entry Monument**”).

G. Blackstone has agreed to maintain certain portions of the District Property, and the District has agreed to maintain certain portions of the Blackstone Property and Blackstone Tree Lawns, all as more particularly set forth in this Agreement.

H. Blackstone has further agreed to allow the District to maintain and improve the Entry Monument as more particularly set forth in this Agreement.

I. Blackstone and the District desire to grant to each other cross-access easements for the purpose of conducting such maintenance and improvements as more particularly set forth in this Agreement. As a result, the 2009 Agreement is hereby terminated and no longer in force or effect as of the Effective Date of this Agreement and is hereby superseded and replaced in its entirety by this Agreement.

## AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements hereinafter set forth, and for good and valuable consideration, the adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Definitions. The following terms have the respective meanings set forth below:
  - a. “Owner” and “Owners” means Blackstone and the District, individually or collectively, and their respective successors or assigns.
  - b. “Permittees” means the Owners’ respective employees, agents, contractors, and representatives.
  - c. “Property” or “Properties” means the Blackstone Property and the District Property, individually and collectively.
2. Maintenance Obligations.
  - a. The District shall maintain in good condition and repair, or cause to be maintained and kept in good condition and repair, at its sole cost and expense, the Entry Monument and the portions of the Blackstone Property depicted with shading on **Exhibit A** and legally described on **Exhibits** \_\_\_ through \_\_\_ attached hereto and incorporated herein by this reference (the “**District Easement Areas**”).
  - b. Blackstone shall maintain in good condition and repair, or cause to be maintained and kept in good condition and repair, at its sole cost and expense, the portions of the District Property depicted in cross-hatch on **Exhibit A** and legally described on **Exhibits** \_\_\_ through \_\_\_ attached hereto and incorporated herein by this reference (the “**Blackstone Easement Areas**,” and, together with the District Easement Areas, the “**Easement Areas**”).
  - c. The obligation of each Owner with respect to the Easement Areas that such Owner is required to maintain hereunder shall include, but shall not be limited to, the following:
    - i. Mowing, irrigating (including the cost of any water used), fertilizing, aerating, weed control, and general landscape maintenance of all landscaped areas, and removing all trash and debris to the extent reasonably necessary, to keep such Easement Areas in a neat, clean, and orderly condition;
    - ii. Removal of snow or ice on walkways as reasonably necessary;



iii. Keeping the Easement Areas in a safe, clean condition and in compliance in all respects with all laws, orders, ordinances, and all governmental, health, fire, and police rules, requirements, and regulations; and

iv. Repairing and maintaining the irrigation systems.

d. The District shall maintain, and may improve, alter, use, or remove the Entry Monument, at its sole cost and expense. The District may also provide additional landscape enhancements around the Entry Monument, including planting beds, and may display seasonal décor on or adjacent to the Entry Monument, so long as such additional landscape enhancements and seasonal décor are within the District Easement Areas.

e. The District shall repair and maintain, which maintenance includes painting, the metal fencing and masonry columns directly adjacent to the District Easement Area depicted in Exhibit \_\_\_\_; however, the Parties shall split any such repair and maintenance costs (meaning the actual out-of-pocket costs) equally.

f. Each Owner shall perform any such maintenance activities in such a manner as to not disrupt the other Owner's business operations or use and enjoyment of their respective Properties. To the extent permitted by law, if at all, the Owner performing or causing such maintenance to be performed shall indemnify and hold the other Owner harmless from and against any and all liabilities, costs, expenses, damages and claims (including, without limited, claims for personal injury or death and attorneys' fees) arising or resulting from such Owner's negligent performance of or failure to perform such maintenance work. Each Owner shall give the other Owner prompt and timely notice of any claim made or suit or action commenced which, in any way, could result in indemnification hereunder.

### 3. Blackstone Tree Lawns.

a. The District shall maintain in good condition and repair, or cause to be maintained and kept in good condition and repair, at its sole cost and expense, the Blackstone Tree Lawn. Maintenance includes mowing, irrigating, fertilizing, aerating, grass trimming and removing snow from the sidewalk, within the Blackstone Tree Lawn. Blackstone is responsible for the cost of any water used on the Blackstone Tree Lawns.

b. Blackstone is responsible, at its sole cost and expense, for the installation of new plant material and the continued replacement of all plant material (including all existing dead or dying plant material), except for replacement of plant material as a result of damage caused by or lack of maintenance by the District or any person acting on behalf of the District.

c. The District or its designee is responsible for the repair and maintenance of the irrigation systems on the Blackstone Tree Lawn to the extent such repair and maintenance is due to ordinary wear and tear; however, such repair costs with respect to the Blackstone Tree Lawn shall not exceed \$\_\_\_\_ annually. Blackstone is responsible for repairs to the irrigation system on the Blackstone Tree Lawn which are not occasioned by ordinary wear and tear (such as mainline failure, acts of god, vandalism, theft, etc.), and the cost of any repairs exceeding \$\_\_\_\_ annually. Blackstone is also responsible for any damage caused by Blackstone or any person acting on behalf of Blackstone.

d. Blackstone is responsible for the repair and maintenance of the metal fencing and masonry columns directly adjacent to the Blackstone Tree Lawn.

4. Cross-Access Easements. Blackstone hereby grants and conveys to the District and its Permittees, in common with others entitled to use the same, a non-exclusive easement (the “**District Easement**”) over, across, under, and through the District Easement Areas for the purpose of performing the maintenance and improvement obligations to be performed by the District pursuant to this Agreement. The District hereby grants and conveys to Blackstone and its Permittees, in common with others entitled to use the same, a non-exclusive easement (the “**Blackstone Easement**”) over, across, under, and through the Blackstone Easement Areas for the purpose of performing the maintenance obligations required to be performed by Blackstone pursuant to this Agreement.

5. Unimpeded Access. The Owners shall not construct any barricade or other divider to the Easement Areas, and neither Owner shall prohibit or discourage access and maintenance of the Easement Areas by the other Owner.

6. Nature and Effect of Easements and Restrictions. All of the easements, covenants, restrictions, and provisions contained in this Agreement:

a. Are made for the direct, mutual, and reciprocal benefit of the Owners and Permittees of the respective Properties;

b. Create mutual equitable servitudes upon each Property in favor of the other Property;

c. Constitute covenants running with the land; and

d. Are appurtenances to the affected Property. Neither Owner may transfer, assign, or encumber any of the easements, restrictions, or rights, except as an appurtenance to such Property. For the purposes of such easements and rights, the Property that is benefitted by such easements, restrictions, and rights constitutes the dominant estate, and the Property that is burdened by such easements, restrictions, and rights constitutes the servient estate.

7. Taxes and Assessments. Each Owner shall pay, or cause to be paid prior to delinquency, all taxes and assessments with respect to its Property, and all improvements and personal property located thereon or therein. Nothing contained in this subsection prevents any Owner from contesting, at its sole cost and expense, any such taxes and assessments with respect to its Property in any manner such Owner elects, so long as such contest is maintained with reasonable diligence and in good faith. At the time that such contest is concluded, the contesting Owner shall promptly pay all such taxes and assessments determined to be owing, together with all interest, penalties, and costs thereon.

8. Enforcement and Remedies.

a. Default. An Owner defaults under this Agreement if it fails, in any material respect, to perform its maintenance obligations hereunder with respect to the Easement Areas required to be maintained by such Owner, thirty (30) days after receipt of written notice of such failure from the other Owner (except that, in the case of any failure that cannot reasonably be remedied within thirty (30) days, the non-defaulting Owner shall extend such thirty- (30) day period for an additional period of time as is reasonably necessary to effect the cure, provided the defaulting Owner has commenced its efforts to cure within the thirty- (30) day period and thereafter diligently pursues the same to completion).

b. Remedies. If either Owner defaults under this Agreement as set forth above, the non-defaulting Owner may perform, on behalf of the defaulting Owner, the maintenance that the defaulting Owner fails to perform. In the case of an emergency, the non-defaulting Owner, in its reasonable discretion, may perform any maintenance that the defaulting Owner fails to perform without having to first provide the thirty (30) day notice prescribed by Section 9(a), above. If the non-defaulting Owner cures any default by the defaulting Owner hereunder pursuant to this Section 9, the defaulting Owner shall reimburse the non-defaulting Owner, within thirty (30) days after demand therefore, an amount equal to the out-of-pocket costs and expenses incurred by the non-defaulting Owner in curing the defaulting Owner's default hereunder. In addition to the foregoing, any Owner may enforce the terms and provisions of this Agreement by any proceeding at law or in equity. The failure by any Owner to enforce this Agreement or any term or provision hereof is not a waiver of the right to do so thereafter.

c. Mechanic's Liens. Each Owner shall pay for all costs and expenses incurred in connection with any maintenance or other work performed on behalf of such Owner pursuant to this Agreement (the "**Maintenance Costs**") in a prompt and timely fashion, so that no claim for mechanic's liens or any other payment claim may be asserted against the other Owner hereto or the Properties. In the event any such mechanic's lien is recorded against either Property due to a failure of an Owner to pay Maintenance Costs, such Owner shall cause the lien claim to be released and discharged of record within thirty (30) days after the recordation of the lien claim. If the Owner desires to contest any claim of lien, the Owner may do so only if within such thirty- (30) day period the Owner posts adequate security with a court of competent jurisdiction and obtains an order discharging the lien of record, as then provided by the Colorado mechanics' lien statute. If the lien release is not secured by the Owner within the timeframe set forth above, then the other Owner, at its election, may secure the release of the Property that is the subject of the lien from the lien claim, whether by payment, bonding, or otherwise, and the curing Owner may recover all costs and expenses from the other Owner, including reasonable attorneys' fees, that such curing Owner may incur in connection therewith, together with interest thereon at the rate of 18% per annum on the amount so advanced until repaid.

9. Not a Public Dedication. Nothing herein contained is a gift or dedication of any portion of the Properties to the general public, nor for any public use or purpose whatsoever. Each granting Owner reserves the right to close off those portions of the Easement Areas located on such Owner's Property for such reasonable period of time as may be legally necessary to prevent the acquisition of prescriptive rights by anyone; provided, however, that prior to closing off any portion of the Easement Areas, as herein provided, such granting Owner shall give written notice to the other Owner of its intention to do so, and shall attempt to coordinate such closing with the

other Owner so that no reasonable interference in access to and maintenance of the Easement Areas occurs.

10. Property Title. This Agreement does not convey any fee simple interest or any other right or interest in or to the Properties except for the limited rights and purposes specifically granted herein, and this Agreement covers no property other than the Properties.

11. Owner's Rights. Each Owner hereunder reserves and retains the rights to (a) grant other rights and easements across, over, or under such Owner's respective property to such other persons and entities as such Owner deems proper; provided, however, that such other grant does not unreasonably interfere with the use of the Property by the other Owner for the purpose set forth herein, and (b) use the land within Owner's respective property for any purpose consistent with the rights herein conveyed. The Easement granted over, through, and across the District Easement Area is further subject to golf related operations and activities conducted at, from, or in the vicinity of the adjacent golf course, as the case may be, including without limitation: (a) retrieval of golf balls, including the right to enter on nonenclosed or nonbarricaded portions of the District Easement Area for that purpose; (b) free and unobstructed flight of golf balls over, across, or upon the District Easement Area, as the case may be; (c) play of golf, including the doing of every act necessary and incident to the playing of golf; and (d) overspray of herbicides, fungicides, pesticides, fertilizer, and water over portions of the District Easement Area.

12. Severability. Invalidation of any of the provisions contained in this Agreement, or of the application thereof to any person by judgment or court order, will not affect any of the other provisions hereof or the application thereof to any other person, which will remain in full force and effect.

13. Entire Agreement. This Agreement and the exhibits attached hereto contain all of the representations and the entire agreement between the Parties with respect to the subject matter hereof. Any prior correspondence, memoranda, or agreements between the Parties with respect to the subject matter hereof are merged herein and replaced by this Agreement.

14. Notices. Each Owner shall send all notices and demands in writing by personal delivery, certified mail, or nationally recognized overnight courier service, addressed to Blackstone and to the District at the addresses specified below or at the addresses which were last specified by written notice by Blackstone or the District. Notices or demands shall be deemed to be given, made, or communicated on the date of delivery if personally delivered; on the date they were received or receipt refused when deposited in the United States mail as certified mail, with postage fully prepaid, as evidence by the return receipt; or if sent by reputable overnight courier service, the next business day:

Blackstone Address: Blackstone Country Club  
7777 S Country Club Pkwy  
Aurora, CO 80016  
Attn: General Manager

With a copy to: CC Blackstone, LLC

3030 LBJ Freeway, Ste. 500  
Dallas, TX 75234  
Attn: General Counsel

The District's Address: Blackstone Metropolitan District  
c/o Sabrina Lopez CMCA®, AMS®  
Westwind Management Group, LLC  
27 Inverness Drive East  
Englewood, CO 80112  
303.369.1800 (x142) Phone  
www.westwindmanagement.com

With a copy to: WHITE BEAR ANKELE TANAKA &  
WALDRON  
2154 East Commons Avenue, Suite 2000  
Centennial, CO 80122  
(303) 858-1800 (phone)  
(303) 858-1801 (fax)  
Attention: Clint Waldron  
cwaldron@wbapc.com

15. Term. This Agreement will continue in full force and effect in perpetuity, unless and until terminated by a duly recorded instrument, executed and acknowledged by all of the Owners of the Easement Areas as of the date of such termination.

16. Amendment. The provisions of this Agreement may only be modified, amended, or rescinded, in whole or in part, by an agreement of all of the then-current owners of the Easement Areas, by written instrument duly executed and recorded in the real property records of the Office of the Clerk and Recorder of Arapahoe County, Colorado.

17. Governmental Immunity. Nothing in this Agreement shall be construed to be a waiver, in whole or in part, of any right, privilege, or protection afforded the District or its directors, officers, employees, servants, agents, or authorized volunteers under any governmental immunity that may be available under law, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, Section 24- 10-101, *et seq.*, C.R.S., as amended from time to time.

18. No Third-Party Beneficiaries. The Parties expressly understand and agree 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 their successors and assigns 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 receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

19. Negotiated Provisions. This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared by

counsel for one of the Parties, it being acknowledged that each Party has contributed substantially and materially to the preparation of this Agreement.

20. Electronic Storage and Execution. The Parties agree that the transactions described herein may be conducted and related documents may be signed and stored by electronic means. Copies, teletypes, facsimiles, electronic files, and other reproductions of electronically signed and stored documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law. Any electronic signature affixed to this Agreement or any amendments or consents thereto shall carry the full legal force and effect of any original, handwritten signature.

21. 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 obligations of the District under this Agreement are subject to annual budgeting and appropriations, and Blackstone expressly understands and agrees that the decision whether to budget and appropriate funds is within the discretion of the District's governing body, and the obligations of the District shall extend only to monies appropriated for the purposes of this Agreement and shall not constitute a mandatory charge, requirement, or liability in any ensuing fiscal year beyond the then-current fiscal year. Blackstone understands and intends that the District's obligation to make payments and pay other amounts due under the Agreement shall constitute a current expense and shall not in any way be construed to be a debt in contravention of any applicable constitutional or statutory limitations or requirements. In the event the District determines not to appropriate funds for the District's maintenance obligations under this Agreement, Blackstone may, at its discretion, and upon written notice to the District, suspend Blackstone's obligations under this Agreement to maintain the Blackstone Easement Areas until such time as the District appropriates funds for the District's maintenance obligations.

22. Counterparts. This Agreement may be executed in multiple counterparts that, taken together, shall constitute the whole agreement. Facsimile or electronic copies of signatures shall be valid as originals, 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.

23. Miscellaneous.

a. Section headings are herein inserted for convenience only, and in no way define, limit, or prescribe the scope or extent of any provision of this Agreement.

b. Whenever the singular is used in this Agreement and when required by the context, the same includes the plural, and vice versa, and the masculine gender includes the feminine and neuter genders, and vice versa.

c. The Owners may sign this Agreement in one or more counterparts, each of which constitutes an original, and all of which together constitute one and the same instrument.

d. This Agreement shall be construed and interpreted in accordance with the laws of the State of Colorado.

e. Each person executing this Agreement warrants and represents that he or she is fully authorized to do so.

f. If an Owner files a suit to enforce this Agreement or any provisions contained herein, the Owner prevailing in such action may recover, in addition to all other remedies or damages, court costs, reasonable attorneys' fees and expert witness fees incurred in such suit.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first set forth above.

*(Signatures on following pages)*





**DISTRICT:**

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

By: \_\_\_\_\_  
Officer of the District

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ 2022, by \_\_\_\_\_, as the \_\_\_\_\_ of Blackstone Metropolitan District.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

# **OTHER BUSINESS**

| Vendor Contact  | Proposal Cost Details   | Manager Notes  |
|---|---|--|
| <p>Richard Hirschman, RS<br/>Regional Vice President<br/><b>Advanced Reserve Solutions, Inc.</b><br/>6860 South Yosemite Court, Suite 2000<br/>Centennial, Colorado 80112<br/>(303) 953-2078 Office<br/>(303) 953-2157 Fax<br/><a href="http://www.arsinc.com/colorado">www.arsinc.com/colorado</a></p> | <p>\$3,000.00<br/>+ \$250 for photo file component detail</p>                                       | <p>Full site visit with Study (+photo file as noted)</p> <p>District Client References:<br/>Rocking Horse Metro District<br/>(Inspiration Colorado) - Aurora<br/>Sierra Ridge Metro District - Parker<br/>Metropolitan District for Corinthian Hill - Dillon</p> |
| <p>Nikki Lown<br/><b>Aspen Reserve Specialties</b><br/>PO Box 1762 Castle Rock, CO 80104<br/>t: 303.790.7572 e: <a href="mailto:info@aspenrs.com">info@aspenrs.com</a> w: <a href="http://www.aspenrs.com">www.aspenrs.com</a></p>  | <p>(Level 1- 12 week turnaround, most economical)<br/>Premium = \$9,370<br/>Platinum = \$11,710</p> | <p>Premium – includes all but building measurements, written condition/observations of components, project phasing</p> <p>Platinum – complete package, including above</p>   |
| <p>Bryan Farley, RS<br/>President<br/><b>Association Reserves – Colorado</b><br/>1301 Arapahoe St., Ste 302 Golden CO 80401<br/><a href="mailto:arco@reservestudy.com">arco@reservestudy.com</a></p>  | <p>Level 1- 12 week delivery, most economical)<br/>\$3,140</p>                                      | <p>Full site visit with Study &amp; full photo inventory</p>   |
| <p>Richard Hamilton RS, PRA<br/><b>Community Association Reserves</b><br/>Colorado Springs, CO<br/>719-314-7523<br/><a href="mailto:Info@CAReserves.com">Info@CAReserves.com</a><br/><a href="http://www.CAReserves.com">www.CAReserves.com</a></p>   | <p>DECLINED TO BID</p>  |  |

## Chris Herron

---

**From:** rhirschman@arsinc.com  
**Sent:** Friday, October 14, 2022 9:15 AM  
**To:** Chris Herron  
**Subject:** ARS, Inc. - Reserve Analysis bid proposal, Blackstone Metro District  
**Attachments:** Bid Proposal 10-14-2022.pdf; New Bid Documents.pdf

**Categories:** BMD

Hi Chris,

Thank you for the opportunity to provide you with a reserve analysis bid proposal for Blackstone Metro District. Following are two attachments. The first is the Blackstone Metro District contract. The second attachment is our New Bid Documents that explains more about our company and also includes our terms & conditions and our new client punch list. For more information please visit our website at [www.arsinc.com/colorado](http://www.arsinc.com/colorado). Thanks again and we look forward to working with you!

Kind Regards,

Richard Hirschman, RS  
Regional Vice President  
Advanced Reserve Solutions, Inc.  
6860 South Yosemite Court, Suite 2000  
Centennial, Colorado 80112  
(303) 953-2078 Office (303) 953-2157 Fax





ADVANCED RESERVE SOLUTIONS, INC.

October 14, 2022

Ms. Christine Herron, Chief Operating Officer  
Blackstone Metro District  
c/o Westwind Management Group, Inc.  
27 Inverness Drive East  
Englewood, Colorado 80112

Dear Ms. Herron:

Advanced Reserve Solutions, Inc. would like to thank you for this opportunity to serve Blackstone Metro District. ARS sets the industry standard for excellence in service and enable our clients to meet their long-range fiscal planning goals by providing the most accurate and comprehensive reserve analysis reports. An ARS Information Booklet, including sample pages from a reserve analysis, is attached for your review. This information should prove valuable when evaluating our company and services.

We propose to do the following:

- Review CC&Rs, financial statements and maintenance records
- Perform a competent and diligent site visit
  - ✓ Assess current condition of reserve components
  - ✓ Quantify reserve components, as required
- Publish a professional reserve analysis report in the exclusive **WinReserve™** format
  - ✓ Delivered via e-mail as a PDF file
  - ✓ Meets National Reserve Study Standards as defined by Community Associations Institute
  - ✓ Several summary formats and 30 year projections
  - ✓ Comprehensive detail section (photos optional, see below)
  - ✓ Includes Assessment & Reserve Funding Disclosure Summary documents
- Provide one set of free revisions to the initial report

On the basis of the information you have provided, our fee shall be \$3,000. To add photos of all reserve components to the detail section of the reserve analysis, our fee will be an additional \$250.

For further information about our firm and services, please visit our web site at [arsinc.com](http://arsinc.com). To serve you efficiently, we have enclosed a Client Punch List of items we need to prepare your reserve analysis. If you have any questions or concerns, please feel free to call us.

Sincerely,

ADVANCED RESERVE SOLUTIONS, INC.

Richard Hirschman, RS  
Regional Vice President

|   |       |
|---|-------|
| <input checked="" type="checkbox"/> <b>ACCEPTANCE</b>                                 |       |
| <input type="checkbox"/> Include photos for additional fee                            |       |
| <i>I have read and agree to the attached Reserve Analysis Terms &amp; Conditions.</i> |       |
| Signature   | Date  |
| Print Name  | Title |



ADVANCED RESERVE SOLUTIONS, INC.



# CLIENT PUNCH LIST



**So that we may begin preparing your reserve analysis,  
please forward to us as much of the following information as possible:**

- Signed proposal letter
- Governing documents (i.e. CC&Rs) and/or other documents detailing client's maintenance responsibilities
- Most current monthly financial statements
- Most recent past reserve study, if available
- Map of community with phase development detail, if available
- Access devices (i.e. keys to pool gate and pump room, gate card and/or entry codes, etc.) as applicable
  
- Landscape maintenance contractor, as applicable:

|                   |        |
|-------------------|--------|
| Landscape Company |        |
| Contact           |        |
| Phone #           | E-Mail |

- Pool maintenance contractor, as applicable:

|                          |        |
|--------------------------|--------|
| Pool Maintenance Company |        |
| Contact                  |        |
| Phone #                  | E-Mail |

## Reserve Analysis Terms & Conditions

Reserve Analysis Terms & Conditions ("Terms") are an integral part of the Contract entered into by and between ADVANCED RESERVE SOLUTIONS, INC., hereinafter referred to as Consultant, and the Client identified in the title block of the attached proposal letter ("Letter"), which Letter is incorporated herein and made a part hereof (the Letter and the Terms constitute the "Contract" between the parties). The term "Client" as used herein includes the agents and employees of Client. The Contract enumerates the services Consultant shall provide to Client as well as the duties and obligations of Client and Consultant in connection with the performance of such services. In consideration of the mutual promises and obligations enumerated in the Contract, Consultant and Client agree as follows:

### I. CONSULTANT DUTIES & OBLIGATIONS

Consultant shall diligently proceed with the preparation of a Reserve Analysis Report ("Report") identifying, among other things, the reserve components that the Client advises Consultant in writing that Client is obligated to maintain in connection with the real property identified in the title block of the Letter (the "Property"). This analysis will be calculated in a manner chosen by Consultant based upon applicable circumstances and Consultant's best judgment.

- ◆ Consultant will deliver a draft Report to Client via email as an Adobe Acrobat "pdf" file. A printed draft Report ("hard copy") will be provided to Client upon written request.
- ◆ Consultant's Report shall provide information necessary for Client's disclosure requirements as required by Colorado Section 38-33.3-209.5 Colorado Revised Statutes.
- ◆ Consultant shall discuss minor changes and/or revisions to the draft Report (if such changes or revisions are required) with Client's authorized representative, make appropriate changes to the draft Report and, upon acceptance of the changes, deliver a final Report to Client via email as an Adobe Acrobat "pdf" file. A printed final Report ("hard copy") will be provided to Client upon written request.

### II. CLIENT DUTIES & OBLIGATIONS

Client shall provide and Consultant shall retain legible copies of the following items:

- ◆ Map of Client's common areas.
- ◆ Client's Governing Documents (i.e., CC&Rs).
- ◆ Client's most recent financial statements.
- ◆ Client's most recent reserve analysis prepared by another firm, if applicable.
- ◆ Client's Department of Real Estate budgets.
- ◆ Listing of Client's maintenance contractors (i.e., landscape, etc.).
- ◆ Written disclosure of any conditions, whether structural, cosmetic, environmental, geological or otherwise, of which Client is aware that has or may reasonably be expected to impact Consultant's calculations with respect to the estimated useful life and/or repair or replacement cost of the components included in the Report.

In addition, Client shall provide keys and/or other devices required for Consultant to gain access to the common areas of the Property. Consultant is granted permission to enter onto and access the common areas of the Property.

Client hereby acknowledges and agrees that with regard to the disclosures required to be provided above and further, the information provided by Consultant pursuant to this Contract shall be qualified in the text of any such disclosures as follows: "The information contained in this Disclosure Summary includes (i) estimates of replacement value and life expectancies of the components and (ii) assumptions regarding future events. Estimates are projections of a future event based on information currently available and are not necessarily indicative of the actual future outcome. The longer the time period between the estimate and the estimated event, the more likely the possibility of error and/or discrepancy. For example, some assumptions inevitably will not materialize and unanticipated events and circumstances may occur subsequent to the preparation of this Disclosure Summary. Therefore, the actual replacement cost and remaining life may vary from this report and summary and the variation may be significant. Additionally, inflation and other economic events may impact this report and summary, particularly over an extended period of time (such as thirty (30) years) and those events could

have a significant and negative impact on the accuracy of this Disclosure Summary and, further, the funds available to meet the association's obligation for repair and/or replacement of major components during their estimated useful life. Furthermore, the occurrence of vandalism, severe weather conditions, earthquakes, floods, acts of nature or other unforeseen events cannot be predicted and/or accounted for and are excluded when assessing life expectancy, repair costs and/or replacement costs of the components." Except where specifically indicated, the Disclosure Summary only includes items that the Client has advised its consultant in writing that the Client has a clear and express responsibility to maintain, pursuant to its CC&Rs or otherwise. Based on the foregoing, Client may want to consider implementing, expanding or modifying the form of Assessment and Reserve Funding Disclosure Summary ("Summary"). Client further acknowledges and agrees that, based on the foregoing; it would be in its best interest, and that of its members, to review its reserve fund and most recent Reserve Analysis Report on an annual basis. Client also acknowledges that the law requires the preparation of a Reserve Analysis Report every three (3) years and that a reasonably competent and diligent visual inspection of the accessible areas of the major components that Client is obligated to repair, replace, restore, or maintain should be included as part of that Reserve Analysis Report.

Client shall respond to Consultant's requests for, and provide all, additional information as may be necessary for Consultant to perform its obligations under this Contract. Client's approval of the draft Report and any changes thereto, if any, shall be confirmation of Client's representations as to the accuracy of the content of all documents and other information provided to the Consultant for purposes of this engagement and the preparation of the Report including, without limitation, the list of components required to be maintained by Client included in the Report.

### III. CONSULTANT FEES & EXPENSES

This Contract shall be considered a fixed price contract. The fee paid to Consultant shall cover all services enumerated in this Contract. The fixed price contract amount shall be paid to Consultant as follows:

- ◆ 50% due upon Client's acceptance of this Contract.
- ◆ 50% due upon delivery of the First Draft Reserve Analysis Report.

Terms shall be "Net 30." Invoices are due within thirty (30) days after the invoice date. Past due accounts are subject to a service charge of two percent (2%) of the unpaid balance per month, or \$5.00, whichever is greater.

Additional services, not anticipated or specifically enumerated in this Contract, requested by Client, shall be billed at Consultant's standard hourly rate for such services at the time they are rendered. Except for one incident of minor revisions or corrections, Consultant shall bill for additional time and/or expenses associated with revisions, meetings and/or presentations. If Client's management firm charges ARS any fees, those fees may be charged back to the Client. Such additional services requested by Client shall be considered as part of this Contract, whether or not they are requested in writing.

### IV. CONSULTANT LICENSE(S)

Consultant shall at all times hold a federal and/or state license(s) necessary to perform the services enumerated in this Contract, if such a license(s) exists.

### V. INDEPENDENT CONTRACTOR

Consultant shall at all times act in the capacity of an independent contractor. At no time, and in no event, do the parties to this Contract contend that Consultant, their employees, representatives, or agents shall be considered as employees, partners or agents of Client.

### VI. INSURANCE

Consultant shall obtain and maintain during the term of this Contract worker's compensation and employer's liability insurance as required by law, and comprehensive general liability insurance coverage with limits of not less than One Million Dollars (\$1,000,000.00). Upon request, and at Client's sole cost and expense, Client will be named as an additional insured where possible and Consultant will provide Client with a Certificate of Insurance evidencing said insurance before any work commences. Consultant will request that its insurer endeavor to provide Client with a thirty (30) day notification of any cancellation, alteration or termination of any referenced insurance coverage.

## **VII. LIMITATIONS OF SERVICES**

Consultant will diligently proceed with the services enumerated in this Contract and report to Client in a timely manner, except for delays occasioned by factors beyond Consultant's control, by factors that were not reasonably foreseeable, or by factors initiated or occasioned by Client.

Consultant will assume that all reserve components have been properly designed, constructed and maintained unless notified in writing to the contrary by Client. Any such notice by Client should specify, in detail, the specifics of any factors that will impact Consultant's estimate calculations. Data and information used in Consultant's analyses are a matter of opinion only based on Consultant's best judgment and experience. Client acknowledges that Consultant has no control over the costs of labor, material or equipment, over contractor's methods of determining bid prices, or over competitive bidding or market conditions. Accordingly, Consultant cannot and does not warrant that bids or actual costs will not vary substantially from any statement or estimate of probable cost. Additionally, Consultant does not warrant estimated useful life as set forth in this Report.

Consultant will perform all services enumerated in this Contract in accordance with current standards of practice, except as otherwise provided herein. No other warranty, expressed or implied, is made concerning services performed under this Contract, including Consultant's findings, recommendations or professional advice. Consultant's liability to Client, due to Consultant's negligent acts, errors or omissions, shall be limited to ten thousand dollars (\$10,000.00) or the amount of Consultant's fee, whichever is less. In no event shall Consultant be liable, directly or indirectly, for any direct or consequential damages of any kind due to Consultant's failure to perform or performance under, or the termination, cancellation or expiration of this Contract.

## **VIII. INDEMNIFICATION**

Consultant shall not be responsible for, and Client shall defend, hold harmless and indemnify Consultant, its officers, directors, agents, employees, and representatives from and against all claims, damages, losses, and expenses (including reasonable attorneys' fees and court costs) arising out of or resulting in whole or in part from (i) any inaccurate information furnished to Consultant by Client, negligence, gross negligence, willful misconduct or omission of Client, its employees, agents, or principals (provided, however, that Client shall not be required to defend, hold harmless or indemnify Consultant for Consultant's willful misconduct or gross negligence), or (ii) Client's failure to deliver the form of Summary to its members or to supplement, expand or modify the same to clarify the information delivered under the terms and provisions of this contract.

## **IX. ADDITIONAL CONSULTANT(S)**

If during the performance of services enumerated in this Contract, Consultant or Client determine that an additional consultant(s) is necessary for the proper determination of the present condition, probable useful life or probable remaining life of a component, it shall be the Client's sole responsibility to hire, supervise and compensate such additional consultant(s).

## **X. THIRD PARTY LITIGATION**

In any litigation involving Client and any third party or parties, in which Consultant is compelled by subpoena or judicial order to testify at a deposition or trial, or to produce documents regarding work performed by Consultant for Client, Client agrees to compensate Consultant, at Consultant's standard hourly rate, for all time spent by Consultant responding to such legal process, including all time spent in preparation for, and travel to and from, such testimony. Client shall also pay Consultant's reasonable attorneys' fees and expenses incurred with the foregoing. In the event of such subpoena or judicial order, Consultant will give prompt notice to Client to allow Client to object to any such testimony or production of documents.

## **XI. TERM SURVIVAL OF TERMS AND TERMINATION OF CONTRACT**

The term of this Contract ends upon the delivery of the final Report or one (1) year, whichever occurs first. This Contract may be terminated by either party to this Contract with or without cause and without penalty charge upon ten (10) days written notice to the other party. In the event of termination, Consultant shall be entitled to payment of fees for services rendered and reimbursable expenses incurred through the effective date of termination. In addition to the survival language contained in any other provision of this Contract, any provision of this Contract that, by its sense and context, is intended to survive the termination of this Contract, shall so survive this Contract.

The term of this Contract may be extended and/or renewed upon mutual execution of an update proposal that makes reference to the terms and conditions as set forth in this Terms.

## **XII. SCOPE OF CONTRACT**

This Contract is deemed effective when accepted by Consultant and upon acknowledgement of receipt by Consultant of a fully executed (signed and dated) Letter (including Terms). These Terms and the attached Letter

constitute the entire Contract between Consultant and Client concerning the subject matter addressed therein and supersedes any prior or contemporaneous contracts, discussions and/or agreements between the parties. No party is relying upon any warranties, representations or inducements not set forth in this Contract. Any provision of this Contract that violates any law shall be deemed stricken from the Contract and the remaining terms and conditions of this Contract shall remain in full force and effect.

## **XIII. ENFORCEMENT OF CONTRACT**

Any legal action or proceeding to enforce or interpret this Contract shall be governed by the laws of the State of Colorado, without regard to the choice of law rules thereof, except to the extent that United States law preempts state law. The venue for any such action shall be in the County of Arapahoe, State of Colorado and, further, by executing this Contract, Client submits to the personal jurisdiction of the State of Colorado. If any legal action or proceeding is instituted by any person to enforce or interpret this Contract, the prevailing party in any such action or proceeding shall be entitled to recover from the other party or parties its costs and expenses in connection therewith, including without limitation, reasonable attorneys' fees and the costs and expenses of litigation. No action may be brought in connection with this Contract more than one (1) year after the accrual of such action. This Contract is entered into for the exclusive benefit of the specific parties signing this Contract, and no other person or entity shall have any rights under, or ability to enforce, the terms of this Contract. Both parties hereto waive the right to a jury trial.

## **XIV. NOTICES, AMENDMENTS AND WAIVERS**

All amendments to, notices and waivers of obligations under this Contract must be in writing. Client and Consultant must sign all amendments and waivers of obligations. Notices to a party shall be duly and properly given and delivered upon the earlier of personal delivery, confirmation of facsimile transmission or five (5) business days after deposit in the United States mail, postage prepaid, in each case properly addressed to the party to receive notice at the address or facsimile number set forth on the attached Letter.

## **XV. AUTHORIZATION**

Each party hereunder represents and warrants that the execution, delivery and performance of this Contract have been duly authorized, that such party and the person executing this Contract on behalf of such party have full power, right and authority to execute, deliver and perform this Contract, and that such execution, delivery and performance do not conflict with, and will not result in the breach of, any term, condition or provision of any other agreement, instrument, order, judgment or decree.

ARS CONTRACT 01.30.2006  
© 2006 ADVANCED RESERVE SOLUTIONS, INC.  
All Rights Reserved.





## ADVANCED RESERVE SOLUTIONS, INC.

*It's simple to make something difficult,  
but it's difficult to make something simple.*

**Providing professional quality reserve analysis throughout Colorado**



**6860 South Yosemite Court, Suite 2000 • Centennial, Colorado 80112  
Toll-Free 866.711.4ARS • Office 303.953.2078 • Fax 303-953-2157  
[www.arsinc.com/colorado](http://www.arsinc.com/colorado)**

**Colorado • Laguna Hills, California • Las Vegas, Nevada • Riverside, California • New England • Orlando, Florida**



## ADVANCED RESERVE SOLUTIONS, INC.

*Difficult challenges met with simple solutions...*

Advanced Reserve Solutions, Inc. sets the industry standard for excellence in service and enables our clients to meet their long-range fiscal planning goals by providing the most accurate and comprehensive reserve analyses.



**Southbridge Townhomes Association**  
Littleton, Colorado

ARS is an internationally recognized authority on reserve budgeting. Clients on three continents — North America, Europe and Asia — have chosen ARS because of our vast experience, attention to detail and unsurpassed report format.

ARS developed and uses WinReserve™ reserve study software. WinReserve™ is a revolutionary Microsoft Windows®-based application developed specifically for the analysis of homeowner association reserve funds. Full-color ARS reserve studies have earned rave reviews from our clients as well as our competitors.

ARS specializes in the preparation of reserve analyses. We are not involved in other unrelated fields such as construction defect investigation or construction management. Providing reserve solutions is a demanding specialty which requires focus and purpose.

*Currently, 42 million people in the United States*

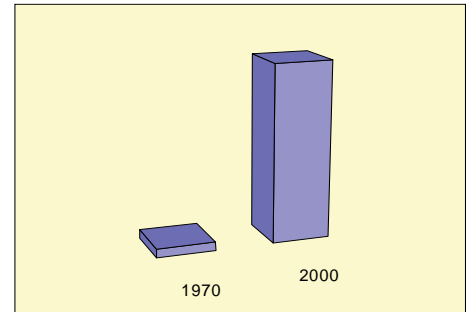
*live in some form of homeowners association*

**It's budget time again...**

**And, you're faced with developing a realistic and adequate reserve budget for the coming year and beyond...**

**You want it done right.**

The Board of Directors of an association has a legal and fiduciary duty to maintain the community in a good state of repair. Individual property values are significantly impacted by the level of maintenance and upkeep provided by the association. A "healthy" reserve fund is essential to protect and maintain the association's common areas and the property values of the individual unit owners.



Association living is the fastest-growing form of housing in the nation. In 1970, there were 10,000 community associations; today, there are more than 200,000.

**A prudent plan must be implemented  
to address the issues of long-range  
maintenance and replacement of common areas**

When your community's assets and property values are on the line, it takes strategic vision combined with superior logic-based solutions to develop a financial "blueprint" that addresses your community's future needs. ARS customizes each reserve analysis to meet the unique needs of the individual client. A dedicated effort is made to ensure that the reserve analysis accurately reflects your association's maintenance responsibilities and standards. An ARS reserve analysis is one of the most significant elements of any association's long-range plan.



**Harvard Courtyards Homeowners Association**  
Lakewood, Colorado

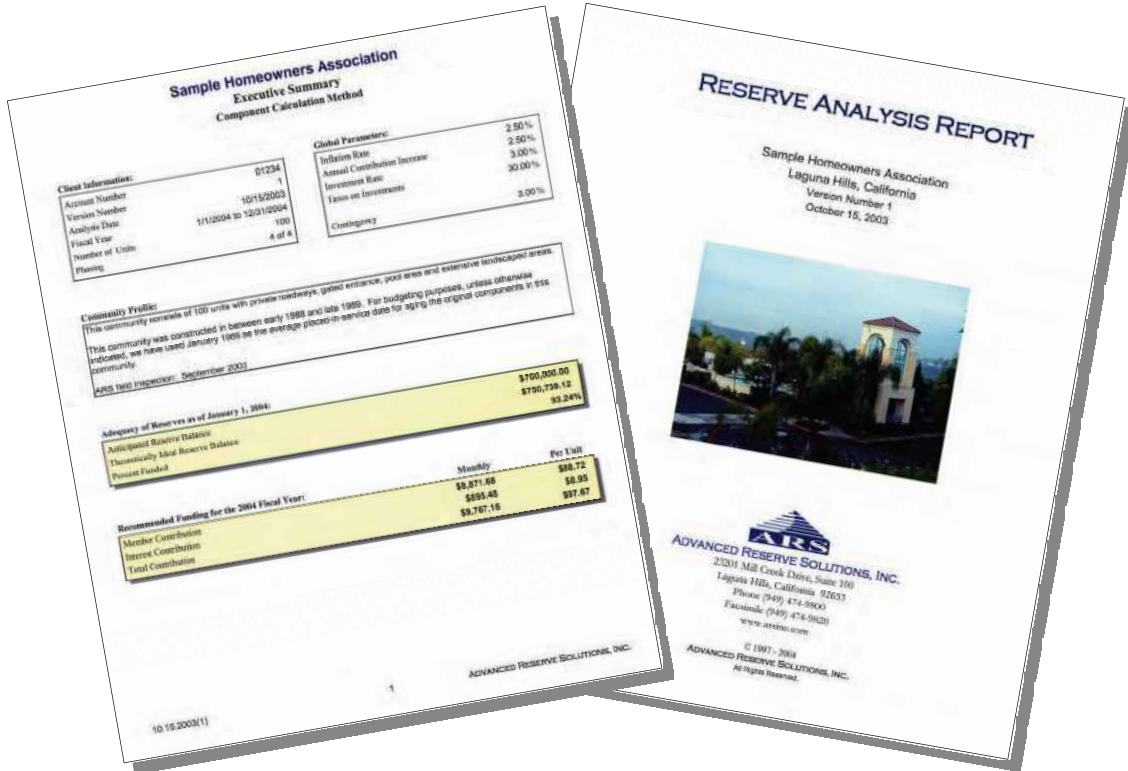
**ARS reserve analyses provide the critical link between**

*sound business judgment  
and  
good fiscal planning*

# Introducing the ARS Reserve Analysis ▼ ▼ ▼ ▼

Full-color ARS reserve studies include a variety of informative and easy-to-understand summaries as well as a comprehensive detail section.

Sample reserve studies are available in Adobe PDF format at our web site: [arsinc.com](http://arsinc.com).



## Executive Summary ▲ ▲ ▲ ▲

Provides general information about the client, global parameters used in the calculation of the reserve analysis as well as the core results. This single page summary provides the “adequacy of reserves” in terms of the percent funded as well as the “bottom line” recommended funding.

Our findings and recommendations are clear and concise.

*ARS serves over 200,000 homeowners*



**The Peloton Condominium Association**  
Boulder, Colorado

## Calculation of Percent Funded ▶▶▶▶▶

Displays all reserve components, shown here in “category” order, along with useful life, remaining life, current replacement cost and theoretically ideal reserves. Each column is sub totaled throughout the summary and the total is displayed at the bottom.

Your CPA will use this summary as part of your annual audit or review.

|   | Remaining Life | Useful Life    | Current Cost          | Theoretically Ideal Balance |
|---|----------------|----------------|-----------------------|-----------------------------|
| <b>Cabana - Plumbing Fixtures</b>             | 15             | 30             | \$5,000.00            | \$2,543.50                  |
| <b>Cabana - Restroom Partitions</b>           | 0              | 15             | \$2,800.00            | \$2,800.00                  |
| <b>Cabana - Water Heater</b>                  | 1              | 16             | \$600.00              | \$643.78                    |
| <b>Pool - Filter</b>                          | 0              | 12             | \$1,000.00            | \$1,000.00                  |
| <b>Pool - Heater</b>                          | 1              | 10             | \$2,450.00            | \$2,296.88                  |
| <b>Pool - Reelberglass &amp; Tile Replace</b> | 0              | 8              | \$8,311.50            | \$8,311.50                  |
| <b>Pool Area - Furniture</b>                  | 0              | 8              | \$7,315.00            | \$7,315.00                  |
| <b>Pool Area - Mastic</b>                     | 0              | 4              | \$540.00              | \$540.00                    |
| <b>Sub Total</b>                              | <b>0 - 15</b>  | <b>4 - 30</b>  | <b>\$43,888.54</b>    | <b>\$35,033.92</b>          |
| <b>070 Decks:</b>                             |                |                |                       |                             |
| <b>Decks - Resurfaced</b>                     | 5              | 10             | \$126,840.00          | \$69,470.00                 |
| <b>Decks - Top Coat</b>                       | 0              | 5              | \$30,700.00           | \$30,700.00                 |
| <b>Sub Total</b>                              | <b>0 - 5</b>   | <b>3 - 10</b>  | <b>\$159,640.00</b>   | <b>\$98,170.00</b>          |
| <b>080 Doors:</b>                             |                |                |                       |                             |
| <b>Doors - Garages &amp; Trash Enclosures</b> | 4              | 19             | \$60,750.00           | \$63,750.00                 |
| <b>Doors - Utility Closets, 1990</b>          | 10             | 18             | \$76,100.00           | \$33,848.88                 |
| <b>Doors - Utility Closets, Original</b>      | 0              | 15             | \$32,640.00           | \$32,640.00                 |
| <b>Sub Total</b>                              | <b>0 - 10</b>  | <b>18 - 19</b> | <b>\$169,590.00</b>   | <b>\$130,238.88</b>         |
| <b>090 Miscellaneous:</b>                     |                |                |                       |                             |
| <b>Fire Extinguisher Cabinets</b>             | 4              | 19             | \$8,500.00            | \$6,700.00                  |
| <b>Mailboxes - Unfunded</b>                   | n.a.           | n.a.           | \$0.00                | \$0.00                      |
| <b>Monument Sign</b>                          | 5              | 20             | \$2,750.00            | \$2,062.50                  |
| <b>Stairways - Unfunded</b>                   | n.a.           | n.a.           | \$0.00                | \$0.00                      |
| <b>Sub Total</b>                              | <b>4 - 5</b>   | <b>19 - 20</b> | <b>\$11,250.00</b>    | <b>\$8,762.50</b>           |
| <b>100 Landscaping:</b>                       |                |                |                       |                             |
| <b>Landscape - Irrigation Controllers</b>     | 0              | 12             | \$5,040.00            | \$5,040.00                  |
| <b>Landscape - Replacements</b>               | n.a.           | n.a.           | \$0.00                | \$20,600.00                 |
| <b>Landscape - Tree Trimming</b>              | 1              | 3              | \$15,000.00           | \$15,000.00                 |
| <b>Sub Total</b>                              | <b>0 - 1</b>   | <b>3 - 12</b>  | <b>\$20,040.00</b>    | <b>\$35,640.00</b>          |
| <b>Contingency</b>                            | n.a.           | n.a.           | n.a.                  | \$21,800.18                 |
| <b>Total</b>                                  | <b>0 - 15</b>  | <b>2 - 30</b>  | <b>\$1,034,509.49</b> | <b>\$759,739.14</b>         |
| <b>Anticipated Reserve Balance</b>            |                |                |                       | <b>\$700,000.00</b>         |
| <b>Percent Funded</b>                         |                |                |                       | <b>93.24%</b>               |

According to a CAI survey, the number one reason people serve as board members is “to protect property values”



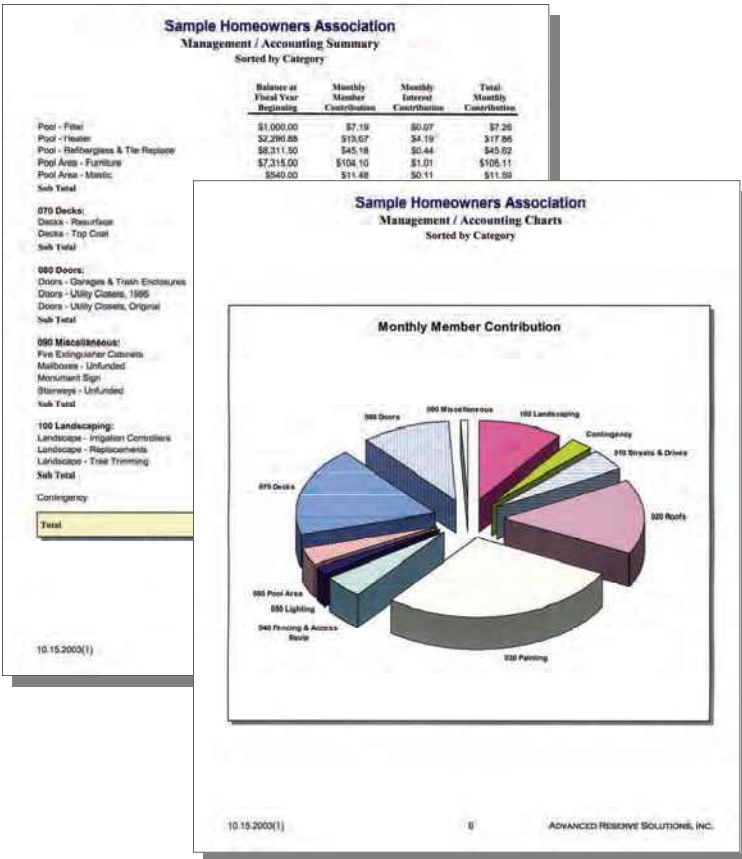
Auburn Hills Homeowners Association  
Parker, Colorado

|   | Remaining Life | Theoretically Ideal Reserve | Assigned Reserves |
|---|----------------|-----------------------------|-------------------|
| <b>Cabana - Ceramic Tile, Exterior</b>        | 0              | \$2,439.04                  | \$2,439.04        |
| <b>Cabana - Restroom Partitions</b>           | 0              | \$2,800.00                  | \$2,800.00        |
| <b>Decks - Top Coat</b>                       | 0              | \$30,700.00                 | \$30,700.00       |
| <b>Doors - Utility Closets, Original</b>      | 0              | \$32,640.00                 | \$32,640.00       |
| <b>Landscape - Irrigation Controllers</b>     | 0              | \$5,040.00                  | \$5,040.00        |
| <b>Landscape - Replacements</b>               | n.a.           | \$20,600.00                 | \$20,600.00       |
| <b>Mailboxes - Unfunded</b>                   | n.a.           | \$0.00                      | \$0.00            |
| <b>Painting - Red Curbs</b>                   | 0              | \$766.25                    | \$766.25          |
| <b>Painting - Woodwork</b>                    | 0              | \$66,406.00                 | \$66,406.00       |
| <b>Painting - Wrought Iron, Units</b>         | 0              | \$3,075.00                  | \$3,075.00        |
| <b>Pool - Filter</b>                          | 0              | \$1,000.00                  | \$1,000.00        |
| <b>Pool - Reelberglass &amp; Tile Replace</b> | 0              | \$8,311.50                  | \$8,311.50        |
| <b>Pool Area - Furniture</b>                  | 0              | \$7,315.00                  | \$7,315.00        |
| <b>Pool Area - Mastic</b>                     | 0              | \$540.00                    | \$540.00          |
| <b>Roofs - Flat, Original</b>                 | 0              | \$72,504.00                 | \$72,504.00       |
| <b>Stairways - Unfunded</b>                   | n.a.           | \$0.00                      | \$0.00            |
| <b>Streets - Asphalt, Repair</b>              | 0              | \$2,519.00                  | \$2,519.00        |
| <b>Streets - Asphalt, Slurry Seal</b>         | 0              | \$5,038.00                  | \$5,038.00        |
| <b>Streets - Concrete, Unfunded</b>           | n.a.           | \$0.00                      | \$0.00            |
| <b>Access - Gate Operator, Entrance</b>       | 1              | \$2,025.00                  | \$2,025.00        |
| <b>Access - Phone System</b>                  | 1              | \$3,625.00                  | \$3,625.00        |
| <b>Cabana - Water Heater</b>                  | 1              | \$643.78                    | \$643.78          |
| <b>Landscape - Tree Trimming</b>              | 1              | \$10,000.00                 | \$10,000.00       |
| <b>Painting - Wrought Iron, Grounds</b>       | 1              | \$2,238.88                  | \$2,238.88        |
| <b>Pool - Heater</b>                          | 1              | \$2,296.88                  | \$2,296.88        |
| <b>Access - Gate Operator, Exit</b>           | 4              | \$1,350.00                  | \$1,350.00        |
| <b>Cabana - Doors</b>                         | 4              | \$1,421.05                  | \$1,421.05        |
| <b>Doors - Garages &amp; Trash Enclosures</b> | 4              | \$63,750.00                 | \$63,750.00       |
| <b>Fire Extinguisher Cabinets</b>             | 4              | \$6,700.00                  | \$6,700.00        |
| <b>Lighting - Buildings</b>                   | 4              | \$8,897.37                  | \$8,897.37        |
| <b>Painting - Stucco &amp; Masonry</b>        | 4              | \$40,456.13                 | \$40,456.13       |
| <b>Decks - Resurfaced</b>                     | 5              | \$69,470.00                 | \$69,470.00       |
| <b>Fencing - Wrought Iron, Perimeter</b>      | 5              | \$13,272.04                 | \$13,272.04       |
| <b>Fencing - Wrought Iron, Pool Area</b>      | 5              | \$8,097.19                  | \$8,097.19        |
| <b>Monument Sign</b>                          | 5              | \$2,062.50                  | \$2,062.50        |
| <b>Roofs - Flat, 1997</b>                     | 7              | \$4,192.74                  | \$4,192.74        |

## ◀◀◀◀ Distribution of Reserve Funds

Displays all reserve components, shown here in “ascending remaining life” order, along with theoretically ideal reserves and assigned reserves.

The assigned reserves column shows the amount of existing reserve funds that were assigned to each component during the first step in the component method calculation process.



## ◀ ◀ ◀ ◀ Management/Accounting Summary & Charts

Summary displays all reserve components, shown here in “category” order, along with fund balance at fiscal year beginning and, monthly member, interest and total contributions. Each column is sub totaled throughout the summary and the total is displayed at the bottom.

Charts show the information in an easy-to-understand, full-color graphic format.

Your treasurer or property manager will use this summary to reallocate reserves on your balance sheet and to prepare the annual budget.

*A “healthy” reserve fund will decrease or eliminate the need for special assessments*



**Arbor Green Townhomes Association**  
Arvada, Colorado



**Stratford Park West Homeowners Association**  
Boulder, Colorado



**Scotch Pines Condominiums Association**  
Fort Collins, Colorado



**Lowry EastPark Cottages Association**  
Denver, Colorado

**Annual Expenditure Summary** ▶ ▶ ▶ ▶  
Displays all anticipated expenditures for each year of the projection period, typically 30 years.

Board members and homeowners will appreciate the simplicity of this information.



**Club Terrace Condominium Association**  
Lone Tree, Colorado

**Sample Homeowners Association**  
Annual Expenditure Detail

|                                    |                     |
|------------------------------------|---------------------|
| <b>2004 Fiscal Year</b>            |                     |
| Cabana - Ceramic Tile, Exterior    | \$2,400.00          |
| Cabana - Restroom Partitions       | \$2,800.00          |
| Decks - Top Coat                   | \$30,700.00         |
| Doors - Utility Closets, Original  | \$32,640.00         |
| Landscape - Irrigation Controllers | \$8,040.00          |
| Painting - Red Curbs               | \$766.25            |
| Painting - Woodwork                | \$69,400.00         |
| Painting - Wrought Iron, Units     | \$3,675.00          |
| Pool - Filter                      | \$1,000.00          |
| Pool - Refberglass & Tile Replace  | \$8,311.50          |
| Pool Area - Furniture              | \$7,315.00          |
| Pool Area - Mastic                 | \$540.00            |
| Roofs - Flat, Original             | \$72,994.00         |
| Streets - Asphalt, Repair          | \$2,519.00          |
| Streets - Asphalt, Slurry Seal     | \$5,038.00          |
| <b>Total</b>                       | <b>\$241,615.79</b> |
| <b>2005 Fiscal Year</b>            |                     |
| Access - Gate Operator, Entrance   | \$2,300.25          |
| Access - Phone System              | \$4,300.25          |
| Cabana - Water Heater              | \$622.50            |
| Landscape - Tree Trimming          | \$19,375.00         |
| Painting - Wrought Iron, Grounds   | \$3,492.18          |
| Pool - Heater                      | \$2,511.25          |
| <b>Total</b>                       | <b>\$28,943.43</b>  |
| <b>2006 Fiscal Year</b>            |                     |
| Painting - Red Curbs               | \$276.62            |
| <b>Total</b>                       | <b>\$276.62</b>     |
| <b>2009 Fiscal Year</b>            |                     |
| Access - Gate Operator, Exit       | \$2,483.50          |
| Cabana - Doors                     | \$1,985.00          |
| Doors - Garages & Trash Enclosure  | \$86,132.00         |
| Fire Extinguisher Cabinets         | \$9,437.50          |
| Landscape - Tree Trimming          | \$16,557.19         |
| Lighting - Buildings               | \$12,439.97         |
| Painting - Red Curbs               | \$879.08            |
| Painting - Stucco & Masonry        | \$69,293.41         |
| Painting - Woodwork                | \$73,300.94         |
| 10.15.2003(j)                      | 11                  |

ADVANCED RESERVE SOLUTIONS, INC.

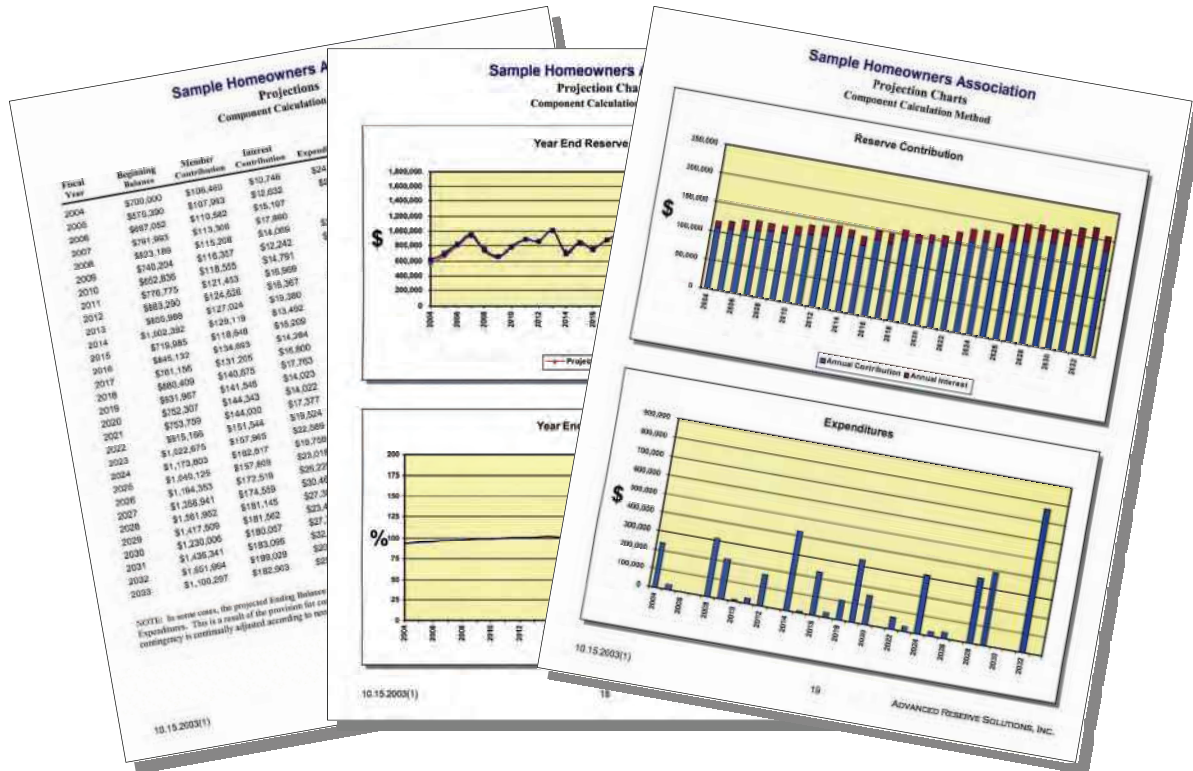
*Reserve expenditures are essential  
to maintain property values*

## Projections & Charts ▼ ▼ ▼ ▼

Projections show the beginning balance, reserve contribution, interest earned, expenditures, ending balance, theoretically ideal ending balance and percent funded for each year in the projection period (typically 30 years).

Full-color charts show the same information in an easy-to-understand graphic format.

Every member of the Board will appreciate the long-range plan depicted on these pages.



**Syracuse Village Condominium Owners Association**  
Denver, Colorado

*CAI estimates that U.S. associations hold \$18 billion in total reserve funds*


*ARS clients contribute over \$7 million per month into their reserve funds which total close to \$500 million*



**Sample Homeowners Association  
Component Detail  
Sorted by Category**

| <b>Streets - Asphalt, Overlay</b> |                      |                               |              |
|-----------------------------------|----------------------|-------------------------------|--------------|
| Category                          | 010 Streets & Drives | Quantity                      | 1 total      |
| GL Code                           | 2001 Grounds         | Unit Cost                     | \$66,153.760 |
|                                   |                      | % of Replacement              | 100.00%      |
|                                   |                      | Current Cost                  | \$66,153.75  |
|                                   |                      | Future Cost                   | \$72,673.10  |
| Placed In Service                 | 01/89                |                               |              |
| Useful Life                       | 20                   |                               |              |
| Adjustment                        | -3                   | Assigned Reserves at FYB      | \$38,978.53  |
| Remaining Life                    | 8                    | Monthly Member Contribution   | \$22.55      |
| Replacement Year                  | 2012                 | Monthly Interest Contribution | \$70.42      |
|                                   |                      | Total Monthly Contribution    | \$92.97      |

Comments:



10.15.2003(1) 20 ADVANCED RESERVE


## ◀ ◀ ◀ ◀ Component Detail Section

Provided for each reserve component; shows inventory, placed-in-service date, useful life, remaining life, replacement year, current cost, future cost, assigned reserve funds and monthly contribution requirement. Optional photos add an additional layer of detail.

**Sample Homeowners Association  
Component Detail  
Sorted by Category**

| <b>Fencing - Wrought Iron, Perimeter</b> |                            |                               |              |
|--|----------------------------|-------------------------------|--------------|
| Category                                 | 040 Fencing & Access Equip | Quantity                      | 1 total      |
| GL Code                                  | 2001 Grounds               | Unit Cost                     | \$17,666.050 |
|  |                            | % of Replacement              | 100.00%      |
|  |                            | Current Cost                  | \$17,666.05  |
|  |                            | Future Cost                   | \$20,621.46  |
| Placed In Service                        | 01/89                      |                               |              |
| Useful Life                              | 20                         |                               |              |
| Adjustment                               | 0                          | Assigned Reserves at FYB      | \$13,272.04  |
| Remaining Life                           | 9                          | Monthly Member Contribution   | \$79.57      |
| Replacement Year                         | 2009                       | Monthly Interest Contribution | \$24.22      |
|  |                            | Total Monthly Contribution    | \$103.79     |

Comments:



10.15.2003(1) 35 ADVANCED RESERVE

Everything known about each reserve component is indicated in this section.

**Sample Homeowners Association  
Component Detail  
Sorted by Category**

| <b>Pool - Fiberglass &amp; Tile Replace</b> |                 |                               |             |
|---|-----------------|-------------------------------|-------------|
| Category                                    | 060 Pool Area   | Quantity                      | 1 pool      |
| GL Code                                     | 2002 Recreation | Unit Cost                     | \$8,311.900 |
|   |                 | % of Replacement              | 100.00%     |
|   |                 | Current Cost                  | \$8,311.90  |
|   |                 | Future Cost                   | \$12,336.47 |
| Placed In Service                           | 01/96           |                               |             |
| Useful Life                                 | 16              |                               |             |
| Adjustment                                  | -8              | Assigned Reserves at FYB      | \$6,311.50  |
| Remaining Life                              | 0               | Monthly Member Contribution   | \$45.18     |
| Replacement Year                            | 2004            | Monthly Interest Contribution | \$2.44      |
|   |                 | Total Monthly Contribution    | \$47.62     |

Comments:



10.15.2003(1) 46 ADVANCED RESERVE SOLUTIONS, INC.

*Details, details, details...*



**Tuscany Trails Homeowners Association**  
Westminster, Colorado

*The ARS reserve analysis  
is unparalleled in the industry*

**Noteworthy Clients** ▼ ▼ ▼ ▼



**Colony Glen Homeowners Association**  
Thornton, Colorado



**29th Drive Row Homes**  
Denver, Colorado



**Golden Pines Condominiums**  
Golden, Colorado



**Ivy Hill Condominiums**  
Aurora, Colorado



**Monarch Mills Homeowners Association**  
Denver, Colorado



**Ritz Carlton Bachelor Gulch Resort**  
Bachelor Gulch, Colorado



**Sunset Ridge Homeowners Association**  
Parker, Colorado



**Polo Club Condominium Association**  
Denver, Colorado



**Monroe Pointe**  
Denver, Colorado



**Overlook at Marina Pointe**  
Littleton, Colorado



**Cherry Creek Tower Condominiums**  
Denver, Colorado



**Arborwood Homeowners Association**  
Boulder, Colorado

▲ ▲ ▲ ▲ See [arsinc.com](http://arsinc.com) For Additional Clients From Around The World

## Client References ▼ ▼ ▼ ▼

Parkside South Homeowners Association  
Mr. Jere Paulmeno, Board Member  
(303) 452-7732  
jerepaulmeno@gmail.com

Association & Community Management  
Ms. Melissa Keithly, Community Manager  
(303) 233-4646  
Melissa@acmhoa.com



**Charleston Place Association**  
Aurora, Colorado

Western States Property Services  
Mr. Randy Watt, Community Manager  
(303) 745-2220  
rwatt210@hotmail.com

Harmony Management Group, Inc.  
Ms. Michelle Lee, President  
(720) 935-2498  
michelle@harmonymanagement.com

Patriot Management, Inc.  
Mr. Ron Schuman, President  
(970) 485-5901  
ron@breckenridgepatriot.com

Telluride Ski & Golf, LLC  
Ms. Kristin Meucci, Director of Property Mgmt.  
(970) 728-7324  
kmeucci@tellurideskiresort.com

Ken-Caryl Ranch Master Association  
Mr. Chris Pacetti, Executive Director  
(303) 979-1876 x116  
chrisp@kcranch.org

Add Your Name Here

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**1035 Pearl Street Association**  
Boulder, Colorado

M&M Property Management  
Mr. Sean Morrissey, Community Manager  
(866) 611-5864  
sean@mmhoaservices.com

Client Preference Realty & Management  
Mr. Garry Schaffer, Owner  
(303) 991-2770  
gschaffer@clientpreference.com

Key To The Rockies Lodging Company  
Mr. Michael Magliocchetti, President  
(970) 468-1898  
michael@keytotherockies.com



ARS is proud to be an active member of Community Associations Institute



Orange County Regional Chapter • Greater Los Angeles Chapter  
Coachella Valley (California) Chapter • Greater Inland Empire Chapter  
Southern Nevada Chapter • Georgia Chapter • Central Florida Chapter  
Massachusetts Chapter • New Hampshire Chapter • Rocky Mountain Chapter

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2022

# Reserve Study Proposal for Blackstone Metropolitan District





October 27, 2022  
 Assoc # 10632-22

Blackstone Metropolitan District  
 Attn: Christine Herron  
 Westwind Management  
 27 Inverness Drive East  
 Englewood, CO. 80112

Dear Christine,

Thank you for requesting a Reserve Study proposal for Blackstone Metropolitan District. The following are the products and levels of service that are available to meet your needs.

| Services Available  | Premium | Platinum |
|---|---------|----------|
| On-Site property observation  | ✓       | ✓        |
| Hand measure, inventory, and walk assets  | ✓       | ✓        |
| Generate a component list   | ✓       | ✓        |
| Estimate the useful and remaining life of all common area assets                                | ✓       | ✓        |
| Analysis of the Reserve Fund  | ✓       | ✓        |
| Provide a recommended Reserve allocation  | ✓       | ✓        |
| Detailed quantity breakdown of assets by area or building                                       | ✓       | ✓        |
| Full inventory section (color photos of components, explanation of estimated replacement costs) | ✓       | ✓        |
| Measurements derived from a sampling of building types  | ✓       |          |
| Measurements for all building types   |         | ✓        |
| Customized written conditions and observations of components                                    |         | ✓        |
| Project phasing   |         | ✓        |

Aspen Reserve Specialties works within the guidelines of the National Reserve Study Standards. We are here to answer any questions you may have regarding your Reserves. If special circumstances arise regarding the property, please contact us for additional pricing options.

**ADDITIONAL CONSULTATION**

- Attendance at Board meetings
- Supplemental Analyses
- Customized reports (roof evaluations, developer turnover, etc.)

P.O. Box 1762 • Castle Rock, CO 80104 • Phone (303) 790-7572 • [www.aspenrs.com](http://www.aspenrs.com)  
[info@aspenrs.com](mailto:info@aspenrs.com)

The Original ARS serving Colorado since 2001





October 27, 2022  
 Assoc # 10632-22

Based on the information we have received these are the products and pricing available for your district:

**Level 1** - "Starting from scratch". Measurements of all components will be completed. This level of service is geared toward districts that **do not have** an existing study in place or has not had an on-site observation conducted in the past 5 years.

|                 | 12 week turnaround | 9 week turnaround | 6 week turnaround |
|-----------------|--------------------|-------------------|-------------------|
| <b>Premium</b>  | \$ 9,370           | \$11,710          | \$15,810          |
| <b>Platinum</b> | \$11,710           | \$14,640          | \$19,760          |

**Level 2** - This is an **update** to an existing reserve study 5 years old or newer. New measurements will not be performed.

|                 | 12 week turnaround | 9 week turnaround | 6 week turnaround |
|-----------------|--------------------|-------------------|-------------------|
| <b>Premium</b>  | \$7,500            | \$ 9,380          | \$12,660          |
| <b>Platinum</b> | \$9,370            | \$11,710          | \$15,810          |

**Level 3** - This update **without site observation** is **only** available to districts whose level 1 or 2 reserve study has been completed by ARS within the past 5 years. Financial analysis is updated through research with the community representation and property vendors. Inventory section NOT included.

| 12 week turnaround | 9 week turnaround | 6 week turnaround |
|--------------------|-------------------|-------------------|
| \$1,700            | \$2,130           | \$2,880           |

**RS/PRA Consultation** - \$200/hour including drive time, 1 hour minimum

**Project Manager Consultation** - \$125/hour including drive time, 1 hour minimum

This proposal is based on the information provided to our office and is good for a period of twelve months from the date provided. If you choose to move forward with us, please indicate which level of service you would like to have performed by filling out the contract provided accordingly and return to our office, we will then be in touch with you with the list of required items needed. Please do not hesitate to contact our office with any questions. We look forward to hearing from you!

Sincerely,

G. Michael Kelsen, RS, PRA  
 Owner

P.O. Box 1762 • Castle Rock, CO 80104 • Phone (303) 790-7572 • [www.aspenrs.com](http://www.aspenrs.com)  
[info@aspenrs.com](mailto:info@aspenrs.com)

The Original ARS serving Colorado since 2001



October 27, 2022  
Assoc # 10632-22

### Contract Agreement – Scope of Work

Client (Blackstone Metropolitan District) understands that Contractor (Aspen Reserve Specialties) will be providing a **(Check one and fill in blanks)**:

- |   |   |
|---|---|
| <input type="checkbox"/> Premium<br><br><input type="checkbox"/> Platinum | Level _____ Reserve Analysis (as described in the reserve study proposal) (the “Work”) to be completed and mailed within approximately _____ weeks from the project start date. |
|---|---|

The fee for your requested service(s) is \$\_\_\_\_\_. A 50% deposit (\$\_\_\_\_\_) is due at the time of submitting all required information. The balance is due and payable within 30 days of delivery of the Draft Version of the Reserve Study. Final reports will not be released until the account is paid in full. Late charges are incurred for accounts past 90 days of Draft delivery at the rate of \$25.00 for every 30 days past due.

#### The turnaround time begins once the following information is obtained in our office:

- 50% Deposit
- Signed Agreement Form permitting Aspen Reserve Specialties to perform the above-mentioned service (attached)
- Property/plat map (if available)
- List of contractors/vendors related to this property (with contact names and phone numbers)
- Copy of current budget and balance sheet
- A list of common area components with quantities and measurements (only if ARS did not perform the previous study)
- Reserve Expenditure History (within the past 5 years) or information regarding pending projects and copies of the contracts.

Failure to provide these items will result in a delay in the delivery of the report.

Client acknowledges that the requested turnaround time for their Reserve Study **does not** begin until Contractor receives **ALL** items requested in the contract. Client understands that any special requests for additional services or change orders may further delay the delivery of the report. Additionally, the Client agrees that failure to provide any requested or necessary information or to return phone calls or emails sent to the Client in a timely manner will delay the delivery of the report. If Contractor is **required** to meet with a manager or board member for the site visit, the turnaround time will be delayed to accommodate all parties schedules. If you have any questions, please do not hesitate to call.

Further, the Client understands the fee quoted was based on information provided to Contractor by the Client at the time of requesting a proposal. If it is later found that this information is either inaccurate or incomplete, Contractor has the right to adjust the fee accordingly. No further work will be performed until a written change order is received with a Board Member’s signature, detailing the agreed changes to the contract. The delivery of the Draft Reserve Study will be delayed by the amount of time it takes to receive the executed change order.

Client understands and agrees that weather may play a significant role in the completion of Site Observations between the months of October through April. Any Reserve Study contracted during those months may be delayed due to weather conditions such as snow, hail, wind, rain, snow and/or ice cover on Reserve Components or any conditions existing on the property which render the property unsafe to employees or representatives of Contractor.

Contractor will be unable to access any roof that is greater than 18 feet in height unless access is provided by means of an attached roof ladder or stairwell. Client understands that Contractor will not use invasive or



destructive measures to obtain information regarding sprinkler systems, plumbing systems, electrical wiring, telephone wiring, or underground public utility lines (sewer, drainage, water, etc). Contractor will concentrate on Reserve Components that have been properly built and installed and have predictable life expectancies. Reserve Studies do not typically address issues evolving from unpredictable natural events (hail, windstorms, etc.), environmental hazards (lead paint, asbestos, radon, etc), or construction defect concerns.

Please thoroughly review our revisions policy outlined in Article 1.9 below. We allow 45 days for the client to review the draft and provide any necessary feedback. If feedback is not received within 90 days of delivery of the Draft Version, the report will be considered complete and final. Any changes requested after 90 days and without prior feedback will be made at an additional fee to the association. If your association will need more than 90 days to review the report, notify us via phone call or email so that we may make a note in the association's file.

The Contractor will provide one **(1) color pdf version** of the draft and final reports via email to the community's manager and/or board member at the email address listed on this contract. Hard copies of the Reserve Study are available for a nominal fee of \$75 per report.

*By initialing, you agree to all terms and conditions and that the choices selected were made by the board of directors or an authorized agent of the board.*

**Initial:**

## **Contract Agreement – Terms and Conditions**

### **Article 1 - Contractor's Services, Client's Responsibilities, Specific Exclusions**

- 1.1 **Client Defined.** The Client represents that it legally owns the property or common area upon which the Work is to be performed or has rights to execute agreements for such work. For the purpose of administration, wherever in this Agreement the word "Client" is used, it shall include any duly authorized representative of the Client.
- 1.2 **Contractor Defined.** The Contractor is Aspen Reserve Specialties.
- 1.3 Client understands that the services provided by the Contractor shall consist of developing a component list by identifying those common area components that, in Contractor's opinion, may require reserve funding based on Contractor's physical observation of the property. The Contractor will then determine the Remaining Useful Life of each component and also determine current replacement costs ("Current Cost"). Contractor will recommend a Fully Funded Balance and a Funding Plan, based on the component list, and the current financial information provided by Client.
- 1.4 **Methods of Observation.** Client understands and acknowledges that Contractor will not use intrusive, invasive or destructive forensic observation measures to obtain information regarding any areas of the community, including but not limited to, sprinkler systems, plumbing systems, electrical wiring, telephone wiring, or underground public utility lines, including but not limited to, sewer, drainage and water lines.
- 1.5 **Specific Exclusions.** By signing the Agreement, Client acknowledges that reserve study analysis will include only reserve components that have been properly built and installed and have predictable life expectancies.
  - 1.5.1 Reserve studies conducted by Contractor specifically exclude issues having to do with unpredictable natural events (including but not limited to weather events such as hail, windstorms, etc.) and environmental hazards (including but not limited to lead paint, asbestos, radon, etc.).
  - 1.5.2 Reserve studies conducted by Contractor specifically exclude any and all construction defect related concerns. Contractor shall not be liable to any party, including but not limited to Client, homeowners associations, individual property owners, builders, subcontractors, financial institutions, etc. for any claims that involve construction defect related issues. Client acknowledges that it is aware that it is impossible for Contractor to know of any construction defects unless defects are disclosed to Contractor. Even if such disclosure is made to Contractor, it is not intended that reserve studies conducted by Contractor take any construction defects into consideration, whether disclosed or undisclosed.
  - 1.5.3 Client understands and acknowledges that the provisions of Article 2 concerning indemnification and attorney's fees shall apply to any and all services provided by Contractor whether or not presented as a claim for breach of contract or any other cause of action or claim against Contractor.
- 1.6 Client understands that the reserve study shall not be used as a financial audit. This reserve study shall not be used for the purpose of disproving another reserve study, without prior written agreement between Client and Contractor. The reserve study shall not be used as evidence of construction defects, damage, potential damage, health and safety concerns, or as a construction-quality observation. The reserve study shall not establish



reserve funding for the repair, replacement or maintenance of leased items or items covered under an inclusive service contract, or in another part of the association's budget.

- 1.7 Client understands and acknowledges that Contractor shall not be auditing the financial information received from Client.
  - 1.7.1 Contractor shall not be responsible for any intentional or unintentional misrepresentation to Contractor by Client, or any person or entity on behalf of Client, regarding the Client, including but not limited to, information regarding Client's financial standing, solvency, and availability of funds.
  - 1.7.2 Client understands that Contractor will not alter or verify information regarding the common areas received from Client or any person or entity on behalf of Client, including but not limited to agents and vendors.
  - 1.7.3 Contractor shall not be responsible for intentional or unintentional misrepresentations regarding the common areas made by Client or any person or entity on behalf of Client, including but not limited to agents and vendors.
  - 1.7.4 Client understands that Contractor does not guarantee estimated replacement costs reported in the reserve study. As economic information changes daily, the estimated costs projected in the report are as accurate as possible as of the date of the report, and as such should be used as a guide only.
- 1.8 Client understands that the total reserve study fee is based on information provided to Contractor at the time of obtaining the proposal. If it is later found that the information provided to Contractor is either inaccurate or incomplete, Contractor reserves the right to adjust the fee accordingly and Client agrees to pay adjusted fee. Contractor and Client must agree upon all changes to the contract and sign a written change order.
- 1.9 Client is entitled to one free revision of the reserve study report generated by Contractor. Revision requests are subject to Contractor's approval and cannot be used for the purpose of lowering the Fully Funded Balance or the Recommended Reserve Contribution. Client understands that a difference of opinion is not a valid reason to revise the study unless Client provides a professional opinion from an expert in a directly related field. Contractor reserves the right to use Contractor's opinion in Contractor's reserve study regardless of any outside opinion. Any further revisions other than the one free revision addressed in this paragraph will be billed at an hourly rate of \$200 with a 1 hour minimum.
- 1.1 If requested by Client, Contractor's involvement in events including but not limited to board meetings, presentations, and hypothetical analyses will be separately billed at an hourly rate of \$200 for RS/PRA consultation and \$125 for project manager consultation, including drive time and with a 1 hour minimum.

#### **Article 2 – Insurance and Indemnity; Standard of Care**

- 2.1. **Pre-existing Claims.** Client shall fully indemnify, defend, and hold Contractor harmless for any pre-existing claims, liabilities, losses or damages, including construction defects, which were identified or initiated prior to the effective date of this Agreement.
- 2.2. **Standard of Care.** No warranties express or implied are made by Contractor and its responsibility is limited to the services it provides to Client under this Agreement. Contractor agrees to perform the services described in this Agreement in good faith. Contractor is not responsible for acts or omissions of Client or any other Third Party. The Contractor represents that it is fully qualified and accredited, to the extent necessary, to do business in the vicinity of the project, has the requisite expertise, skill and capability to perform the Work in the manner contemplated by this Agreement, and that it shall maintain the requisite skilled employees and other workers, materials, equipment and tools necessary to perform the Work as and when required under this Agreement and will perform such Work and provide such services in accordance with industry standards.
- 2.3. **Indemnity.** The Contractor hereby indemnifies and saves harmless the Client against any and all loss, damage, liability, claims, demands, cost or expense, including attorney fees and costs of litigation, arising from or in any way attributable to the activities of the Contractor or any of the Contractor's employees, the Contractor's Work or the Contractor's presence or activities in the community, without limitation, injuries or deaths to persons and damage to property.
- 2.4. **Limitation of Damages.** Client agrees, to the fullest extent permitted by law, to limit the liability of Contractor for any and all claims, losses, costs, and damages of any nature from any cause, including attorneys' fees and costs, expert witness fees and costs, and arbitration fees and costs, so that the total aggregate liability of the Contractor shall not exceed Contractor's total billing for this reserve study. Contractor shall not be liable for any special, indirect or consequential damages of Client. The Contractor shall be responsible for all damage or injury arising from the Contractor's performance of the Work of otherwise relating to this Agreement.
- 2.5. **Work Product.** Client acknowledges that Contractor's professional opinion is based on information made available to Contractor at the time of physical observation of the property. Client further acknowledges that conditions reported by the Contractor are applicable to the time frame of the report and these conditions, over time, may change. There is no implied warranty or guarantee in any of the Contractor's work product. Contractor will prepare all reports in good faith and in accordance with the skill and care used by members of



Contractor's profession under similar circumstances in a similar time frame and in the same locality. Should Client utilize the work product other than as part of Contractor's paid services during or after the term of this Agreement, Contractor shall not be liable for errors or omissions in the work product, and Client shall make no claim against Contractor for such errors or omissions and shall waive any claim against Contractor and indemnify, defend and hold Contractor harmless from any claim or liability for injury or loss that may arise from any reuse of the work product by Client.

### Article 3 – Dispute Resolution

- 3.1. Client and Contractor shall negotiate in good faith to resolve any claims and disputes related to this Agreement.
- 3.2. Any claim or controversy for amounts in excess of \$15,000.00, arising out of or related to this Agreement, or the breach thereof shall first be submitted to mediation. The fees and costs of mediation shall be borne equally, but any associated attorneys' fees shall be separately borne by the party incurring such amounts.
- 3.3. **Attorneys' Fees and Costs.** Notwithstanding anything herein to the contrary, in the event of any legal action, arbitration, or mediation under this Agreement or by reason of asserted breach hereof, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees and court costs incurred in enforcing or attempting to enforce any of said terms, covenants, or conditions, including costs incurred prior to commencement of legal action and all costs and expenses including reasonable attorney fees and court costs incurred in any appeal from an action brought to enforce any of said terms, covenants and conditions.

### Article 4 – Additional Provisions

- 4.1. **Governing Law and Forum.** This Agreement and all potential litigation arising from this Agreement shall be governed by the laws of the State of Colorado, and any litigation filed by the Client against the Contractor shall only be filed in the courts of the County of Douglas, State of Colorado.
- 4.2. **Entire Agreement.** This Agreement represents the entire integrated agreement between Client and Contractor and supersedes all prior negotiations, representations or agreements, either oral or written. This Agreement shall not be amended, altered or terminated except by written instrument, signed by both parties.
- 4.3. **Binding Effect.** This Agreement, inclusive of its terms and provisions, shall survive the closing and shall be binding on and inure to the benefit of, and be enforceable by, the respective heirs, legal representatives, successors and assigns of the parties.
- 4.4. **Severability.** If any portion of this Agreement is held as a matter of law to be unenforceable, the remainder of this Agreement shall be enforceable without such provisions.
- 4.5. **Cancellation.** If contract is canceled by Client after the signed agreement is received by the Contractor, and prior to completion of on-site evaluation, client will be financially liable for 25% of full contracted price. If contract is cancelled after completion of on-site evaluation, client will be financially liable for the full contracted price. Cancellation request must be received in writing.
- 4.6. **Representation.** The parties represent that they have carefully read this Agreement, understand the contents within, have been represented by an attorney or have chosen not to be represented by an attorney, enter this agreement out of their own free will, and are not relying upon any representation or inducements, express or implied, from any other party except as expressly set forth herein.
- 4.7. **Tools, Equipment, Etc.** The Contractor shall furnish all tools, equipment, supplies and materials necessary to perform the Work. The Client shall not be responsible or liable for any loss of the Contractor's tools, equipment, supplies and materials.
- 4.8. **Safety.** The Contractor shall take all reasonable safety precautions with respect to the Work, shall comply with all applicable laws, ordinances, rules, regulations, requirements and orders of any public authority for the safety of persons or property, as well as any rules and regulations imposed by the Client.
- 4.9. **Definitions.** Definitions of terms used herein are as follows:
  - 4.9.1. *Reserve Study* - A budget planning tool which identifies the current status of the reserve fund and a stable and equitable funding plan to offset the anticipated future "major common area expenditures".
  - 4.9.2. *Reserve Component* – An individual line item in the *Reserve Study* developed or updated in the physical analysis. These elements form the building blocks of the *Reserve Study*. Components typically are 1) Association responsibility, 2) with limited Useful Life Expectancies, 3) predictable Remaining Useful Life expectancies, 4) above a minimum threshold cost, and 5) as required by local codes.
  - 4.9.3. *Site Observation* – A physical inspection of the association's assets. From the observations, the Contractor generates a component list, inventory, and estimates the life expectancy and remaining useful life of all common area assets.
  - 4.9.4. *Draft Version* – The first copy of the reserve study to be delivered to the Client. This copy can be revised once free of charge. Further changes to subsequent reports will be charged a fee of \$200 per revision with a one-hour minimum rate.



**Contract Agreement – Blackstone Metropolitan District (Ref #10632-22)**

I certify that (1) the undersigned has full authority to sign this Contract Agreement, including the Contract Agreement – Scope of Work, and the Contract Agreement – Terms and Conditions (collectively, the “Contract”) on behalf of the entity identified below and (2) I have read, understand and agree with the Contract on behalf of the entity identified below. I authorize Aspen Reserve Specialties to perform the scope of work outlined in the Contract. Any request for changes to the Contract must be made in writing and agreed upon by both parties.

Furthermore, by signing this contract or by having the Contract signed by my community manager/management company, I agree to give said manager/management company full authority to make decisions on my behalf/behalf of the board of directors/metro district as they relate to this project. I agree to hold Contractor harmless from any dispute that may arise as a result of any decisions made by the community manager/management company or any of its representatives.

- Premium Level \_\_\_\_ Reserve Analysis (as described in the reserve study proposal) (the “Work”) to be completed and mailed within approximately \_\_\_\_ weeks from the project start date.
- Platinum

Printed Name of Board Member: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Daytime Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

Community Management Company Name: \_\_\_\_\_

Community Manager Printed Name: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Daytime Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

A person for Aspen Reserve Specialties to contact for general questions, and to coordinate a site observation (if applicable) and to gain access to all locked common areas is:

Name/Title (If different than above): \_\_\_\_\_

Daytime Phone Number: \_\_\_\_\_

Any Special Requests, Inclusions, or Instructions: \_\_\_\_\_

Rev 10/18/21



## Metro District

Reserve Study Request for Proposal Assoc. ID #10632

**Proposal Info Accurate Initials:** See email from C. Herron 10/17/22 **Initial for contract:**

**CLIENT INFORMATION**

Name of Contact Person/Title: Christine Herron, AMS, PCAM  
 Management Company Westwind Management Group  
 Mailing Address: 27 Inverness Drive East  
 City, State, Zip: Englewood, CO. 80112  
 Telephone: 303-369-1800 x 112 email: chris@westwindmanagement.com

**DISTRICT INFORMATION**

Name of District: Blackstone Metro District  
 Physical Address: Countyline & Blackstone Pkwy (7661 S. Blackstone)  
 City, State, Zip: Denver, CO. 80202  
 Website (if available) \_\_\_\_\_

**PROPERTY DESCRIPTION**

Fiscal Year End: 12/31 # of Units 904 #of Recreation/Other Bldgs 0

| HOA/Property Type   |              | Common Area Responsibilities          |     |
|---|--------------|---------------------------------------|-----|
| Single Family Homes   | X            | Island landscaping (y/n)              | Yes |
| Commercial  |              |                                       |     |
| Industrial Park   |              |                                       |     |
| <b>Date of Construction</b>   | 2008-current |                                       |     |
| Phases  |              |                                       |     |
| <b>Common Area Responsibilities</b>   |              |                                       |     |
| Monument/Signage?   | Yes          |                                       |     |
| Secured property (gated/intercom)   | No           |                                       |     |
| Cluster Mailboxes/Mailbox Center  | Yes          | <b>Amenities</b>                      |     |
| Responsible for sidewalks (y/n)   | Yes          | Pools/Hot tubs (please list quantity) | 0   |
| Types of driveways (asphalt/concrete)   |              | Spas/Saunas (please list quantity)    | 0   |
| Types of roads (asphalt/concrete)   |              | Courts (please list quantity & type)  | 0   |
| Irrigation System (moderate/extensive)  | Extensive    | Recreation Room/Clubhouse             | 0   |
| Fencing (wood/vinyl/iron/brick/etc.)<br>Is fence perimeter fence only or multiple areas | Iron         | Park/Play Equipment                   | 3   |
|   |              |                                       |     |

**Has the District had a Reserve Study completed in the past?** no Date: \_\_\_\_\_

**Who performed the study (if not Aspen Reserve Specialties)?** \_\_\_\_\_

**Date you need the proposal by:** 11/7/2022

**Miscellaneous information (Known problems, concerns and planned or recently completed projects.)**

Stone columns in fence, Pole lights, Pet waste stations, Skylight structure, Park furnishings, Stone columns in fence, Picnic shelter

## Chris Herron

---

**From:** Ruth Walden-Turek <arco@reservestudy.com>  
**Sent:** Tuesday, October 18, 2022 10:33 AM  
**To:** Chris Herron  
**Cc:** BFarley@reservestudy.com  
**Subject:** Blackstone Metro District - Reserve Study Bid Packet #46712 - 0a  
**Attachments:** Blackstone Metro District 46712 - 0a.pdf; 101822 Bid Packets Sample Metro\_Master Development.pdf; 101822 Bid Packets Special District Clients.pdf

**Categories:** BMD

Hi Christine,

Thank you for your request. The bid proposal for Blackstone Metro District is attached. The proposal includes information on our company as well as sample documents that you can share with the board.

We offer a few distinct options.

1) The Single Year Engagement includes either a [Full](#), [WSV](#), or [NSV](#) Reserve Study for the client. If the client has never had a professional Reserve Study completed, then please direct your attention to the "FULL" option. If the client has had a professional Reserve Study completed, then please direct your attention to either the "WSV" option or the "NSV" option.

2) [The Loyalty Update Plan](#) includes (3) Reserve Studies prepared over (3) consecutive years: (1) Full Reserve Study or With Site Visit Reserve Study (WSV) in addition to (2) Reserve Study Updates No Site Visit (NSV), in any order. This option will stabilize the budget by locking in a set price at the time of the agreement initiation. Research has found that clients who update their Reserve Study annually with a No-Site-Visit Reserve Study reduce their risk of special assessment by ~ 35%.

Also note that upon completion of the Reserve Study, the client will receive the Funding Analysis software and an explanation video free with any Full, WSV, and NSV Reserve Study.

Here is a short video that may help the board understand which level of service is right for them [Which Service is Right for You?](#)

If the client would like to Go-Ahead with our services, please sign and date the attached bid proposal, circling the level of service desired. Please send the 50% deposit check to:

**Association Reserves**  
**1301 Arapahoe St., Suite 302**  
**Golden, CO 80401**

Or to pay by credit card, please click [here](#).

If you have any questions, please feel free to call or email me.

Thank you,



Ruth





Est. 1986

# ASSOCIATION RESERVES™

*Planning For The Inevitable™*

*Over 45,000 Reserve Studies Nationwide*

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## Reserve Study Bid Proposal



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October 18, 2022

**Blackstone Metro District - 46712 - 0a**

c/o Christine Herron  
Westwind Management Group, Inc.  
27 Inverness Drive East  
Englewood, CO 80112

Subject: Bid Options for 904 units in Denver, CO

Dear Christine,

Thank you for requesting a Reserve Study proposal from Association Reserves. We recognize that you have a choice of Reserve Study providers and want to make sure you understand the many benefits of working with our company:

- Your Reserve Study will be prepared in accordance with National Reserve Study Standards™ by a credentialed Reserve Specialist™
- Our complete, accurate, and user friendly 30-year Reserve Studies include a full cover photographic inventory for reports involving site inspections.
- Your Report (and other files) will be posted securely online for easy, anytime access
- Clients will have a year of free access to our proprietary [uPlanIt®](#) cloud-based software and spreadsheets. This will allow clients with the ability to adjust and supplement the Reserve Study data.
- All files relating to your component report are included with our reports.

When you're ready for the next step, simply sign and return the Agreement along with a 50% deposit. Our office will then contact you regarding the next steps in the process, such as scheduling the site inspection and collecting any documents needed. Please don't hesitate to contact us if you have any questions, or would like any additional information. We hope to hear from you soon!

Sincerely,

Bryan Farley, RS  
President  
Association Reserves – Colorado

# Pricing Options

October 18, 2022

#46712 - 0a Blackstone Metro District

|  | 12 Week Delivery | 8 Week Delivery | 4 Week Delivery |
|--|------------------|-----------------|-----------------|
| With Site Visit Full /Or<br>With Site Visit Update | \$3,140          | \$3,390         | \$5,085         |
| No Site Visit Update                               | \$1,530          | \$1,700         | \$2,550         |
| Loyalty Update Plan*                               |                  | \$4,390         |                 |

- A **Full-With Site Visit Reserve Study** is required when the client has no prior Reserve Study, or wishes to start “from scratch” with a completely new study, including measurements and full-color photographic inventory.
- A **With Site Visit Update Reserve Study** can be chosen when the client has a prior, professionally completed Reserve Study that can be updated, based on visual observations, with no re-measuring. The report will include a full-color photographic inventory.
- A **No Site Visit Update Reserve Study** can be chosen when the client has a prior, professionally completed Reserve Study that can be updated, based on a series of interviews.
- A **Loyalty Update Plan** includes one Full Reserve Study (or With Site Visit) and two \$500 No-Site-Visit Reserve Study Updates delivered over three consecutive years with an (8) week turnaround. The total fee is charged once, at the beginning of the three year engagement. *\*This is our most popular selection.*

*Prices are valid for 90 days*

---

## Agreement between Association Reserves and Blackstone Metro District

### 1. Please, circle fee associated with the desired pricing and indicate the nature of this agreement

Fee \$ \_\_\_\_\_ Turnaround Time \_\_\_\_\_ Weeks For the FY beginning \_\_\_/\_\_\_/\_\_\_

### 2. Obtain a Boardmember signature

We, the undersigned, understand that the Reserve Study being prepared will identify and address the normal deterioration of properly built and installed components with predictable life expectancies. Inspecting for construction defects, performing destructive testing to search for hidden issues (such as plumbing or electrical problems), environmental hazards (asbestos, radon, lead, etc.), or accounting for unpredictable acts of nature are all outside our scope of work. We understand that the above Fee is based on the accuracy of how the Association was described to Association Reserves in our Request for Proposal. If this is not found to be a true representation of our common area maintenance responsibilities, Association Reserves reserves the right to negotiate an adjusted fee for our services. Association Reserves liability in any matter involving this Reserve Study is limited to our Fee for services rendered.

Print Name: \_\_\_\_\_ Company/Title: \_\_\_\_\_


Signature: \_\_\_\_\_ Date: \_\_\_\_\_

### 3. Return this agreement to us, along with a check made payable to Association Reserves

- Circle fee associated with the desired level of service and turnaround time and email: [arco@reservestudy.com](mailto:arco@reservestudy.com)
- Sign agreement and return check to: 1301 Arapahoe St. Suite #302 – Golden, CO 80401 (or pay via [Credit Card](#))
- All professional Reserve Studies require a 50% deposit with the final 50% balance due upon initial delivery of the Reserve Study
- **Delivery turnaround time will start once the 50% deposit and signed agreement is received**

# Deliverables

From the founding of our company, our focus has been on creating a useful, reliable document that can be picked up and understood by any Board member, resident, or property manager. The Reserve Study will help our clients plan for the inevitable and improve their future. Upon completion of the Reserve Study, the Association will receive the following:

- **Electronic copy:** A digital version of the entire Reserve Study document is delivered securely by email in PDF form. We also post the completed study to a password-protected location on our website, where association representatives can view and download the entire study, Executive Summary section and funding plan software file.
  - **Meetings:** Our Full and WSV services include a pre-site inspection meeting onsite with the board and management to discuss the scope of work and answer any questions (can be done virtually). After completion, we will gladly host a virtual meeting via Zoom to help explain the process, outcomes, and other key details found within a Reserve Study. The Reserve Study document is shown on-screen, and our staff will walk you through the document, explaining key terminology, reviewing the component list and explaining how we formulate our recommendations in a study.
  - **Funding plan software:** [uPlanIt](#) is a powerful interactive online tool that enhances a Reserve Study by giving Clients absolute control of their Reserve funding information. Designed by experts and available for a year free to our clients with every professional Reserve Study engagement, uPlanIt gives real-time answers to all your “what-if” Reserve funding scenarios. uPlanIt allows clients to consider a variety of conditions throughout the reserve budget process, forecast the potential impact on the funding plan, and test and validate their budget decisions. Whether you want to change the contribution level, adjust replacement costs, or postpone certain projects, you’ll be able to foresee the outcome. Results are delivered in an assortment of insightful charts & tables. Includes a year subscription with every professional Reserve Study and has 24-7 access to “what-if” scenarios in real time, even during budget meetings!
- 
- **Video presentation:** We will provide a brief video presentation of a Reserve Study to help explain the outcomes and provide more background information. The Reserve Study document is shown on-screen, and you’ll hear our staff describe the key financial details, review the component list, and explain how we formulate our recommendations in the study. This is ideal for sharing at Board meetings, annual association events, etc.
  - **Loyalty Update Plan:** The plan includes three Reserve Studies prepared over three consecutive years. The "Level of Service" can be completed in any order (Full, NSV, NSV) or (NSV, WSV, NSV), etc. The fee is charged only once, at the beginning of the three-year engagement.
  - **Complimentary revisions:** We will gladly revise the study at no charge to the client for a period of up to **60 days** following delivery of the completed study if there is a material error or discrepancy identified within the study.
  - **Printed copies, upon request:** Printed copies are available upon request.
  - **Additional services:** Association Reserves can also provide additional consulting work, attend association meetings, re-visit the property for follow-up inspections, etc. Additional labor charges will be billed at a rate of \$200.00/hour, including travel to and from the meeting. Please contact us directly for more specific information and requests for additional services.

# Enjoy Free Access to our Online Software!

(Click [here](#) for an online demo of uPlanIt)



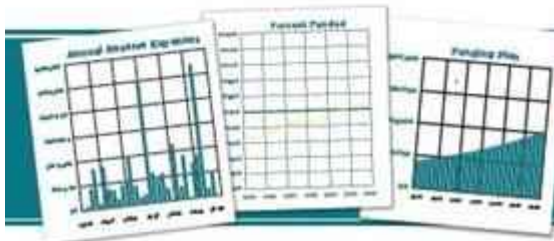
## MORE ANSWERS, LESS HEADACHES



**uPlanIt is a powerful interactive online tool that allows our Clients to run faster, jump higher, and leap tall buildings in a single bound!**

Okay, maybe we're exaggerating a bit, but in the always-stressful and often divisive Reserve budget process, uPlanIt can facilitate collaboration, build consensus and eliminate guesswork for Managers and Boardmembers.

Designed by experts and available FREE to our Clients with every professional Reserve Study engagement, uPlanIt gives instant answers to all your "what-if" Reserve funding scenarios. Whether you face "pushback" to funding Reserves, objections about the life expectancies or costs of certain projects, or outrage for a proposed special assessment, you'll be able to instantly foresee the outcome of alternative budget strategies.



Results are delivered in an assortment of insightful charts & tables. With uPlanIt, you can validate budget decisions, respond quickly and confidently to uncertainties, and prevent misunderstandings.

- Free for our professional Reserve Study clients during their budget season
- Year-to-Year (and Board-to-Board) continuity with one centralized data bank
- 24-7 access to play with the numbers during budget meetings!

# Introduction to Reserve Studies

## What's a Reserve Study?

A Reserve Study is best described as a document used by community associations (or any other type of common interest real estate development) to help plan financially for major repair, replacement, or restoration projects over a long period of time. Our studies cover a thirty year period, beginning with the current or upcoming fiscal year. Read on to learn more about the scope of work and other details related to the process of conducting a Reserve Study!



## Are Reserve Studies really that important?

Absolutely. It's fairly easy to plan and prepare for recurring costs like management fees, insurance premiums, landscaping contracts, and utilities, but what about the projects and expenses that DON'T happen every year? That's our specialty...identifying, forecasting, and planning for inevitable failure of the components that are often overlooked or underestimated. There's no question that setting aside Reserve funds over a long period of time is the simplest, most cost-effective, and most responsible way to plan for major projects.

The work will need to be done; it's up to the association to plan accordingly. Without adequate Reserves, associations will have to make a tough decision: will you take out costly loans, push for recurring special assessments, or worst, accept a drop in home values due to deteriorating conditions and deferred maintenance? A current-year, reliable Reserve Study is the first step toward long-term financial strength for every association. Without one, association homeowners will be misinformed, underprepared, and left exposed to serious financial consequences. A current-year, reliable Reserve Study is a hallmark of well-managed associations, and an important part of a homeowner board's fiduciary duty to act in the best interest of their association members.

# What components are included in a Reserve Study?

The National Reserve Study Standards specify the following definition of a Reserve Component:

- Must be the association's responsibility.
- Must have a limited Useful Life (UL)
- Must have a predictable Remaining Useful Life (RUL)
- Must be above a certain "threshold cost"



We typically recommend funding for projects such as: roof replacement, painting/waterproofing, pavement sealing and resurfacing, elevator modernization, balcony and deck sealing and restoration, major mechanical systems (HVAC, fire alarm, hot water, etc.), major pool and spa expenses, interior/amenity area remodeling, and many more. The bottom line is that every property is different, and will require a thorough inspection to determine what belongs in your study.

State requirements vary on what types of projects should be addressed through Reserves (and therefore included in a Reserve Study). Our studies will always meet and usually exceed these requirements, ensuring that our clients are acting in accordance with legal requirements and sound fiduciary responsibility.

Colorado law (**C.R.S. 38-33.3-209.5(IX)**), legislates that a community has a Reserve Policy that includes the following:

- When the association has a reserve study prepared for the portions of the community maintained, repaired, replaced and improved by the association.
- Whether there is a funding plan for any work recommended by the reserve study.
- If there is a funding plan, the projected sources of funding for the work.
- Whether the reserve study is based on a physical analysis and financial analysis.



# Scope of Work

Our Reserve Studies are prepared in accordance with National Reserve Study Standards, established in 1998 by the Community Associations Institute. Per these standards, a Reserve Study engagement generally consists of the following:

## 1. Component Inventory & Condition Assessment

The component inventory is “the task of selecting and quantifying Reserve Components. This task can be accomplished through on- site visual observations, review of association design and organizational documents, a review of established association precedents, and discussion with appropriate association representative(s) of the association or cooperative.” The condition assessment is “the task of evaluating the current condition of the component based on observed or reported characteristics.” As part of our inspection, we review any available building documents including site plans, building plans, fire alarm inspection records, equipment schedules and any other data that may be informative regarding component details, project history or expectations for upcoming work. We then photograph, measure and inspect all areas or components to be included. A Reserve Study site inspection is visual in nature and does not incorporate any destructive or other testing. The inspection is not intended to identify code or construction defects, nor is it intended to be the foundation for anything other than budgeting and planning purposes.

**NOTE:** For Update, With Site Visit (Level 2) Reserve Studies, the component inventory is for verification purposes only, using previously-established component quantities from a prior Reserve Study. However, the condition assessment is re- established based on current conditions. For Update, No Site Visit (Level 3) Reserve Studies, there is no physical inspection of the property. We review the component inventory and condition assessments from the most recent Level 1 or Level 2 study, then proceed with the Life and Valuation Estimates and Financial Analysis.



## 2. Life & Valuation Estimates

This process is usually much more time consuming than the actual site inspection, and represents the bulk of the overall Reserve Study process. Our Reserve Specialist® begins by organizing and interpreting the raw data he or she gathered during the site inspection, reviewing all measurements, notes and photographs for key details and insights. Next, we establish the component list structure, and determine the life and cost estimates for each Reserve component. Our standard procedure is to use any historical information provided to us by the client (such as when certain projects were done, and what they cost), and to review any bids or estimates for upcoming work. We review our findings with your current vendors for their insights, and also check their input against information we’ve gathered working with other comparable properties in your area. We constantly consult our own internal databases, composed of data collected from over 50,000 Reserve Studies. As a supplement, we also make use of professional construction estimating software programs, guidebooks, publications and manufacturer’s publications to supplement our knowledge base. The end result is a complete, thorough set of estimates that are accurate, current, property-specific, and generated by a qualified, independent third party.

## 3. Financial Analysis, Report Preparation & Delivery

Once the component list is established and we’ve reviewed your current annual budget and Reserve fund balance(s), we will make a determination of relative current Reserve fund strength and created a recommended funding plan covering the next 30 fiscal years via the cash flow (pooled) methodology, including a schedule of projected annual income and expenses.

# Why should we choose Association Reserves?

Association Reserves was established in 1986 as a professional engineering consulting firm serving community associations throughout the United States and abroad. To date, our firm has completed over **60,000** Reserve Studies for properties of all types, including condominium and homeowners associations, community development districts, timeshare and resort properties, commercial facilities, worship facilities, and more. Over the years, our firm has been instrumental in defining and advocating the National Reserve Study Standards endorsed by the Community Associations Institute (CAI). Each Reserve Study we provide is conducted with special consideration for the unique characteristics of the client property, especially age, regional weather patterns, local pricing factors, and input from the Board of Directors. Our time-tested approach involves thorough research of all key factors, especially project history, projected useful life and cost data, and aesthetic standards in the local area. Our staff members earn and maintain the Reserve Specialist® credential administered by the Community Associations Institute (CAI), the international authority on all aspects of community association living.

We don't take a one-size-fits-all approach to our work, because we know that every association is different, and we take the time and care to ensure our results will help you to make wise decisions regarding the long-term care of your physical and financial assets. From our first phone call to final delivery of your study, we hold ourselves to the highest standards of professionalism. We pride ourselves on delivering a first-rate product, because we know you're putting your trust in our hands.



# Our Team



**Bryan Farley, RS** is the President of our Rocky Mountain regional offices. Bryan has completed over 2,000 Reserve Studies for property types including residential developments, schools, historic buildings, commercial developments, metro districts, ranch developments, worship facilities, resorts and more. Bryan has earned the Reserve Specialist designation (#260) and is also a frequent author and speaker in the industry. Bryan earned a Bachelor of Science degree in Business Administration from Pepperdine University.



**Cooper Fogle, MBA** Cooper Fogle graduated from Wartburg college in 2017 with a degree in Business Administration as well as a Masters in Global Business from Pepperdine Graziadio School of Business in 2020. Through these programs and multiple study abroad experiences in the UK and Germany he was able to build up technical skills and interpersonal skills working with a bright and diverse group of people.



**Andrew Klausen** Andrew earned a degree in Finance and Management from the University of Nebraska as well as a Masters in Research and Education from Trinity International University. Andrew's experience includes non-profit leadership, teaching at the collegiate level, financial accounting, and risk-management for residential and commercial properties.



**Paul Shoemaker** Paul graduated from the University of Arkansas in 2014 with a BS in Business Administration, majoring in Finance and Information Systems. He brings with him experience as a Community Association Manager in the HOA management industry. As a member of CAI, Paul obtained the CMCA designation and continues to pursue education in the industry. Paul understands the unique challenges that a Board of Directors and managing agent face in maintaining a community's assets, and strives to offer a seamless customer service experience from pre-project planning through completion.



**Chris Galey** Chris Galey graduated from Kansas State University with a Bachelor of Science in Business Administration. He began a career in the Resort and Hospitality industry and has worked with multiple ski resorts, managing sales operations in the Front Range. Chris acquired skills in this role by managing large sales events, partnerships, promotions, budgeting, and financial strategy.



**Paige Daniels** Paige joined Association Reserves in 2012 after graduating from California Lutheran University with a Master's degree in Business Administration. A native of Colorado, she obtained a BS in Business Marketing from the University of Northern Colorado. Her undergraduate education also included a semester at Griffith University in Queensland, Australia. Her experience with trade show operations, her knowledge of business, and her marketing passion and creativity makes her an excellent addition to our team and an asset to our clients.



**Ruth Walden-Turek** Ruth joined Association Reserves in 2016 as the client service specialist. She brought with her many experience years in administrative work specific to the building industry, having worked for a residential developer as a spec sheet writer as well as a systems coordinator and as a contract administrator for a general contractor managing multi-million dollar projects. Ruth has a business degree as well as a nursing degree.

# What can I expect to see in my Reserve Study?

Simple, concise summary of recommendations, with a clear, organized listing of Reserve components.

### 3- Minute Executive Summary

Association: Sample Condo # 99991-0  
 Location: Anywhere, US # of Units: 142  
 Report Period: January 1, 2015 through December 31, 2015

**Findings/Recommendations as-of 1/1/2015:**

|  |             |
|--|-------------|
| Projected Starting Reserve Balance:                    | \$750,000   |
| Current Fully Funded Reserve Balance:                  | \$1,306,267 |
| Average Reserve Deficit (Surplus) Per Unit:            | \$3,917     |
| Recommended 2015 Monthly "Full Funding" Contributions: | \$19,000    |
| Alternate minimum contribs to keep Reserves above \$0: | \$14,175    |
| Recommended 2015 Special Assessment for Reserves:      | \$0         |
| Most Recent Budgeted Reserve Contribution Rate:        | \$16,000    |

Reserves % Funded: 57% (30% to 70% to 130%)  
 Special Assessment Risk: High Medium Low

**Economic Assumptions:**  
 Net Annual "After Tax" Interest Earnings Accruing to Reserves..... 1.00%  
 Annual Inflation Rate..... 3.00%

- This is a "Full" Reserve Study (original, created "from scratch"), and is based on our site inspection on September 1, 2014. It was prepared by a credentialed Reserve Specialist (RS).
- Because your Reserve Fund is between 30% and 70% at 57% Funded, this means the association's special assessment & deferred maintenance risk is currently "medium." The objective of your multi-year Funding Plan is to Fully Fund your Reserves, where associations enjoy a low risk of such Reserve cash flow problems.
- Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our recommendation is to increase your Reserve contributions in the upcoming fiscal year.
- No assets appropriate for Reserve designation were excluded.

"officially called "Baseline Funding"

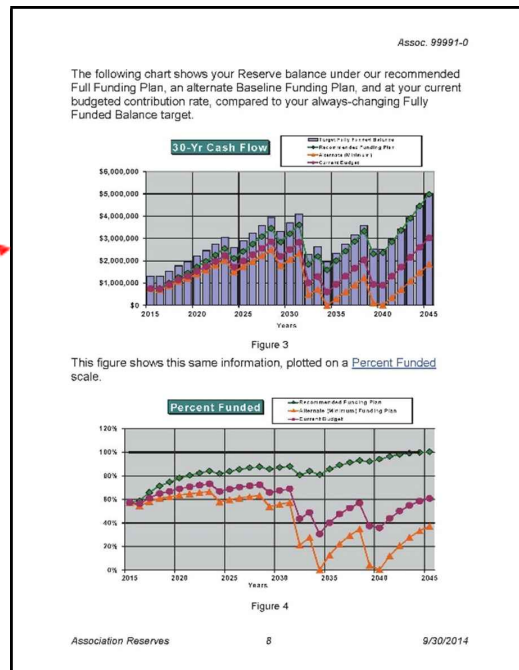
Association Reserves      i      9/30/2014

### Table 1 Executive Summary


| #                                     | Component                           | Useful Life (yrs) | Rem. Useful Life (yrs) | Current Cost Estimate |
|---------------------------------------|-------------------------------------|-------------------|------------------------|-----------------------|
| <b>Site and Grounds</b>               |                                     |                   |                        |                       |
| 2119                                  | Driveway Pavers - Replace           | 40                | 33                     | \$24,350              |
| 2145                                  | Garage Gates - Replace              | 20                | 13                     | \$9,900               |
| 2149                                  | Entry Area Fountains - Maintain     | 12                | 6                      | \$4,000               |
| 2149                                  | Sundeck Fountain - Maintain         | 12                | 8                      | \$3,000               |
| 2177                                  | Bollard Lights - Replace            | 20                | 13                     | \$7,500               |
| <b>Building Exterior</b>              |                                     |                   |                        |                       |
| 2303                                  | Entry Parking Area Lights - Replace | 10                | 3                      | \$2,475               |
| 2321                                  | Balcony, Deck Rails - Replace       | 24                | 16                     | \$614,700             |
| 2325                                  | Sundeck - Resurface/Restore         | 24                | 16                     | \$16,400              |
| 2335                                  | Planters - Waterproof/Re-plant      | 16                | 24                     | \$10,600              |
| 2341                                  | Building Exterior - Restoration     | 24                | 16                     | \$284,000             |
| 2343                                  | Building Exterior - Spack/Point     | 8                 | 0                      | \$215,000             |
| 2363                                  | Common Area Windows - Replace       | 30                | 23                     | \$312,600             |
| 2377                                  | Low Slope Roof - Replace            | 20                | 13                     | \$67,500              |
| <b>Mechanical/Electrical/Plumbing</b> |                                     |                   |                        |                       |
| 2505                                  | Automatic Entry Doors - Replace     | 20                | 13                     | \$10,000              |
| 2509                                  | Garage Gate Operators - Replace     | 10                | 6                      | \$5,500               |
| 2511                                  | Barrier Arm Operator - Replace      | 10                | 6                      | \$9,500               |
| 2515                                  | Traction Elevators - Modernize      | 25                | 16                     | \$525,000             |
| 2517                                  | Elevator Cabs - Remodel             | 25                | 18                     | \$36,000              |
| 2519                                  | Air Handler - Lobby/Ofc - Replace   | 15                | 8                      | \$18,000              |
| 2519                                  | Air Handler - Social Room - Replace | 15                | 8                      | \$6,000               |
| 2519                                  | HVAC - Elevator Rooms - Replace     | 15                | 8                      | \$7,500               |
| 2519                                  | HVAC - Hallways - Replace           | 15                | 8                      | \$96,000              |
| 2523                                  | Large Exhaust Fans - Replace        | 15                | 8                      | \$14,750              |
| 2533                                  | Cooling Tower - Replace             | 20                | 13                     | \$135,000             |
| 2535                                  | Cooling Tower Pumps - Replace       | 15                | 8                      | \$27,500              |
| 2537                                  | Variable Frequency Drives - Replace | 15                | 8                      | \$5,500               |
| 2543                                  | Security System - Modernize         | 12                | 8                      | \$15,000              |
| 2549                                  | Generator - Replace                 | 40                | 33                     | \$62,000              |
| 2597                                  | Fire Alarm System - Modernize       | 15                | 8                      | \$105,000             |
| 2599                                  | Fire Sprinkler Pump/Controls - Repl | 40                | 33                     | \$95,000              |
| 2599                                  | Heat Exchanger (Hot Water) - Repl.  | 15                | 8                      | \$4,000               |
| 2599                                  | Heat Exchanger (HVAC) - Repl.       | 15                | 8                      | \$16,500              |
| 2571                                  | Boilers - Replace                   | 20                | 13                     | \$40,000              |
| 2575                                  | Dom. Water Pumps/Controls - Replace | 20                | 13                     | \$40,000              |
| 2593                                  | Fountain Equipment - Replace        | 3                 | 1                      | \$2,250               |
| <b>Interiors &amp; Amenities</b>      |                                     |                   |                        |                       |
| 2703                                  | Wallcoverings - Replace             | 20                | 13                     | \$95,250              |
| 2705                                  | Garage Ceiling Lights - Replace     | 25                | 18                     | \$94,700              |
| 2705                                  | Hallway Lights - Replace            | 20                | 13                     | \$17,250              |
| 2709                                  | Tile Flooring - Replace             | 20                | 13                     | \$44,000              |
| 2711                                  | Hallway Carpeting - Replace         | 10                | 3                      | \$35,000              |

Association Reserves      ii      9/30/2014

Large, color-coded charts and tables to illustrate long-term implications



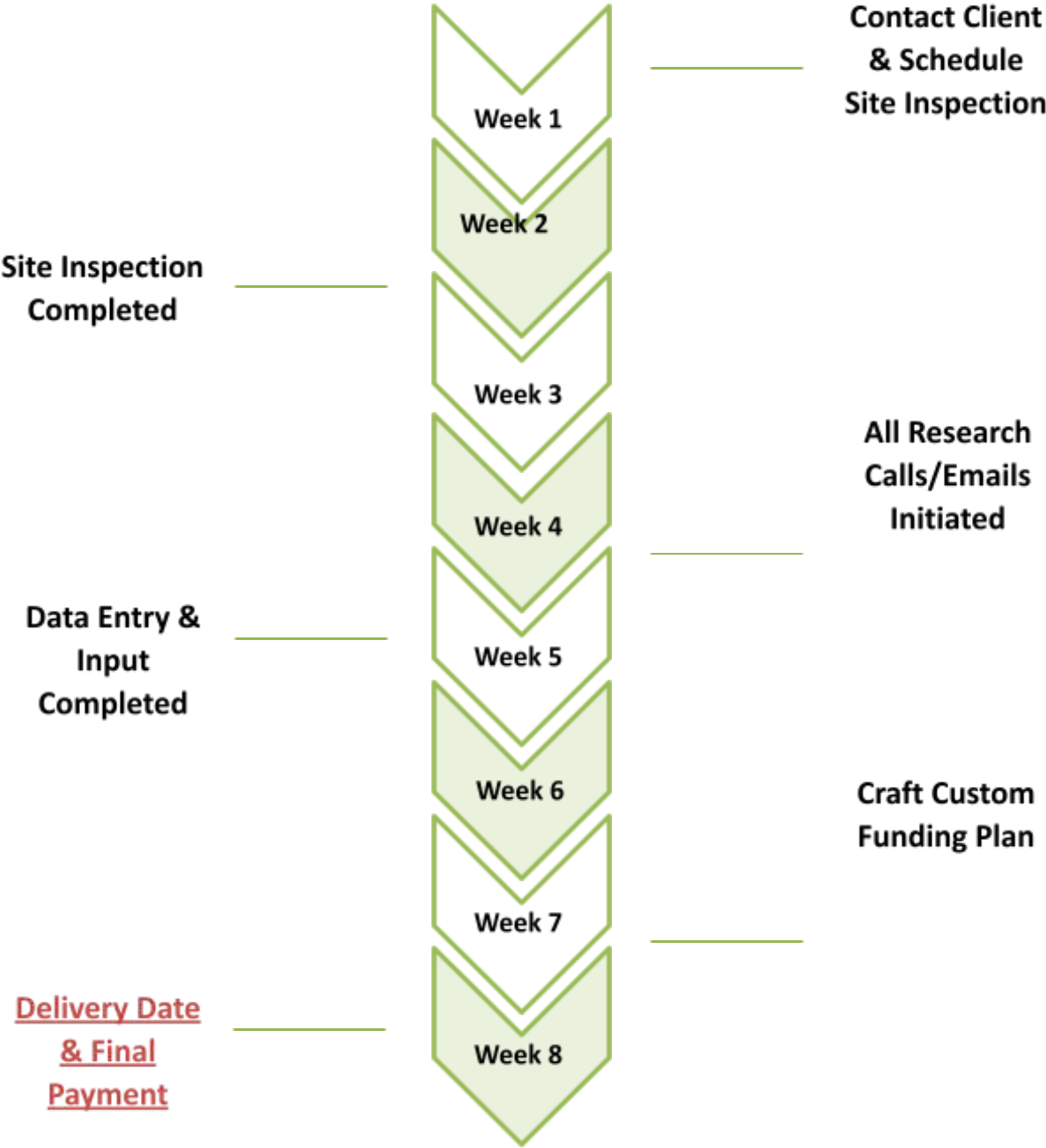
Here's a sample of our Inventory Appendix pages. We devote a half-page summary to every single component included in your Reserve Study.

| Association Reserves  | Inventory Appendix  |                                    |
|---|---|------------------------------------|
| Client: 99991B Sample Condo - Building Exteriors  |   |                                    |
| Comp #: 2343 Building Exterior - Seal/Paint   |   |                                    |
| Quantity: Approx 165,200 GSF  |   |                                    |
| Location: Building exteriors  |   |                                    |
| Evaluation: Generally fair condition noted. Building has not been painted since original construction, but the association has obtained some bids for painting in the near future according to manager. Project may be postponed or done in stages due to ongoing construction at an adjacent site. We were provided with copy of exterior painting specifications prepared by Sherwin-Williams, which calls for an 8-year warranty. All door and window frame perimeters are to be caulked with a urethane sealant. As routine maintenance, inspect regularly (including sealants), repair locally and touch-up paint as needed. Typical paint cycles can vary greatly depending upon many factors including type of material painted, surface preparations, quality of material, application methods, weather conditions during application, moisture beneath paint, and exposure to weather conditions. Proper sealant/caulking is critical to preventing water intrusion and resulting damage to the building structure. Incorrect installations of sealant are common, and can greatly decrease its useful life. Inspect sealant, more frequently as it ages, to determine if it is failing. Typical sealant problems include failure of sealant to adhere to adjacent materials and tearing/splitting of the sealant itself. As sealants age and are exposure to ultra-violet sunlight, they will dry out, harden, and lose their elastic ability. Remove and replace sealant as signs of failure begin to appear. Proper cleaning, prep work, and proper installation are critical for a long lasting sealant/caulking. Repair areas as needed prior to project. |   |                                    |
| Useful Life:<br>8 years   |  | Descriptive, thorough observations |
| Remaining Life:<br>0 years  |   | Full Color Photographs             |
| Easy-to-find details  |   |                                    |
| Best Case: \$180,000.00   | Worst Case: \$250,000.00  |                                    |
| Lower estimate to seal/repaint  | Higher estimate   |                                    |
| Cost Source: Estimates Provided by Client   |   |                                    |

# Delivery Timeline

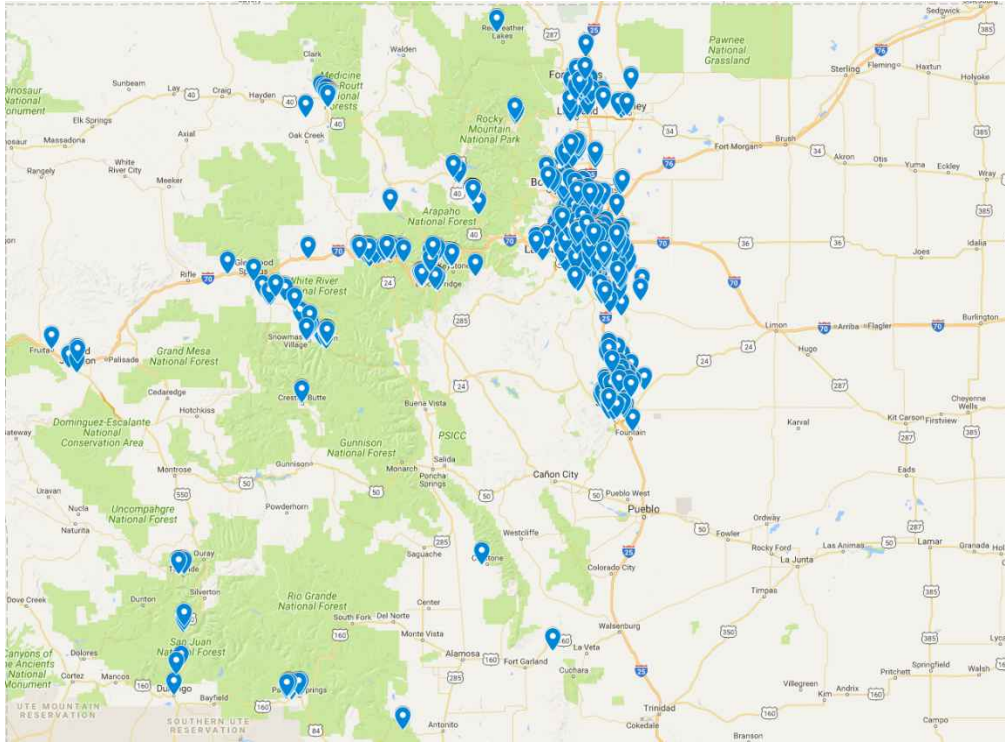
The delivery timeline for an 8-week turnaround will typically look as follows once we have received:

- ✓ Signed proposal agreement with 50% deposit
- ✓ CCRs (If a Full)



# Client Map and Testimonials

You don't get to be in business for over 30 years and counting without building a great reputation. Here's what some of our clients have had to say about us recently:



- “For over 20 years, I have relied upon Association Reserves to provide essential information during the lending process. Nobody does it better”  
*Alan Crandall, SVP Mutual of Omaha Bank*
- “I have used Association Reserves for many years and have always found them to be excellent in their depth, details and analysis.”  
*Quentin Yates PCAM, CCAM Meridian Residential Association*
- “The follow up and willingness to work with the Association was excellent. Any questions or concerns were addressed immediately.”  
*Michael Mazziotta Rivershores Plantation POA*

Client References Available Upon Request



ASSOCIATION  
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RESERVE STUDY

MUNICIPALITIES or  
MASTER PROPERTIES



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Serving the Nation



[www.reservestudy.com](http://www.reservestudy.com)



# Welcome to your Reserve Study!

**A** Reserve Study is a valuable tool to help you budget responsibly for your property. This report contains all the information you need to avoid surprise expenses, make informed decisions, save money, and protect property values.

**R**egardless of the property type, it's a fact of life that the very moment construction is completed, every major building component begins a predictable process of physical deterioration. The operative word is "predictable" because *planning for the inevitable* is what a Reserve Study by **Association Reserves** is all about!

In this Report, you will find three key results:

- **Reserve Funding Plan**  
A multi-year funding plan based on current Reserve Fund strength that allows for component repairs & replacements to be completed in a timely manner, with an emphasis on avoiding "catch-up" funding sources.
- **Reserve Fund Strength**  
A calculation that measures how well the Reserve Fund has kept pace with the property's physical deterioration.
- **Component List**  
Unique to each property, the Component List serves as the foundation of the Reserve Study and details the scope and schedule of all necessary repairs & replacements.

## Questions?

Please contact your Project Manager directly.



[www.reservestudy.com](http://www.reservestudy.com)

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[YOUR PROPERTY NAME]

Report #: 17918-0

[Anywhere in the world]

# of Units: 1

Level of Service: **Reserve Study- FULL**

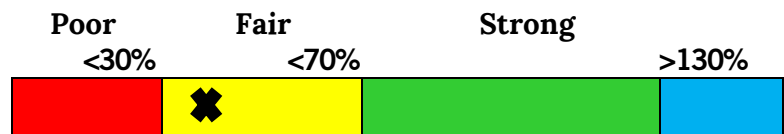
**July 1, 2019** through **June 30, 2020**

### Findings & Recommendations

as of **January 1, 2019**

|   |             |
|---|-------------|
| Starting Reserve Balance .....                                    | \$421,600   |
| Fully Funded Reserve Balance .....                                | \$1,105,138 |
| Average Reserve Deficit (Surplus) per Unit.....                   | \$683,538   |
| %-Funded .....  | 38.1%       |
| Recommended 2019 Annual "Full Funding" Reserve Contribution ..... | \$132,650   |
| Recommended 2019 "Additional Funding" for Reserves .....          | \$0         |
| Most recent Reserve Contribution Rate .....                       | \$0         |

### Reserve Fund Strength (%-Funded)



### Risk of Cash Flow Problems

----- High Medium Low

### Economic Assumptions:

|  |       |
|--|-------|
| Net Annual "After Tax" Interest Earnings, accruing to Reserves ..... | 1.00% |
| Annual Inflation Rate .....  | 3.00% |

### Comments:

This is a Full Reserve Study (also called a Capital Plan), meaning it is an original analysis, created "from scratch", based on our site inspection on 10/8/2018. This Reserve Study was prepared by a credentialed Reserve Specialist (RS).

Because your Reserve Fund is above the 0-30% "weak" range but below the 70% level that typifies Reserve Fund strength at 38.1 % Funded, this represents a fair Reserve position. Properties in this range have a Medium risk of Reserve cash-flow problems (requiring additional funding and/or deferred maintenance) in the near future.

Based on this starting point, your anticipated future expenses, and your historical Reserve contribution rate, our strong recommendation to begin a regular pattern of annual Reserve contributions, to offset ongoing deterioration and build the Reserve Fund to a level that will provide for the timely execution of all Reserve projects.

Your major recent Reserve project was some exterior painting, accomplished in earlier 2018.

Your multi-year Funding Plan is designed to provide for timely execution of Reserve projects and gradually bring your property closer to the "Fully Funded" (100%-funded) level.

| #                               | Component                        | Useful Life<br>UL (years) | Remaining Useful Life<br>RUL (years) | Current Average<br>Cost (\$) |
|---------------------------------|----------------------------------|---------------------------|--------------------------------------|------------------------------|
| <b>General Common Areas</b>     |                                  |                           |                                      |                              |
| 201                             | Asphalt - Remove & Replace       | 25                        | 10                                   | \$189,500                    |
| 202                             | Asphalt - Seal/Repair            | 5                         | 0                                    | \$10,125                     |
| 204                             | Concrete Swales - Replace        | 25                        | 10                                   | \$11,000                     |
| 320                             | Pole Lights - Replace            | 25                        | 10                                   | \$31,500                     |
| 324                             | Exterior Wall Lights - Replace   | 20                        | 5                                    | \$2,100                      |
| 413                             | Flag Pole - Replace              | 30                        | 15                                   | \$2,875                      |
| 701                             | Sliding Entry Doors - Replace    | 20                        | 5                                    | \$16,000                     |
| 1107                            | Metal Fence/Rail - Repaint       | 5                         | 4                                    | \$3,300                      |
| 1113                            | Metal Surfaces - Repaint         | 5                         | 4                                    | \$8,100                      |
| 1116                            | Wood Surfaces - Repaint          | 5                         | 1                                    | \$52,550                     |
| 1121                            | Wood Siding - Replace            | 30                        | 15                                   | \$182,000                    |
| 1303                            | Comp Shingle Roof - Replace      | 25                        | 10                                   | \$221,000                    |
| <b>Building Interior</b>        |                                  |                           |                                      |                              |
| 325                             | Fluorescent Strips - Replace     | 20                        | 5                                    | \$14,000                     |
| 325                             | Interior Lights - Replace        | 20                        | 5                                    | \$16,500                     |
| 601                             | Carpet - Replace                 | 10                        | 2                                    | \$110,000                    |
| 602                             | Linoleum Flooring - Replace      | 10                        | 2                                    | \$20,550                     |
| 603                             | Tile Floor - Replace             | 25                        | 10                                   | \$74,900                     |
| 904                             | Built-In Furniture - Replace     | 25                        | 10                                   | \$145,500                    |
| 908                             | Window Treatments - Replace      | 20                        | 5                                    | \$8,000                      |
| 909                             | Bathrooms - Refurbish            | 20                        | 5                                    | \$40,000                     |
| 1110                            | Interior Surfaces - Repaint      | 10                        | 2                                    | \$32,350                     |
| 1111                            | Interior Wood Surfaces - Repaint | 10                        | 2                                    | \$7,875                      |
| <b>Mechanical &amp; Systems</b> |                                  |                           |                                      |                              |
| 302                             | Generator - Replace              | 30                        | 15                                   | \$125,000                    |
| 303                             | Liquid Chiller - Replace         | 25                        | 10                                   | \$120,000                    |
| 304                             | Liquid Chiller - Refurbish       | 10                        | 0                                    | \$67,500                     |
| 305                             | Air Handlers - Replace           | 20                        | 5                                    | \$9,000                      |
| 312                             | Cooling Tower - Replace          | 20                        | 5                                    | \$55,500                     |
| 330                             | Backup Lighting System - Replace | 20                        | 5                                    | \$12,500                     |
| 801                             | HVAC Boiler - Replace            | 20                        | 5                                    | \$20,000                     |
| 1801                            | Elevator - Modernize             | 25                        | 10                                   | \$72,500                     |
| 1802                            | Elevator Cab - Remodel           | 15                        | 7                                    | \$10,000                     |
| 1803                            | Fire Alarm Panels - Replace      | 20                        | 5                                    | \$28,750                     |
| 32                              | Total Funded Components          |                           |                                      |                              |

**Yellow highlights** indicate items with RUL = 0 years, requiring attention in 2019.

## Introduction



A Capital Plan is the art and science of anticipating, and preparing for, a property major predictable repair and replacement expenses. Partially art, because in this field we are making projections about the future. Partially science, because our work is a combination of research and well-defined computations, following consistent National Reserve Study Standard principles.

The foundation of this and every Capital Plan is your Component List (what you are reserving for). This is because the Component List defines the *scope and schedule* of all your anticipated upcoming major, predictable capital projects. Based on that List and your starting balance, we calculate the property Capital Fund Strength (reported in terms of "Percent Funded"). Then we compute a Funding Plan to provide for the needs of the property. These form the three results of your Capital Plan.



Capital contributions are not “for the future”. Capital contributions are designed to offset the ongoing, daily deterioration of your Capital assets. Done well, a stable, budgeted Capital Funding Plan will collect sufficient funds from the owners who enjoyed the use of those assets, so the property is financially prepared for the irregular expenditures scattered through future years when those projects eventually require replacement.

## Methodology



For this [Capital Plan](#), we started with a review of ownership boundaries, as detailed by property, recent Capital expenditures, an evaluation of how expenditures are handled (ongoing maintenance vs Capital), and research into any well-established historical precedents. We performed an on-site inspection to quantify and evaluate your major predictable, creating your Reserve Component List *from scratch*.

## *Which Physical Assets are Funded by Reserves?*

There is a national-standard four-part test to determine which expenses should appear in your Component List. First, it must be a maintenance responsibility. Second, the component must have a limited life. Third, the remaining life must be predictable (or it by definition is a *surprise* which cannot be accurately anticipated). Fourth, the component must be above a minimum threshold cost (often between .5% and 1% of an property total budget). This limits Capital Components to major, predictable expenses.



RESERVE COMPONENT "FOUR-PART TEST"

Within this framework, it is inappropriate to include *lifetime* components, unpredictable expenses (such as damage due to fire, flood, or earthquake), and expenses more appropriately handled from the Operational Budget or as an insured loss.

## *How do we establish Useful Life and Remaining Useful Life estimates?*

- 1) Visual Inspection (observed wear and age)
- 2) Property Reserves database of experience
- 3) Property History (install dates & previous life cycle information)
- 4) Vendor Evaluation and Recommendation

## *How do we establish Current Repair/Replacement Cost Estimates?*

In this order...

- 1) Actual property cost history, or current proposals
- 2) Comparison to Property Reserves database of work done at similar properties
- 3) Vendor Recommendations
- 4) Reliable National Industry cost estimating guidebooks

## How much Reserves are enough?

Capital Fund adequacy is not measured in cash terms. Capital Fund adequacy is found when the *amount* of current Capital cash is compared to Capital asset component deterioration (the *needs of the property*). Having *enough* means the property can execute its projects in a timely manner with existing Capital funds. Not having *enough* typically creates deferred maintenance or special funding needs.

Adequacy is measured in a two-step process:

- 1) Calculate the *value of deterioration* at the property (called Fully Funded Balance, or FFB).
- 2) Compare that to the Capital Fund Balance, and express as a percentage.



Each year, the *value of deterioration* at the property changes. When there is more deterioration (as components approach the time they need to be replaced), there should be more cash to offset that deterioration and prepare for the expenditure. Conversely, the *value of deterioration* shrinks after projects are accomplished. The *value of deterioration* (the FFB) changes each year, and is a moving but predictable target.

There is a high risk of special funding needs and deferred maintenance when the Percent Funded is *weak*, below 30%. Approximately 30% of all properties are in this high risk range. While the 100% point is Ideal (indicating Reserve cash is equal to the *value of deterioration*), a Reserve Fund in the 70% - 130% range is considered strong (low risk of special funding needs).

Measuring your Capital Funds by Percent Funded tells how well prepared your property is for upcoming Reserve expenses. Those charged with maintaining the physical property should be very aware of this important figure!

## How much should we contribute?



RESERVE FUNDING PRINCIPLES

According to National Reserve Study Standards, there are four Funding Principles to balance in developing your Reserve Funding Plan. Our first objective is to design a plan that provides you with sufficient cash to perform your Reserve projects on time. Second, a stable contribution is desirable because it keeps these naturally irregular expenses from unsettling the budget.

Reserve contributions that are evenly distributed over current and future owners enable each owner to pay their fair share of the property's Reserve expenses over the years. And finally, we develop a plan that is fiscally responsible and safe for Boardmembers to recommend to their property. Remember, it is the Board's job to provide for the ongoing care of the real property that supports your entity mission.

## What is our Recommended Funding Goal?

Maintaining the Reserve Fund at a level equal to the *value* of deterioration is called "Full Funding" (100% Funded). As each asset ages and becomes "used up," the Reserve Fund grows proportionally. **This is simple, responsible, and our recommendation.** Evidence shows that properties in the 70 - 130% range *enjoy a low risk of special funding needs or deferred maintenance.*



FUNDING OBJECTIVES

Allowing the Reserves to fall close to zero, but not below zero, is called Baseline Funding. Doing so allows the Reserve Fund to drop into the 0 - 30% range, where there is a high risk of special funding needs & deferred maintenance. Since Baseline Funding still provides for the timely execution of all Reserve projects, and only the "margin of safety" is different, Baseline Funding contributions average only 10% - 15% less than Full Funding contributions. Threshold Funding is the title of all other Cash or Percent Funded objectives *between* Baseline Funding and Full Funding.



## Site Inspection Notes

During our site visit on 10/8/2018, we started with a brief meeting with City Manager Mike Vostich, and then started the site inspection beginning with the mechanical room area. We visually inspected all building areas. We were not able to inspect the air handlers in the attic area (locked, no access).

Please refer to the Photographic Inventory Appendix for additional information on each of your Reserve components.



## Projected Expenses

While this Reserve Study looks forward 30 years, we have no expectation that all these expenses will all take place as anticipated. This Reserve Study needs to be updated annually because we expect the timing of these expenses to shift and the size of these expenses to change. We do feel more certain of the timing and cost of near-term expenses than expenses many years away. Please be aware of your near-term expenses, which we are able to project more accurately than the more distant projections.

The figure below summarizes the projected future expenses at your facility as defined by your Reserve Component List. A summary of these components are shown in the Component Details table, while a summary of the expenses themselves are shown in the 30-yr Expense Summary table. Note the large upcoming expense year, comprised of a combination of asphalt resurfacing and roof replacement.

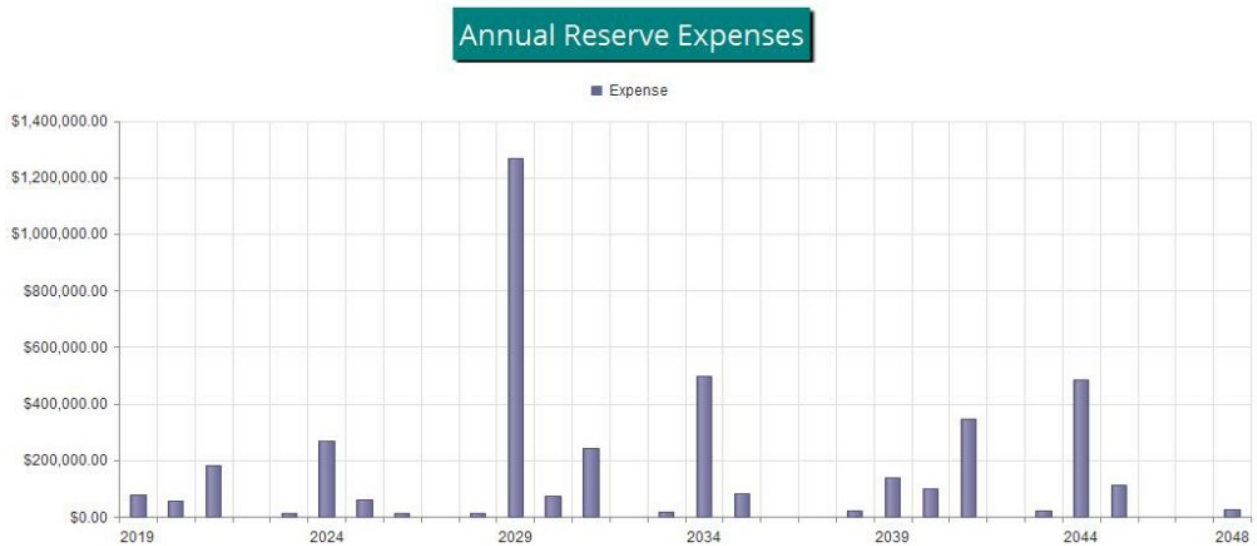


Figure 1

## Reserve Fund Status

The starting point for our financial analysis is your Reserve Fund balance, projected to be \$421,600 as-of the start of your Fiscal Year on 7/1/2019. This is based on your actual balance on 10/31/2018 of \$437,619 and anticipated Reserve contributions and expenses projected through the end of your Fiscal Year. As of your Fiscal Year Start, your Fully Funded Balance is computed to be \$1,105,138. This figure represents the deteriorated value of your common area components. Comparing your Reserve Balance to your Fully Funded Balance indicates your Reserves are 38.1 % Funded. Across the country approximately 20% of associations that are between 30%-40% Funded experience financial shortfalls, or deferred maintenance due to those shortfalls.

## Recommended Funding Plan

Based on your current Percent Funded and your near-term and long-term Reserve needs, we are recommending budgeted contributions of \$132,650 per month this Fiscal Year instead of the casual approach the City has taken in prior years, funding when the budget allows. The overall 30-yr plan, in perspective, is shown below. This same information is shown numerically in both the 30-yr Summary and the Cash Flow Detail tables.

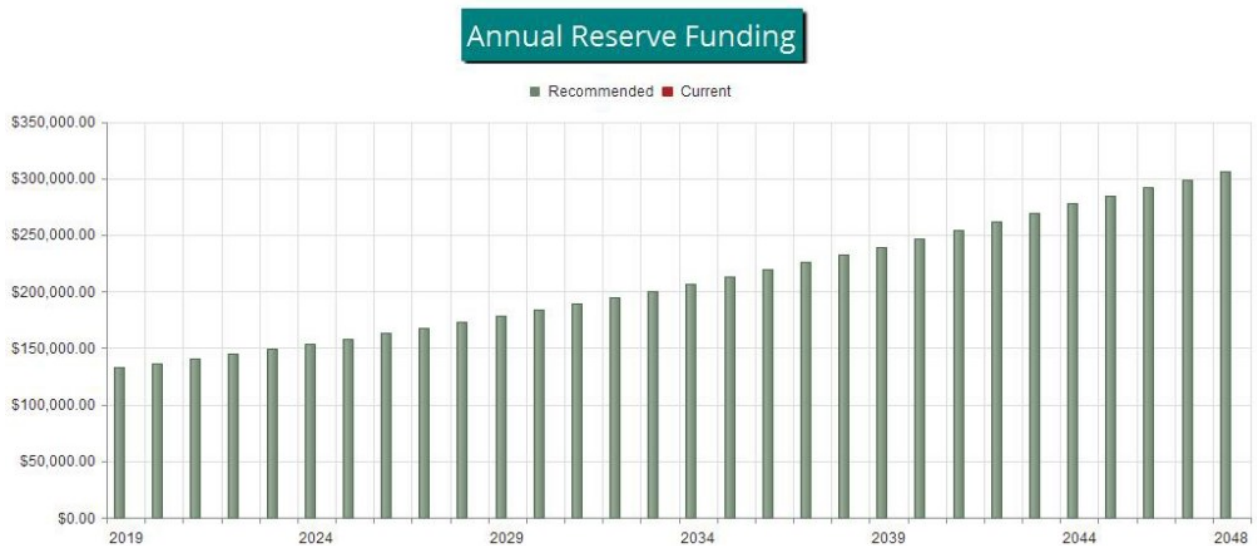


Figure 2

The following chart shows your Reserve balance under our recommended Full Funding Plan and at your current budgeted contribution rate, compared to your always-changing Fully Funded Balance target.

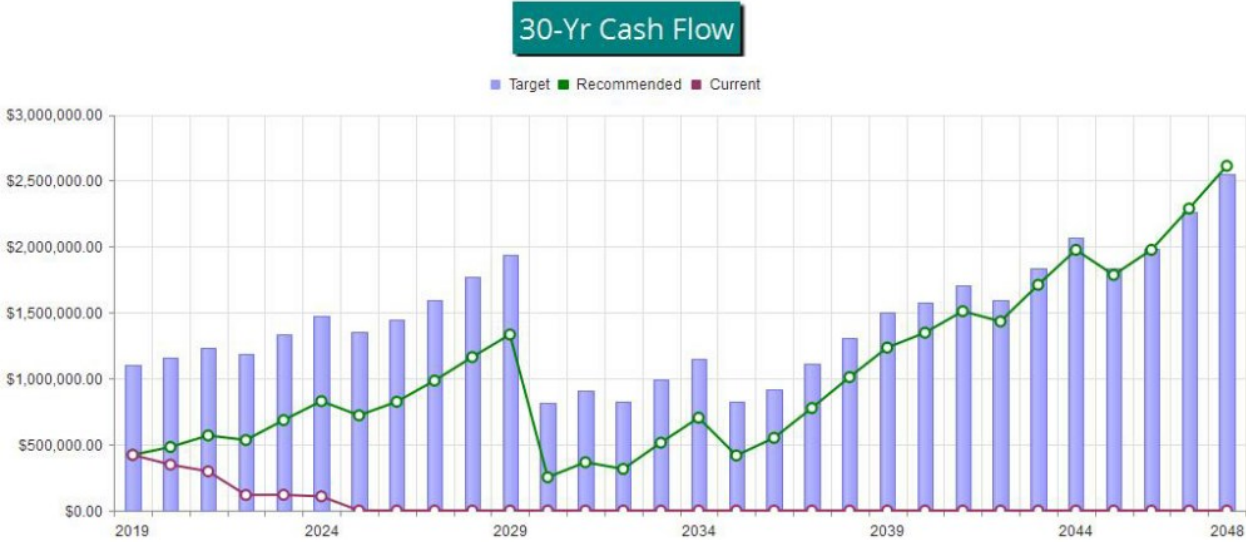


Figure 3

This figure shows the same information plotted on a Percent Funded scale. It is clear here to see how your Reserve Fund strength approaches the 100% Funded level under our recommended multi-yr Funding Plan.



Figure 4

## Table Descriptions

The tabular information in this Report is broken down into nine tables, not all which may have been chosen by your Project Manager to appear in your report. Tables are listed in the order in which they appear in your Report.

Executive Summary is a summary of your Reserve Components

Budget Summary is a management and accounting tool, summarizing groupings of your Reserve Components.

Analysis Summary provides a summary of the starting financial information and your Project Manager's Financial Analysis decision points.

Reserve Component List Detail discloses key Component information, providing the foundation upon which the financial analysis is performed.

Fully Funded Balance shows the calculation of the Fully Funded Balance for each of your components, and their contributions to the property total. For each component, the Fully Funded Balance is the fraction of life used up multiplied by its estimated Current Replacement Cost.

Component Significance shows the relative significance of each component to Reserve funding needs of the your property, helping you see which components have more (or less) influence than others on your total Reserve contribution rate. The deterioration cost/yr of each component is calculated by dividing the estimated Current Replacement Cost by its Useful Life, then that component's percentage of the total is displayed.

Accounting-Tax Summary provides information on each Component's proportionate portion of key totals, valuable to accounting professionals primarily during tax preparation time of year.

30-Yr Reserve Plan Summary provides a one-page 30-year summary of the cash flowing into and out of the Reserve Fund, with a display of the Fully Funded Balance, Percent Funded, and special funding needs risk at the beginning of each year.

30-Year Income/Expense Detail shows the detailed income and expenses for each of the next 30 years. This table makes it possible to see which components are projected to require repair or replacement in a particular year, and the size of those individual expenses.

# Reserve Component List Detail

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Full

| #                             | Component                        | Quantity               | Useful Life | Rem. Useful Life | Current Cost Estimate |            |
|-------------------------------|----------------------------------|------------------------|-------------|------------------|-----------------------|------------|
|                               |                                  |                        |             |                  | Best Case             | Worst Case |
| <b>General Common Areas</b>   |                                  |                        |             |                  |                       |            |
| 201                           | Asphalt - Remove & Replace       | Approx 63100 GSF       | 25          | 10               | \$158,000             | \$221,000  |
| 202                           | Asphalt - Seal/Repair            | Approx 63100 GSF       | 5           | 0                | \$8,850               | \$11,400   |
| 204                           | Concrete Swales - Replace        | Approx 1000 GSF        | 25          | 10               | \$10,000              | \$12,000   |
| 320                           | Pole Lights - Replace            | (18) Fixtures 20' Tall | 25          | 10               | \$27,000              | \$36,000   |
| 324                           | Exterior Wall Lights - Replace   | (12) Fixtures          | 20          | 5                | \$1,800               | \$2,400    |
| 413                           | Flag Pole - Replace              | (1) Flag Pole          | 30          | 15               | \$2,500               | \$3,250    |
| 701                           | Sliding Entry Doors - Replace    | (2) Metal/Glass Doors  | 20          | 5                | \$12,000              | \$20,000   |
| 1107                          | Metal Fence/Rail - Repaint       | Approx 300 LF          | 5           | 4                | \$3,000               | \$3,600    |
| 1113                          | Metal Surfaces - Repaint         | Ext. Doors/Trash Gates | 5           | 4                | \$7,100               | \$9,100    |
| 1116                          | Wood Surfaces - Repaint          | Approx 23300 GSF       | 5           | 1                | \$46,600              | \$58,500   |
| 1121                          | Wood Siding - Replace            | Approx 10100 GSF       | 30          | 15               | \$162,000             | \$202,000  |
| 1303                          | Comp Shingle Roof - Replace      | Approx 40200 GSF       | 25          | 10               | \$201,000             | \$241,000  |
| <b>Building Interior</b>      |                                  |                        |             |                  |                       |            |
| 325                           | Fluorescent Strips - Replace     | Approx (50) Fixtures   | 20          | 5                | \$12,000              | \$16,000   |
| 325                           | Interior Lights - Replace        | (88) Fixtures          | 20          | 5                | \$13,200              | \$19,800   |
| 601                           | Carpet - Replace                 | Approx 2000 GSY        | 10          | 2                | \$100,000             | \$120,000  |
| 602                           | Linoleum Flooring - Replace      | Approx 2930 GSF        | 10          | 2                | \$17,600              | \$23,500   |
| 603                           | Tile Floor - Replace             | Approx 4680 GSF        | 25          | 10               | \$70,200              | \$79,600   |
| 904                           | Built-In Furniture - Replace     | Approx 415 LF          | 25          | 10               | \$125,000             | \$166,000  |
| 908                           | Window Treatments - Replace      | (20) Pull-Down Blinds  | 20          | 5                | \$6,000               | \$10,000   |
| 909                           | Bathrooms - Refurbish            | (10) Bathrooms         | 20          | 5                | \$35,000              | \$45,000   |
| 1110                          | Interior Surfaces - Repaint      | Approx 46300 GSF       | 10          | 2                | \$27,500              | \$37,200   |
| 1111                          | Interior Wood Surfaces - Repaint | Approx 4500 GSF        | 10          | 2                | \$6,750               | \$9,000    |
| <b>Mechanical and Systems</b> |                                  |                        |             |                  |                       |            |
| 302                           | Generator - Replace              | (1) Onan 350 KW Diesel | 30          | 15               | \$110,000             | \$140,000  |
| 303                           | Liquid Chiller - Replace         | (1) Carrier            | 25          | 10               | \$100,000             | \$140,000  |
| 304                           | Liquid Chiller - Refurbish       | (1) Carrier            | 10          | 0                | \$60,000              | \$75,000   |
| 305                           | Air Handlers - Replace           | (3) Units              | 20          | 5                | \$7,500               | \$10,500   |
| 312                           | Cooling Tower - Replace          | (1) 85 Ton Recold      | 20          | 5                | \$43,000              | \$68,000   |
| 330                           | Backup Lighting System - Replace | (1) System             | 20          | 5                | \$10,000              | \$15,000   |
| 801                           | HVAC Boiler - Replace            | (1) Raypak, 1.2MBTU/hr | 20          | 5                | \$16,000              | \$24,000   |
| 1801                          | Elevator - Modernize             | (1) 3 Stop Elevator    | 25          | 10               | \$65,000              | \$80,000   |
| 1802                          | Elevator Cab - Remodel           | (1) Cab                | 15          | 7                | \$8,000               | \$12,000   |
| 1803                          | Fire Alarm Panels - Replace      | (2) Simplex            | 20          | 5                | \$22,500              | \$35,000   |
| 32 Total Funded Components    |                                  |                        |             |                  |                       |            |

| #                             | Component                        | Current   | X | Effective | / | Useful | = | Fully       |
|-------------------------------|----------------------------------|-----------|---|-----------|---|--------|---|-------------|
|                               |                                  | Cost      |   | Age       |   | Life   |   | Funded      |
| Estimate                      |                                  |           |   |           |   |        |   |             |
| <b>General Common Areas</b>   |                                  |           |   |           |   |        |   |             |
| 201                           | Asphalt - Remove & Replace       | \$189,500 | X | 15        | / | 25     | = | \$113,700   |
| 202                           | Asphalt - Seal/Repair            | \$10,125  | X | 5         | / | 5      | = | \$10,125    |
| 204                           | Concrete Swales - Replace        | \$11,000  | X | 15        | / | 25     | = | \$6,600     |
| 320                           | Pole Lights - Replace            | \$31,500  | X | 15        | / | 25     | = | \$18,900    |
| 324                           | Exterior Wall Lights - Replace   | \$2,100   | X | 15        | / | 20     | = | \$1,575     |
| 413                           | Flag Pole - Replace              | \$2,875   | X | 15        | / | 30     | = | \$1,438     |
| 701                           | Sliding Entry Doors - Replace    | \$16,000  | X | 15        | / | 20     | = | \$12,000    |
| 1107                          | Metal Fence/Rail - Repaint       | \$3,300   | X | 1         | / | 5      | = | \$660       |
| 1113                          | Metal Surfaces - Repaint         | \$8,100   | X | 1         | / | 5      | = | \$1,620     |
| 1116                          | Wood Surfaces - Repaint          | \$52,550  | X | 4         | / | 5      | = | \$42,040    |
| 1121                          | Wood Siding - Replace            | \$182,000 | X | 15        | / | 30     | = | \$91,000    |
| 1303                          | Comp Shingle Roof - Replace      | \$221,000 | X | 15        | / | 25     | = | \$132,600   |
| <b>Building Interior</b>      |                                  |           |   |           |   |        |   |             |
| 325                           | Fluorescent Strips - Replace     | \$14,000  | X | 15        | / | 20     | = | \$10,500    |
| 325                           | Interior Lights - Replace        | \$16,500  | X | 15        | / | 20     | = | \$12,375    |
| 601                           | Carpet - Replace                 | \$110,000 | X | 8         | / | 10     | = | \$88,000    |
| 602                           | Linoleum Flooring - Replace      | \$20,550  | X | 8         | / | 10     | = | \$16,440    |
| 603                           | Tile Floor - Replace             | \$74,900  | X | 15        | / | 25     | = | \$44,940    |
| 904                           | Built-In Furniture - Replace     | \$145,500 | X | 15        | / | 25     | = | \$87,300    |
| 908                           | Window Treatments - Replace      | \$8,000   | X | 15        | / | 20     | = | \$6,000     |
| 909                           | Bathrooms - Refurbish            | \$40,000  | X | 15        | / | 20     | = | \$30,000    |
| 1110                          | Interior Surfaces - Repaint      | \$32,350  | X | 8         | / | 10     | = | \$25,880    |
| 1111                          | Interior Wood Surfaces - Repaint | \$7,875   | X | 8         | / | 10     | = | \$6,300     |
| <b>Mechanical and Systems</b> |                                  |           |   |           |   |        |   |             |
| 302                           | Generator - Replace              | \$125,000 | X | 15        | / | 30     | = | \$62,500    |
| 303                           | Liquid Chiller - Replace         | \$120,000 | X | 15        | / | 25     | = | \$72,000    |
| 304                           | Liquid Chiller - Refurbish       | \$67,500  | X | 10        | / | 10     | = | \$67,500    |
| 305                           | Air Handlers - Replace           | \$9,000   | X | 15        | / | 20     | = | \$6,750     |
| 312                           | Cooling Tower - Replace          | \$55,500  | X | 15        | / | 20     | = | \$41,625    |
| 330                           | Backup Lighting System - Replace | \$12,500  | X | 15        | / | 20     | = | \$9,375     |
| 801                           | HVAC Boiler - Replace            | \$20,000  | X | 15        | / | 20     | = | \$15,000    |
| 1801                          | Elevator - Modernize             | \$72,500  | X | 15        | / | 25     | = | \$43,500    |
| 1802                          | Elevator Cab - Remodel           | \$10,000  | X | 8         | / | 15     | = | \$5,333     |
| 1803                          | Fire Alarm Panels - Replace      | \$28,750  | X | 15        | / | 20     | = | \$21,563    |
|                               |                                  |           |   |           |   |        |   | \$1,105,138 |

# Component Significance

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Full

| #                             | Component                        | Useful Life (yrs) | Current Cost Estimate | Deterioration Cost/Yr | Deterioration Significance |
|-------------------------------|----------------------------------|-------------------|-----------------------|-----------------------|----------------------------|
| <b>General Common Areas</b>   |                                  |                   |                       |                       |                            |
| 201                           | Asphalt - Remove & Replace       | 25                | \$189,500             | \$7,580               | 7.95 %                     |
| 202                           | Asphalt - Seal/Repair            | 5                 | \$10,125              | \$2,025               | 2.12 %                     |
| 204                           | Concrete Swales - Replace        | 25                | \$11,000              | \$440                 | 0.46 %                     |
| 320                           | Pole Lights - Replace            | 25                | \$31,500              | \$1,260               | 1.32 %                     |
| 324                           | Exterior Wall Lights - Replace   | 20                | \$2,100               | \$105                 | 0.11 %                     |
| 413                           | Flag Pole - Replace              | 30                | \$2,875               | \$96                  | 0.10 %                     |
| 701                           | Sliding Entry Doors - Replace    | 20                | \$16,000              | \$800                 | 0.84 %                     |
| 1107                          | Metal Fence/Rail - Repaint       | 5                 | \$3,300               | \$660                 | 0.69 %                     |
| 1113                          | Metal Surfaces - Repaint         | 5                 | \$8,100               | \$1,620               | 1.70 %                     |
| 1116                          | Wood Surfaces - Repaint          | 5                 | \$52,550              | \$10,510              | 11.02 %                    |
| 1121                          | Wood Siding - Replace            | 30                | \$182,000             | \$6,067               | 6.36 %                     |
| 1303                          | Comp Shingle Roof - Replace      | 25                | \$221,000             | \$8,840               | 9.27 %                     |
| <b>Building Interior</b>      |                                  |                   |                       |                       |                            |
| 325                           | Fluorescent Strips - Replace     | 20                | \$14,000              | \$700                 | 0.73 %                     |
| 325                           | Interior Lights - Replace        | 20                | \$16,500              | \$825                 | 0.86 %                     |
| 601                           | Carpet - Replace                 | 10                | \$110,000             | \$11,000              | 11.53 %                    |
| 602                           | Linoleum Flooring - Replace      | 10                | \$20,550              | \$2,055               | 2.15 %                     |
| 603                           | Tile Floor - Replace             | 25                | \$74,900              | \$2,996               | 3.14 %                     |
| 904                           | Built-In Furniture - Replace     | 25                | \$145,500             | \$5,820               | 6.10 %                     |
| 908                           | Window Treatments - Replace      | 20                | \$8,000               | \$400                 | 0.42 %                     |
| 909                           | Bathrooms - Refurbish            | 20                | \$40,000              | \$2,000               | 2.10 %                     |
| 1110                          | Interior Surfaces - Repaint      | 10                | \$32,350              | \$3,235               | 3.39 %                     |
| 1111                          | Interior Wood Surfaces - Repaint | 10                | \$7,875               | \$788                 | 0.83 %                     |
| <b>Mechanical and Systems</b> |                                  |                   |                       |                       |                            |
| 302                           | Generator - Replace              | 30                | \$125,000             | \$4,167               | 4.37 %                     |
| 303                           | Liquid Chiller - Replace         | 25                | \$120,000             | \$4,800               | 5.03 %                     |
| 304                           | Liquid Chiller - Refurbish       | 10                | \$67,500              | \$6,750               | 7.08 %                     |
| 305                           | Air Handlers - Replace           | 20                | \$9,000               | \$450                 | 0.47 %                     |
| 312                           | Cooling Tower - Replace          | 20                | \$55,500              | \$2,775               | 2.91 %                     |
| 330                           | Backup Lighting System - Replace | 20                | \$12,500              | \$625                 | 0.66 %                     |
| 801                           | HVAC Boiler - Replace            | 20                | \$20,000              | \$1,000               | 1.05 %                     |
| 1801                          | Elevator - Modernize             | 25                | \$72,500              | \$2,900               | 3.04 %                     |
| 1802                          | Elevator Cab - Remodel           | 15                | \$10,000              | \$667                 | 0.70 %                     |
| 1803                          | Fire Alarm Panels - Replace      | 20                | \$28,750              | \$1,438               | 1.51 %                     |
| 32                            | Total Funded Components          |                   |                       | \$95,392              | 100.00 %                   |



# 30-Year Reserve Plan Summary

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Full

|  |                                   |                   |
|--|-----------------------------------|-------------------|
| Fiscal Year Start: 2019  | Interest: 1.00 %                  | Inflation: 3.00 % |
| Reserve Fund Strength Calculations: (All values of Fiscal Year Start Date) | Projected Reserve Balance Changes |                   |

| Year | Starting Reserve Balance | Fully Funded Balance | Percent Funded | Special Funding Needs Risk | % Increase                  |                   | Loan or Special Funding Needs | Interest Income | Reserve Expenses |
|------|--------------------------|----------------------|----------------|----------------------------|-----------------------------|-------------------|-------------------------------|-----------------|------------------|
|      |                          |                      |                |                            | In Annual Reserve Contribs. | Reserve Contribs. |                               |                 |                  |
| 2019 | \$421,600                | \$1,105,138          | 38.1 %         | Medium                     | 0.00 %                      | \$132,650         | \$0                           | \$4,512         | \$77,625         |
| 2020 | \$481,137                | \$1,156,592          | 41.6 %         | Medium                     | 3.00 %                      | \$136,630         | \$0                           | \$5,248         | \$54,127         |
| 2021 | \$568,888                | \$1,236,741          | 46.0 %         | Medium                     | 3.00 %                      | \$140,728         | \$0                           | \$5,512         | \$181,175        |
| 2022 | \$533,953                | \$1,191,470          | 44.8 %         | Medium                     | 3.00 %                      | \$144,950         | \$0                           | \$6,092         | \$0              |
| 2023 | \$684,995                | \$1,334,578          | 51.3 %         | Medium                     | 3.00 %                      | \$149,299         | \$0                           | \$7,567         | \$12,831         |
| 2024 | \$829,030                | \$1,471,985          | 56.3 %         | Medium                     | 3.00 %                      | \$153,778         | \$0                           | \$7,747         | \$269,502        |
| 2025 | \$721,053                | \$1,352,460          | 53.3 %         | Medium                     | 3.00 %                      | \$158,391         | \$0                           | \$7,724         | \$62,747         |
| 2026 | \$824,420                | \$1,445,724          | 57.0 %         | Medium                     | 3.00 %                      | \$163,143         | \$0                           | \$9,040         | \$12,299         |
| 2027 | \$984,304                | \$1,597,268          | 61.6 %         | Medium                     | 3.00 %                      | \$168,037         | \$0                           | \$10,732        | \$0              |
| 2028 | \$1,163,073              | \$1,769,651          | 65.7 %         | Medium                     | 3.00 %                      | \$173,078         | \$0                           | \$12,479        | \$14,874         |
| 2029 | \$1,333,756              | \$1,935,618          | 68.9 %         | Medium                     | 3.00 %                      | \$178,271         | \$0                           | \$7,925         | \$1,268,019      |
| 2030 | \$251,933                | \$819,672            | 30.7 %         | Medium                     | 3.00 %                      | \$183,619         | \$0                           | \$3,088         | \$72,741         |
| 2031 | \$365,898                | \$905,344            | 40.4 %         | Medium                     | 3.00 %                      | \$189,127         | \$0                           | \$3,403         | \$243,484        |
| 2032 | \$314,943                | \$821,802            | 38.3 %         | Medium                     | 3.00 %                      | \$194,801         | \$0                           | \$4,142         | \$0              |
| 2033 | \$513,887                | \$990,745            | 51.9 %         | Medium                     | 3.00 %                      | \$200,645         | \$0                           | \$6,084         | \$17,244         |
| 2034 | \$703,372                | \$1,151,324          | 61.1 %         | Medium                     | 3.00 %                      | \$206,664         | \$0                           | \$5,600         | \$498,550        |
| 2035 | \$417,087                | \$825,433            | 50.5 %         | Medium                     | 3.00 %                      | \$212,864         | \$0                           | \$4,836         | \$84,327         |
| 2036 | \$550,459                | \$921,007            | 59.8 %         | Medium                     | 3.00 %                      | \$219,250         | \$0                           | \$6,631         | \$0              |
| 2037 | \$776,341                | \$1,111,036          | 69.9 %         | Medium                     | 3.00 %                      | \$225,828         | \$0                           | \$8,933         | \$0              |
| 2038 | \$1,011,102              | \$1,311,637          | 77.1 %         | Low                        | 3.00 %                      | \$232,603         | \$0                           | \$11,225        | \$19,990         |
| 2039 | \$1,234,940              | \$1,502,685          | 82.2 %         | Low                        | 3.00 %                      | \$239,581         | \$0                           | \$12,905        | \$140,199        |
| 2040 | \$1,347,227              | \$1,580,817          | 85.2 %         | Low                        | 3.00 %                      | \$246,768         | \$0                           | \$14,283        | \$97,758         |
| 2041 | \$1,510,519              | \$1,710,331          | 88.3 %         | Low                        | 3.00 %                      | \$254,171         | \$0                           | \$14,711        | \$346,384        |
| 2042 | \$1,433,018              | \$1,593,129          | 89.9 %         | Low                        | 3.00 %                      | \$261,796         | \$0                           | \$15,711        | \$0              |
| 2043 | \$1,710,525              | \$1,834,835          | 93.2 %         | Low                        | 3.00 %                      | \$269,650         | \$0                           | \$18,422        | \$23,174         |
| 2044 | \$1,975,423              | \$2,065,741          | 95.6 %         | Low                        | 3.00 %                      | \$277,740         | \$0                           | \$18,795        | \$486,751        |
| 2045 | \$1,785,207              | \$1,832,080          | 97.4 %         | Low                        | 2.50 %                      | \$284,683         | \$0                           | \$18,795        | \$113,329        |
| 2046 | \$1,975,356              | \$1,982,207          | 99.7 %         | Low                        | 2.50 %                      | \$291,800         | \$0                           | \$21,310        | \$0              |
| 2047 | \$2,288,467              | \$2,259,923          | 101.3 %        | Low                        | 2.50 %                      | \$299,095         | \$0                           | \$24,492        | \$0              |
| 2048 | \$2,612,054              | \$2,552,517          | 102.3 %        | Low                        | 2.50 %                      | \$306,573         | \$0                           | \$27,646        | \$26,865         |

**30-Year Income/Expense Detail (yrs 0 through 4)**

**17918-0  
Full**

| <b>Fiscal Year</b>                    | <b>2019</b>      | <b>2020</b>      | <b>2021</b>      | <b>2022</b>      | <b>2023</b>      |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Starting Reserve Balance              | \$421,600        | \$481,137        | \$568,888        | \$533,953        | \$684,995        |
| Annual Reserve Contribution           | \$132,650        | \$136,630        | \$140,728        | \$144,950        | \$149,299        |
| Recommended Special Assessments       | \$0              | \$0              | \$0              | \$0              | \$0              |
| Interest Earnings                     | \$4,512          | \$5,248          | \$5,512          | \$6,092          | \$7,567          |
| <b>Total Income</b>                   | <b>\$558,762</b> | <b>\$623,014</b> | <b>\$715,128</b> | <b>\$684,995</b> | <b>\$841,861</b> |
| <b># Component</b>                    |                  |                  |                  |                  |                  |
| <b>General Common Areas</b>           |                  |                  |                  |                  |                  |
| 201 Asphalt - Remove & Replace        | \$0              | \$0              | \$0              | \$0              | \$0              |
| 202 Asphalt - Seal/Repair             | \$10,125         | \$0              | \$0              | \$0              | \$0              |
| 204 Concrete Swales - Replace         | \$0              | \$0              | \$0              | \$0              | \$0              |
| 320 Pole Lights - Replace             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 324 Exterior Wall Lights - Replace    | \$0              | \$0              | \$0              | \$0              | \$0              |
| 413 Flag Pole - Replace               | \$0              | \$0              | \$0              | \$0              | \$0              |
| 701 Sliding Entry Doors - Replace     | \$0              | \$0              | \$0              | \$0              | \$0              |
| 1107 Metal Fence/Rail - Repaint       | \$0              | \$0              | \$0              | \$0              | \$3,714          |
| 1113 Metal Surfaces - Repaint         | \$0              | \$0              | \$0              | \$0              | \$9,117          |
| 1116 Wood Surfaces - Repaint          | \$0              | \$54,127         | \$0              | \$0              | \$0              |
| 1121 Wood Siding - Replace            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 1303 Comp Shingle Roof - Replace      | \$0              | \$0              | \$0              | \$0              | \$0              |
| <b>Building Interior</b>              |                  |                  |                  |                  |                  |
| 325 Fluorescent Strips - Replace      | \$0              | \$0              | \$0              | \$0              | \$0              |
| 325 Interior Lights - Replace         | \$0              | \$0              | \$0              | \$0              | \$0              |
| 601 Carpet - Replace                  | \$0              | \$0              | \$116,699        | \$0              | \$0              |
| 602 Linoleum Flooring - Replace       | \$0              | \$0              | \$21,801         | \$0              | \$0              |
| 603 Tile Floor - Replace              | \$0              | \$0              | \$0              | \$0              | \$0              |
| 904 Built-In Furniture - Replace      | \$0              | \$0              | \$0              | \$0              | \$0              |
| 908 Window Treatments - Replace       | \$0              | \$0              | \$0              | \$0              | \$0              |
| 909 Bathrooms - Refurbish             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 1110 Interior Surfaces - Repaint      | \$0              | \$0              | \$34,320         | \$0              | \$0              |
| 1111 Interior Wood Surfaces - Repaint | \$0              | \$0              | \$8,355          | \$0              | \$0              |
| <b>Mechanical and Systems</b>         |                  |                  |                  |                  |                  |
| 302 Generator - Replace               | \$0              | \$0              | \$0              | \$0              | \$0              |
| 303 Liquid Chiller - Replace          | \$0              | \$0              | \$0              | \$0              | \$0              |
| 304 Liquid Chiller - Refurbish        | \$67,500         | \$0              | \$0              | \$0              | \$0              |
| 305 Air Handlers - Replace            | \$0              | \$0              | \$0              | \$0              | \$0              |
| 312 Cooling Tower - Replace           | \$0              | \$0              | \$0              | \$0              | \$0              |
| 330 Backup Lighting System - Replace  | \$0              | \$0              | \$0              | \$0              | \$0              |
| 801 HVAC Boiler - Replace             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 1801 Elevator - Modernize             | \$0              | \$0              | \$0              | \$0              | \$0              |
| 1802 Elevator Cab - Remodel           | \$0              | \$0              | \$0              | \$0              | \$0              |
| 1803 Fire Alarm Panels - Replace      | \$0              | \$0              | \$0              | \$0              | \$0              |
| <b>Total Expenses</b>                 | <b>\$77,625</b>  | <b>\$54,127</b>  | <b>\$181,175</b> | <b>\$0</b>       | <b>\$12,831</b>  |
| Ending Reserve Balance                | \$481,137        | \$568,888        | \$533,953        | \$684,995        | \$829,030        |

| <b>Fiscal Year</b>                    | <b>2024</b>      | <b>2025</b>      | <b>2026</b>      | <b>2027</b>        | <b>2028</b>        |
|---------------------------------------|------------------|------------------|------------------|--------------------|--------------------|
| Starting Reserve Balance              | \$829,030        | \$721,053        | \$824,420        | \$984,304          | \$1,163,073        |
| Annual Reserve Contribution           | \$153,778        | \$158,391        | \$163,143        | \$168,037          | \$173,078          |
| Recommended Special Assessments       | \$0              | \$0              | \$0              | \$0                | \$0                |
| Interest Earnings                     | \$7,747          | \$7,724          | \$9,040          | \$10,732           | \$12,479           |
| <b>Total Income</b>                   | <b>\$990,555</b> | <b>\$887,168</b> | <b>\$996,603</b> | <b>\$1,163,073</b> | <b>\$1,348,630</b> |
| # Component                           |                  |                  |                  |                    |                    |
| <b>General Common Areas</b>           |                  |                  |                  |                    |                    |
| 201 Asphalt - Remove & Replace        | \$0              | \$0              | \$0              | \$0                | \$0                |
| 202 Asphalt - Seal/Repair             | \$11,738         | \$0              | \$0              | \$0                | \$0                |
| 204 Concrete Swales - Replace         | \$0              | \$0              | \$0              | \$0                | \$0                |
| 320 Pole Lights - Replace             | \$0              | \$0              | \$0              | \$0                | \$0                |
| 324 Exterior Wall Lights - Replace    | \$2,434          | \$0              | \$0              | \$0                | \$0                |
| 413 Flag Pole - Replace               | \$0              | \$0              | \$0              | \$0                | \$0                |
| 701 Sliding Entry Doors - Replace     | \$18,548         | \$0              | \$0              | \$0                | \$0                |
| 1107 Metal Fence/Rail - Repaint       | \$0              | \$0              | \$0              | \$0                | \$4,306            |
| 1113 Metal Surfaces - Repaint         | \$0              | \$0              | \$0              | \$0                | \$10,569           |
| 1116 Wood Surfaces - Repaint          | \$0              | \$62,747         | \$0              | \$0                | \$0                |
| 1121 Wood Siding - Replace            | \$0              | \$0              | \$0              | \$0                | \$0                |
| 1303 Comp Shingle Roof - Replace      | \$0              | \$0              | \$0              | \$0                | \$0                |
| <b>Building Interior</b>              |                  |                  |                  |                    |                    |
| 325 Fluorescent Strips - Replace      | \$16,230         | \$0              | \$0              | \$0                | \$0                |
| 325 Interior Lights - Replace         | \$19,128         | \$0              | \$0              | \$0                | \$0                |
| 601 Carpet - Replace                  | \$0              | \$0              | \$0              | \$0                | \$0                |
| 602 Linoleum Flooring - Replace       | \$0              | \$0              | \$0              | \$0                | \$0                |
| 603 Tile Floor - Replace              | \$0              | \$0              | \$0              | \$0                | \$0                |
| 904 Built-In Furniture - Replace      | \$0              | \$0              | \$0              | \$0                | \$0                |
| 908 Window Treatments - Replace       | \$9,274          | \$0              | \$0              | \$0                | \$0                |
| 909 Bathrooms - Refurbish             | \$46,371         | \$0              | \$0              | \$0                | \$0                |
| 1110 Interior Surfaces - Repaint      | \$0              | \$0              | \$0              | \$0                | \$0                |
| 1111 Interior Wood Surfaces - Repaint | \$0              | \$0              | \$0              | \$0                | \$0                |
| <b>Mechanical and Systems</b>         |                  |                  |                  |                    |                    |
| 302 Generator - Replace               | \$0              | \$0              | \$0              | \$0                | \$0                |
| 303 Liquid Chiller - Replace          | \$0              | \$0              | \$0              | \$0                | \$0                |
| 304 Liquid Chiller - Refurbish        | \$0              | \$0              | \$0              | \$0                | \$0                |
| 305 Air Handlers - Replace            | \$10,433         | \$0              | \$0              | \$0                | \$0                |
| 312 Cooling Tower - Replace           | \$64,340         | \$0              | \$0              | \$0                | \$0                |
| 330 Backup Lighting System - Replace  | \$14,491         | \$0              | \$0              | \$0                | \$0                |
| 801 HVAC Boiler - Replace             | \$23,185         | \$0              | \$0              | \$0                | \$0                |
| 1801 Elevator - Modernize             | \$0              | \$0              | \$0              | \$0                | \$0                |
| 1802 Elevator Cab - Remodel           | \$0              | \$0              | \$12,299         | \$0                | \$0                |
| 1803 Fire Alarm Panels - Replace      | \$33,329         | \$0              | \$0              | \$0                | \$0                |
| <b>Total Expenses</b>                 | <b>\$269,502</b> | <b>\$62,747</b>  | <b>\$12,299</b>  | <b>\$0</b>         | <b>\$14,874</b>    |
| Ending Reserve Balance                | \$721,053        | \$824,420        | \$984,304        | \$1,163,073        | \$1,333,756        |

| <b>Fiscal Year</b>                    | <b>2029</b>        | <b>2030</b>      | <b>2031</b>      | <b>2032</b>      | <b>2033</b>      |
|---------------------------------------|--------------------|------------------|------------------|------------------|------------------|
| Starting Reserve Balance              | \$1,333,756        | \$251,933        | \$365,898        | \$314,943        | \$513,887        |
| Annual Reserve Contribution           | \$178,271          | \$183,619        | \$189,127        | \$194,801        | \$200,645        |
| Recommended Special Assessments       | \$0                | \$0              | \$0              | \$0              | \$0              |
| Interest Earnings                     | \$7,925            | \$3,088          | \$3,403          | \$4,142          | \$6,084          |
| <b>Total Income</b>                   | <b>\$1,519,952</b> | <b>\$438,639</b> | <b>\$558,428</b> | <b>\$513,887</b> | <b>\$720,616</b> |
| # Component                           |                    |                  |                  |                  |                  |
| <b>General Common Areas</b>           |                    |                  |                  |                  |                  |
| 201 Asphalt - Remove & Replace        | \$254,672          | \$0              | \$0              | \$0              | \$0              |
| 202 Asphalt - Seal/Repair             | \$13,607           | \$0              | \$0              | \$0              | \$0              |
| 204 Concrete Swales - Replace         | \$14,783           | \$0              | \$0              | \$0              | \$0              |
| 320 Pole Lights - Replace             | \$42,333           | \$0              | \$0              | \$0              | \$0              |
| 324 Exterior Wall Lights - Replace    | \$0                | \$0              | \$0              | \$0              | \$0              |
| 413 Flag Pole - Replace               | \$0                | \$0              | \$0              | \$0              | \$0              |
| 701 Sliding Entry Doors - Replace     | \$0                | \$0              | \$0              | \$0              | \$0              |
| 1107 Metal Fence/Rail - Repaint       | \$0                | \$0              | \$0              | \$0              | \$4,992          |
| 1113 Metal Surfaces - Repaint         | \$0                | \$0              | \$0              | \$0              | \$12,252         |
| 1116 Wood Surfaces - Repaint          | \$0                | \$72,741         | \$0              | \$0              | \$0              |
| 1121 Wood Siding - Replace            | \$0                | \$0              | \$0              | \$0              | \$0              |
| 1303 Comp Shingle Roof - Replace      | \$297,006          | \$0              | \$0              | \$0              | \$0              |
| <b>Building Interior</b>              |                    |                  |                  |                  |                  |
| 325 Fluorescent Strips - Replace      | \$0                | \$0              | \$0              | \$0              | \$0              |
| 325 Interior Lights - Replace         | \$0                | \$0              | \$0              | \$0              | \$0              |
| 601 Carpet - Replace                  | \$0                | \$0              | \$156,834        | \$0              | \$0              |
| 602 Linoleum Flooring - Replace       | \$0                | \$0              | \$29,299         | \$0              | \$0              |
| 603 Tile Floor - Replace              | \$100,659          | \$0              | \$0              | \$0              | \$0              |
| 904 Built-In Furniture - Replace      | \$195,540          | \$0              | \$0              | \$0              | \$0              |
| 908 Window Treatments - Replace       | \$0                | \$0              | \$0              | \$0              | \$0              |
| 909 Bathrooms - Refurbish             | \$0                | \$0              | \$0              | \$0              | \$0              |
| 1110 Interior Surfaces - Repaint      | \$0                | \$0              | \$46,123         | \$0              | \$0              |
| 1111 Interior Wood Surfaces - Repaint | \$0                | \$0              | \$11,228         | \$0              | \$0              |
| <b>Mechanical and Systems</b>         |                    |                  |                  |                  |                  |
| 302 Generator - Replace               | \$0                | \$0              | \$0              | \$0              | \$0              |
| 303 Liquid Chiller - Replace          | \$161,270          | \$0              | \$0              | \$0              | \$0              |
| 304 Liquid Chiller - Refurbish        | \$90,714           | \$0              | \$0              | \$0              | \$0              |
| 305 Air Handlers - Replace            | \$0                | \$0              | \$0              | \$0              | \$0              |
| 312 Cooling Tower - Replace           | \$0                | \$0              | \$0              | \$0              | \$0              |
| 330 Backup Lighting System - Replace  | \$0                | \$0              | \$0              | \$0              | \$0              |
| 801 HVAC Boiler - Replace             | \$0                | \$0              | \$0              | \$0              | \$0              |
| 1801 Elevator - Modernize             | \$97,434           | \$0              | \$0              | \$0              | \$0              |
| 1802 Elevator Cab - Remodel           | \$0                | \$0              | \$0              | \$0              | \$0              |
| 1803 Fire Alarm Panels - Replace      | \$0                | \$0              | \$0              | \$0              | \$0              |
| <b>Total Expenses</b>                 | <b>\$1,268,019</b> | <b>\$72,741</b>  | <b>\$243,484</b> | <b>\$0</b>       | <b>\$17,244</b>  |
| Ending Reserve Balance                | \$251,933          | \$365,898        | \$314,943        | \$513,887        | \$703,372        |

| <b>Fiscal Year</b>                    | <b>2034</b>      | <b>2035</b>      | <b>2036</b>      | <b>2037</b>        | <b>2038</b>        |
|---------------------------------------|------------------|------------------|------------------|--------------------|--------------------|
| Starting Reserve Balance              | \$703,372        | \$417,087        | \$550,459        | \$776,341          | \$1,011,102        |
| Annual Reserve Contribution           | \$206,664        | \$212,864        | \$219,250        | \$225,828          | \$232,603          |
| Recommended Special Assessments       | \$0              | \$0              | \$0              | \$0                | \$0                |
| Interest Earnings                     | \$5,600          | \$4,836          | \$6,631          | \$8,933            | \$11,225           |
| <b>Total Income</b>                   | <b>\$915,636</b> | <b>\$634,787</b> | <b>\$776,341</b> | <b>\$1,011,102</b> | <b>\$1,254,930</b> |
| # Component                           |                  |                  |                  |                    |                    |
| <b>General Common Areas</b>           |                  |                  |                  |                    |                    |
| 201 Asphalt - Remove & Replace        | \$0              | \$0              | \$0              | \$0                | \$0                |
| 202 Asphalt - Seal/Repair             | \$15,774         | \$0              | \$0              | \$0                | \$0                |
| 204 Concrete Swales - Replace         | \$0              | \$0              | \$0              | \$0                | \$0                |
| 320 Pole Lights - Replace             | \$0              | \$0              | \$0              | \$0                | \$0                |
| 324 Exterior Wall Lights - Replace    | \$0              | \$0              | \$0              | \$0                | \$0                |
| 413 Flag Pole - Replace               | \$4,479          | \$0              | \$0              | \$0                | \$0                |
| 701 Sliding Entry Doors - Replace     | \$0              | \$0              | \$0              | \$0                | \$0                |
| 1107 Metal Fence/Rail - Repaint       | \$0              | \$0              | \$0              | \$0                | \$5,787            |
| 1113 Metal Surfaces - Repaint         | \$0              | \$0              | \$0              | \$0                | \$14,203           |
| 1116 Wood Surfaces - Repaint          | \$0              | \$84,327         | \$0              | \$0                | \$0                |
| 1121 Wood Siding - Replace            | \$283,550        | \$0              | \$0              | \$0                | \$0                |
| 1303 Comp Shingle Roof - Replace      | \$0              | \$0              | \$0              | \$0                | \$0                |
| <b>Building Interior</b>              |                  |                  |                  |                    |                    |
| 325 Fluorescent Strips - Replace      | \$0              | \$0              | \$0              | \$0                | \$0                |
| 325 Interior Lights - Replace         | \$0              | \$0              | \$0              | \$0                | \$0                |
| 601 Carpet - Replace                  | \$0              | \$0              | \$0              | \$0                | \$0                |
| 602 Linoleum Flooring - Replace       | \$0              | \$0              | \$0              | \$0                | \$0                |
| 603 Tile Floor - Replace              | \$0              | \$0              | \$0              | \$0                | \$0                |
| 904 Built-In Furniture - Replace      | \$0              | \$0              | \$0              | \$0                | \$0                |
| 908 Window Treatments - Replace       | \$0              | \$0              | \$0              | \$0                | \$0                |
| 909 Bathrooms - Refurbish             | \$0              | \$0              | \$0              | \$0                | \$0                |
| 1110 Interior Surfaces - Repaint      | \$0              | \$0              | \$0              | \$0                | \$0                |
| 1111 Interior Wood Surfaces - Repaint | \$0              | \$0              | \$0              | \$0                | \$0                |
| <b>Mechanical and Systems</b>         |                  |                  |                  |                    |                    |
| 302 Generator - Replace               | \$194,746        | \$0              | \$0              | \$0                | \$0                |
| 303 Liquid Chiller - Replace          | \$0              | \$0              | \$0              | \$0                | \$0                |
| 304 Liquid Chiller - Refurbish        | \$0              | \$0              | \$0              | \$0                | \$0                |
| 305 Air Handlers - Replace            | \$0              | \$0              | \$0              | \$0                | \$0                |
| 312 Cooling Tower - Replace           | \$0              | \$0              | \$0              | \$0                | \$0                |
| 330 Backup Lighting System - Replace  | \$0              | \$0              | \$0              | \$0                | \$0                |
| 801 HVAC Boiler - Replace             | \$0              | \$0              | \$0              | \$0                | \$0                |
| 1801 Elevator - Modernize             | \$0              | \$0              | \$0              | \$0                | \$0                |
| 1802 Elevator Cab - Remodel           | \$0              | \$0              | \$0              | \$0                | \$0                |
| 1803 Fire Alarm Panels - Replace      | \$0              | \$0              | \$0              | \$0                | \$0                |
| <b>Total Expenses</b>                 | <b>\$498,550</b> | <b>\$84,327</b>  | <b>\$0</b>       | <b>\$0</b>         | <b>\$19,990</b>    |
| Ending Reserve Balance                | \$417,087        | \$550,459        | \$776,341        | \$1,011,102        | \$1,234,940        |

| <b>Fiscal Year</b>                    | <b>2039</b>        | <b>2040</b>        | <b>2041</b>        | <b>2042</b>        | <b>2043</b>        |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Starting Reserve Balance              | \$1,234,940        | \$1,347,227        | \$1,510,519        | \$1,433,018        | \$1,710,525        |
| Annual Reserve Contribution           | \$239,581          | \$246,768          | \$254,171          | \$261,796          | \$269,650          |
| Recommended Special Assessments       | \$0                | \$0                | \$0                | \$0                | \$0                |
| Interest Earnings                     | \$12,905           | \$14,283           | \$14,711           | \$15,711           | \$18,422           |
| <b>Total Income</b>                   | <b>\$1,487,426</b> | <b>\$1,608,277</b> | <b>\$1,779,402</b> | <b>\$1,710,525</b> | <b>\$1,998,597</b> |
| # Component                           |                    |                    |                    |                    |                    |
| <b>General Common Areas</b>           |                    |                    |                    |                    |                    |
| 201 Asphalt - Remove & Replace        | \$0                | \$0                | \$0                | \$0                | \$0                |
| 202 Asphalt - Seal/Repair             | \$18,287           | \$0                | \$0                | \$0                | \$0                |
| 204 Concrete Swales - Replace         | \$0                | \$0                | \$0                | \$0                | \$0                |
| 320 Pole Lights - Replace             | \$0                | \$0                | \$0                | \$0                | \$0                |
| 324 Exterior Wall Lights - Replace    | \$0                | \$0                | \$0                | \$0                | \$0                |
| 413 Flag Pole - Replace               | \$0                | \$0                | \$0                | \$0                | \$0                |
| 701 Sliding Entry Doors - Replace     | \$0                | \$0                | \$0                | \$0                | \$0                |
| 1107 Metal Fence/Rail - Repaint       | \$0                | \$0                | \$0                | \$0                | \$6,708            |
| 1113 Metal Surfaces - Repaint         | \$0                | \$0                | \$0                | \$0                | \$16,466           |
| 1116 Wood Surfaces - Repaint          | \$0                | \$97,758           | \$0                | \$0                | \$0                |
| 1121 Wood Siding - Replace            | \$0                | \$0                | \$0                | \$0                | \$0                |
| 1303 Comp Shingle Roof - Replace      | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>Building Interior</b>              |                    |                    |                    |                    |                    |
| 325 Fluorescent Strips - Replace      | \$0                | \$0                | \$0                | \$0                | \$0                |
| 325 Interior Lights - Replace         | \$0                | \$0                | \$0                | \$0                | \$0                |
| 601 Carpet - Replace                  | \$0                | \$0                | \$210,771          | \$0                | \$0                |
| 602 Linoleum Flooring - Replace       | \$0                | \$0                | \$39,376           | \$0                | \$0                |
| 603 Tile Floor - Replace              | \$0                | \$0                | \$0                | \$0                | \$0                |
| 904 Built-In Furniture - Replace      | \$0                | \$0                | \$0                | \$0                | \$0                |
| 908 Window Treatments - Replace       | \$0                | \$0                | \$0                | \$0                | \$0                |
| 909 Bathrooms - Refurbish             | \$0                | \$0                | \$0                | \$0                | \$0                |
| 1110 Interior Surfaces - Repaint      | \$0                | \$0                | \$61,986           | \$0                | \$0                |
| 1111 Interior Wood Surfaces - Repaint | \$0                | \$0                | \$15,089           | \$0                | \$0                |
| <b>Mechanical and Systems</b>         |                    |                    |                    |                    |                    |
| 302 Generator - Replace               | \$0                | \$0                | \$0                | \$0                | \$0                |
| 303 Liquid Chiller - Replace          | \$0                | \$0                | \$0                | \$0                | \$0                |
| 304 Liquid Chiller - Refurbish        | \$121,913          | \$0                | \$0                | \$0                | \$0                |
| 305 Air Handlers - Replace            | \$0                | \$0                | \$0                | \$0                | \$0                |
| 312 Cooling Tower - Replace           | \$0                | \$0                | \$0                | \$0                | \$0                |
| 330 Backup Lighting System - Replace  | \$0                | \$0                | \$0                | \$0                | \$0                |
| 801 HVAC Boiler - Replace             | \$0                | \$0                | \$0                | \$0                | \$0                |
| 1801 Elevator - Modernize             | \$0                | \$0                | \$0                | \$0                | \$0                |
| 1802 Elevator Cab - Remodel           | \$0                | \$0                | \$19,161           | \$0                | \$0                |
| 1803 Fire Alarm Panels - Replace      | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>Total Expenses</b>                 | <b>\$140,199</b>   | <b>\$97,758</b>    | <b>\$346,384</b>   | <b>\$0</b>         | <b>\$23,174</b>    |
| Ending Reserve Balance                | \$1,347,227        | \$1,510,519        | \$1,433,018        | \$1,710,525        | \$1,975,423        |

| <b>Fiscal Year</b>                    | <b>2044</b>        | <b>2045</b>        | <b>2046</b>        | <b>2047</b>        | <b>2048</b>        |
|---------------------------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Starting Reserve Balance              | \$1,975,423        | \$1,785,207        | \$1,975,356        | \$2,288,467        | \$2,612,054        |
| Annual Reserve Contribution           | \$277,740          | \$284,683          | \$291,800          | \$299,095          | \$306,573          |
| Recommended Special Assessments       | \$0                | \$0                | \$0                | \$0                | \$0                |
| Interest Earnings                     | \$18,795           | \$18,795           | \$21,310           | \$24,492           | \$27,646           |
| <b>Total Income</b>                   | <b>\$2,271,958</b> | <b>\$2,088,685</b> | <b>\$2,288,467</b> | <b>\$2,612,054</b> | <b>\$2,946,272</b> |
| # Component                           |                    |                    |                    |                    |                    |
| <b>General Common Areas</b>           |                    |                    |                    |                    |                    |
| 201 Asphalt - Remove & Replace        | \$0                | \$0                | \$0                | \$0                | \$0                |
| 202 Asphalt - Seal/Repair             | \$21,200           | \$0                | \$0                | \$0                | \$0                |
| 204 Concrete Swales - Replace         | \$0                | \$0                | \$0                | \$0                | \$0                |
| 320 Pole Lights - Replace             | \$0                | \$0                | \$0                | \$0                | \$0                |
| 324 Exterior Wall Lights - Replace    | \$4,397            | \$0                | \$0                | \$0                | \$0                |
| 413 Flag Pole - Replace               | \$0                | \$0                | \$0                | \$0                | \$0                |
| 701 Sliding Entry Doors - Replace     | \$33,500           | \$0                | \$0                | \$0                | \$0                |
| 1107 Metal Fence/Rail - Repaint       | \$0                | \$0                | \$0                | \$0                | \$7,777            |
| 1113 Metal Surfaces - Repaint         | \$0                | \$0                | \$0                | \$0                | \$19,088           |
| 1116 Wood Surfaces - Repaint          | \$0                | \$113,329          | \$0                | \$0                | \$0                |
| 1121 Wood Siding - Replace            | \$0                | \$0                | \$0                | \$0                | \$0                |
| 1303 Comp Shingle Roof - Replace      | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>Building Interior</b>              |                    |                    |                    |                    |                    |
| 325 Fluorescent Strips - Replace      | \$29,313           | \$0                | \$0                | \$0                | \$0                |
| 325 Interior Lights - Replace         | \$34,547           | \$0                | \$0                | \$0                | \$0                |
| 601 Carpet - Replace                  | \$0                | \$0                | \$0                | \$0                | \$0                |
| 602 Linoleum Flooring - Replace       | \$0                | \$0                | \$0                | \$0                | \$0                |
| 603 Tile Floor - Replace              | \$0                | \$0                | \$0                | \$0                | \$0                |
| 904 Built-In Furniture - Replace      | \$0                | \$0                | \$0                | \$0                | \$0                |
| 908 Window Treatments - Replace       | \$16,750           | \$0                | \$0                | \$0                | \$0                |
| 909 Bathrooms - Refurbish             | \$83,751           | \$0                | \$0                | \$0                | \$0                |
| 1110 Interior Surfaces - Repaint      | \$0                | \$0                | \$0                | \$0                | \$0                |
| 1111 Interior Wood Surfaces - Repaint | \$0                | \$0                | \$0                | \$0                | \$0                |
| <b>Mechanical and Systems</b>         |                    |                    |                    |                    |                    |
| 302 Generator - Replace               | \$0                | \$0                | \$0                | \$0                | \$0                |
| 303 Liquid Chiller - Replace          | \$0                | \$0                | \$0                | \$0                | \$0                |
| 304 Liquid Chiller - Refurbish        | \$0                | \$0                | \$0                | \$0                | \$0                |
| 305 Air Handlers - Replace            | \$18,844           | \$0                | \$0                | \$0                | \$0                |
| 312 Cooling Tower - Replace           | \$116,205          | \$0                | \$0                | \$0                | \$0                |
| 330 Backup Lighting System - Replace  | \$26,172           | \$0                | \$0                | \$0                | \$0                |
| 801 HVAC Boiler - Replace             | \$41,876           | \$0                | \$0                | \$0                | \$0                |
| 1801 Elevator - Modernize             | \$0                | \$0                | \$0                | \$0                | \$0                |
| 1802 Elevator Cab - Remodel           | \$0                | \$0                | \$0                | \$0                | \$0                |
| 1803 Fire Alarm Panels - Replace      | \$60,196           | \$0                | \$0                | \$0                | \$0                |
| <b>Total Expenses</b>                 | <b>\$486,751</b>   | <b>\$113,329</b>   | <b>\$0</b>         | <b>\$0</b>         | <b>\$26,865</b>    |
| Ending Reserve Balance                | \$1,785,207        | \$1,975,356        | \$2,288,467        | \$2,612,054        | \$2,919,407        |

## Accuracy, Limitations, and Disclosures

Association Reserves and its employees have no ownership, management, or other business relationships with the client other than this Reserve Study engagement. Robert M. Nordlund, P.E., R.S., company Founder/CEO, is a California licensed Professional Engineer (Mechanical, #22322), and credentialed Reserve Specialist (#5). All work done by Association Reserves is performed under his Responsible Charge and is performed in accordance with National Reserve Study Standards (NRSS). There are no material issues to our knowledge that have not been disclosed to the client that would cause a distortion of the client's situation.

Per NRSS, information provided by official representative(s) of the client, vendors, and suppliers regarding financial details, component physical details and/or quantities, or historical issues/conditions will be deemed reliable, and is not intended to be used for the purpose of any type of audit, quality/forensic analysis, or background checks of historical records. As such, information provided to us has not been audited or independently verified.

Estimates for interest and inflation have been included, because including such estimates are more accurate than ignoring them completely. When we are hired to prepare Update reports, the client is considered to have deemed those previously developed component quantities as accurate and reliable, whether established by our firm or other individuals/firms (unless specifically mentioned in our Site Inspection Notes). During inspections our company standard is to establish measurements within 5% accuracy, and our scope includes visual inspection of accessible areas and components and does not include any destructive or other testing. Our work is done only for budget purposes. Uses or expectations outside our expertise and scope of work include, but are not limited to, project audit, quality inspection, and the identification of construction defects, hazardous materials, or dangerous conditions. Identifying hidden issues such as but not limited to plumbing or electrical problems are also outside our scope of work. Our estimates assume proper original installation & construction, adherence to recommended preventive maintenance, a stable economic environment, and do not consider frequency or severity of natural disasters. Our opinions of component Useful Life, Remaining Useful Life, and current or future cost estimates are not a warranty or guarantee of actual costs or timing.

Because the physical and financial status of the property, legislation, the economy, weather, owner expectations, and usage are all in a continual state of change over which we have no control, we do not expect that the events projected in this document will all occur exactly as planned. This Reserve Study is by nature a "one-year" document in need of being updated annually so that more accurate estimates can be incorporated. It is only because a long-term perspective improves the accuracy of near-term planning that this Report projects expenses into the future. We fully expect a number of adjustments will be necessary through the interim years to the cost and timing of expense projections and the funding necessary to prepare for those estimated expenses.

In this engagement our compensation is not contingent upon our conclusions, and our liability in any matter involving this Reserve Study is limited to our fee for services rendered.



## Terms and Definitions

|                                    |  |
|------------------------------------|--|
| <b>BTU</b>                         | British Thermal Unit (a standard unit of energy)   |
| <b>DIA</b>                         | Diameter   |
| <b>GSF</b>                         | Gross Square Feet (area). Equivalent to Square Feet  |
| <b>GSY</b>                         | Gross Square Yards (area). Equivalent to Square Yards  |
| <b>HP</b>                          | Horsepower   |
| <b>LF</b>                          | Linear Feet (length)   |
| <b>Effective Age</b>               | The difference between Useful Life and Remaining Useful Life. Note that this is not necessarily equivalent to the chronological age of the component.  |
| <b>Fully Funded Balance (FFB)</b>  | The value of the deterioration of the Reserve Components. This is the fraction of life "used up" of each component multiplied by its estimated Current Replacement. While calculated for each component, it is summed together for an property total.  |
| <b>Inflation</b>                   | Cost factors are adjusted for inflation at the rate defined in the Executive Summary and compounded annually. These increasing costs can be seen as you follow the recurring cycles of a component on the "30-yr Income/Expense Detail" table.   |
| <b>Interest</b>                    | Interest earnings on Reserve Funds are calculated using the average balance for the year (taking into account income and expenses through the year) and compounded monthly using the rate defined in the Executive Summary. Annual interest earning assumption appears in the Executive Summary. |
| <b>Percent Funded</b>              | The ratio, at a particular point in time (the first day of the Fiscal Year), of the actual (or projected) Reserve Balance to the Fully Funded Balance, expressed as a percentage.  |
| <b>Remaining Useful Life (RUL)</b> | The estimated time, in years, that a common area component can be expected to continue to serve its intended function.   |
| <b>Useful Life (UL)</b>            | The estimated time, in years, that a common area component can be expected to serve its intended function.   |

## Component Details

The primary purpose of the Component Details appendix is to provide the reader with the basis of our funding assumptions resulting from our physical analysis and subsequent research. The information presented here represents a wide range of components that were observed and measured against National Reserve Study Standards to determine if they meet the criteria for reserve funding.

- 1) Common area repair & replacement responsibility
- 2) Component must have a limited useful life
- 3) Life limit must be predictable
- 4) Above a minimum threshold cost (board's discretion – typically ½ to 1% of Annual operating expenses).

Not all your components may have been found appropriate for reserve funding. In our judgment, the components meeting the above four criteria are shown with the Useful Life (how often the project is expected to occur), Remaining Useful Life (when the next instance of the expense will be) and representative market cost range termed “Best Cost” and “Worst Cost”. There are many factors that can result in a wide variety of potential costs, and we have attempted to present the cost range in which your actual expense will occur.

Where no Useful Life, Remaining Useful Life, or pricing exists, the component was deemed inappropriate for Reserve Funding.

## General Common Areas

### Comp #: 103 Concrete Walk - Repair

Quantity: Extensive GSF

Location: Grounds, parking areas

Funded?: No. Long life, inappropriate for Reserve designation.

History: Original to property

Comments: Under normal circumstances these surfaces should reach a very long useful life with no expectation for complete replacement. Best to inspect on a regular basis for trip-hazards. We recommend that the City fund for concrete repairs and pressure-washing on an annual basis as an Operating expense. No Reserve funding required but if annual maintenance is neglected future funding may be needed.

Useful Life:  
0 years

Remaining Life:  
0 years



Best Case: \$ 0

Worst Case: \$ 0

Cost Source:

---

### Comp #: 201 Asphalt - Remove & Replace

Quantity: Approx 63100 GSF

Location: Entry and parking areas

Funded?: Yes. Meets National Reserve Study Standards four-part test

History: Original to property

Comments: The asphalt is raveled and stained with local areas of minor cracking. No severe damage observed. In fair overall condition. Regular seal (refer to #202) projects will help to extend the useful life of this component.

Useful Life:  
25 years

Remaining Life:  
10 years



Best Case: \$ 158,000

Worst Case: \$ 221,000

Lower estimate to grind and overlay,  
\$2.50/GSF

Higher estimate, \$3.50/Sq Ft

Cost Source: ARI Cost Database

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**Prior Clients:**



***Daybreak, South Jordan, Utah:***

Reserve Study completed for 8000 residential units. 500 Acre Master Development including (30) parks, lakes, marinas, (7) Recreation centers.

Property is managed by CCMC Management



***Heritage Todd Creek Metro District, Thornton, Colorado:***

Master Development located in Thornton, CO. Reserve Study included (3) separate associations; Golf Club, Co-Tenancy, and Metro District.

Property is managed by CCMC Management



***Aspen Highlands Metro District, Aspen, Colorado:***

Metro District Development located in Aspen, CO. The Metro District is responsible for the Base Village of Aspen Highlands. Assets include roads, walks, medians, and mechanical equipment.

Property is managed by Romero Management



***Winter Park Village Company, Winter Park, Colorado:***

Special District Development located in Winter Park, CO. The Special District is responsible for the Base Village of the Winter Park Ski Resort. Assets include roads, walks, snowmelt equipment, amenities.

Property is managed by Winter Park Resort Company



***Base Village Metro District, Snowmass Village, Colorado:***

Metro District located in Snowmass Village, CO.

The Metro District is responsible for the Base Village of the Snowmass Ski Resort. Assets include transit center, conference center, roads, walks, mechanical equipment.

Property is managed by East West Developments

| Vendor / Contact   | Proposal Cost Details   | Manager Notes  |
|--|---|--|
| <b>Waste Management</b><br>MIKE MAHER<br>HOA Territory Manager<br>Four Corners<br><a href="mailto:mmaher1@wm.com">mmaher1@wm.com</a>   | Price: \$14.56 per home/month (+RMO)<br>Term: 2 years<br>Includes:<br>Free cart delivery, provide one each (96 gal) container (will add 2 <sup>nd</sup> at N/C upon request)  | See email notes <ol style="list-style-type: none"> <li>1. No weekly recycling</li> <li>2. Held current pricing</li> <li>3. \$1000 loyalty bonus to renew</li> <li>4. Doubled requested rollofs to 4</li> </ol>                                       |
| <b>Republic Services</b><br>Don Archuleta<br>Republic Services<br>Major Account Executive-HOA/Metro Districts<br>C 720-201-5473 O 720-590-4337<br><a href="mailto:DArchuleta@republicservices.com">DArchuleta@republicservices.com</a> | Price: \$13.75 per home/month (NO recycle fees)<br>Term: 3 years (rate fixed first year / rate adjustment cap of 5% years 2-3) *see also 5 year option<br>Includes:<br>Free cart delivery, provide one each (96 gal) container<br>2 <sup>nd</sup> carts, Trash \$48/year N/C for delivery – Recycle \$60/year N/C for delivery. | On time percentage Denver Metro HOAs = 99.94   |
| <b>GFL Environmental</b><br>Christopher Berry   Govt Contracts Mgr<br>GFL Environmental<br>7373 Washington Street, Denver, CO 80229<br><a href="mailto:christopherberry@gflenv.com">christopherberry@gflenv.com</a>                    | Price:<br>WEEKLY Trash and Recycle \$15.00 per home/month<br>WEEKLY Trash and BIWEEKLY Recycle \$13.25 per home/month<br>Term: 2 years (asking for min. 3)<br>Includes:<br>Free cart delivery, provide one each (96 gal) container<br>2 <sup>nd</sup> cart - \$6.00 / month   | See email notes <ol style="list-style-type: none"> <li>1. Only provider offering bags outside of carts, with tags, \$4 per tag, when needed</li> <li>2. Includes bulk items, 2 annually per home</li> <li>3. Offers weekly recycle option</li> </ol> |

## ***RFP Scope for Reference:***

### **TO BE QUOTED:**

- 1) **Weekly Trash & Bi-weekly Recycle Service.** Service for the entire community one day per week. Recycling to be provided bi-weekly. 2 bins, one for recycling and one for waste to be included. The District is also looking to have included in the proposal 2 bulk pickups annually for each home as requested by the homeowner directly. There shall be no additional fees added such as fuel surcharges and administration fees. All fees shall be inclusive. The contract shall be a 2-year contract with little to no increase year over year. If there is an increase, the max amount shall be 3%.
- 2) **Weekly Trash & Weekly Recycle Service.** Service for the entire community one day per week. 2 bins, one for recycling and one for waste to be included. The District is also looking to have included in the proposal 2 bulk pickups annually for each home as requested by the homeowner directly. There shall be no additional fees added such as fuel surcharges and administration fees. All fees shall be inclusive. The contract shall be a 2-year contract with little to no increase year over year. If there is an increase, the max amount shall be 3%.

### **CONSIDERATIONS:**

In preparing to provide a proposal, please ensure the following are considered and answers are provided:

- Trash service is one time per week. The preferred trash day is Thursday.
- Provide costs if any related to recycling being included.
- Information as far as how to ease the transition to a new provider should be included, i.e. trash bin and recycle bin delivery, etc.
- Please provide information as to any additional charges being included.
- Protocol related to delays, i.e. holidays or weather.
- Please provide a list of three communities of similar size or larger and a contact person for each as a reference.
- Protocol for handling extra items that may be placed out by the trash bin by homeowners such as tree bundles and extra bags.
- Include any projected increase in the contract price over the term of the contract.
- Any additional services or benefits, i.e. large/bulk item pick up for community members, and event boxes for events.
- Please disclose on-time service percentage over the past 12 months.

## WASTE MANAGEMENT

I have attached a proposed agreement for 2023 for you.

I have a few notes; WM does not offer weekly recycle, and due to driver safety I cannot include items outside of the carts, such as bulky, so I bid as close as I could to your specifications.

I held the current rate, of \$14.56 + Recycle Material Offset (RMO) Charge, however WM does require that our rate be broken out on the bill to include Fuel, Environmental, and RMO as separate line items. The total price will be \$14.56 per home per month + RMO.

Here are some other highlights

- \$1000 Customer Loyalty Bonus upon signing.
- 96-gallon Trash and Recycle Carts for all residents.
- 2<sup>nd</sup> Trash and Recycle Carts for any resident who needs extra capacity.
  - Double the volume, same great price.
- Free delivery of all carts.
- I have doubled your annual rollofs for community cleanups from 2-4.
  - Double the roll-off volume, same great price.
- Dedicated HOA Support Team for Community Managers, FCHOA.
- Dedicated Account Manager
- 2 year term
- Increases in addition years to be based on CPI with a max increase of 3%

Thanks for your partnership, I hope we can continue to serve your community, and please let me know if you have any questions or need anything else.

Mike

**MIKE MAHER**  
**HOA Territory Manager**  
Four Corners  
[mmaher1@wm.com](mailto:mmaher1@wm.com)





**METROPOLITAN DISTRICT SERVICE AGREEMENT**

Waste Management of Colorado, Inc.  
5500 Quebec St. Ste. 250  
Greenwood, Village, CO 80111  
(303) 797-1600

**WM Agreement #: 020-122216**  
**Customer ID: 020-122216**  
**Acct Name: Blackstone Metro District**  
**Account Manager: Mike Maher**  
**Effective Date: 01/01/2023**  
**Type of Billing: Group**

**Service Information**  
**HOA Name:** Blackstone Metro District  
**Address:** Various Addresses  
**City/State/Zip:** Aurora CO 80016  
**Service Contact Name:** Sabrina Lopez  
**Phone:** (303) 369-1800  
**Email:** sabrina@westwindmanagement.com

**Billing Information**  
**HOA Name:** Blackstone Metro District  
**C/O:** Westwind Management  
**Address:** 27 Inverness Drive East, Englewood CO 80112  
**Billing Contact Name:** Sabrina Lopez  
**Phone:** (303) 369-1800  
**Email:** sabrina@westwindmanagement.com

**WM TERMS AND CONDITIONS APPLICABLE TO PERMANENT SERVICE**

**Service Description & Recurring Rates**

| Number of Homes Qty for Billing | Equipment                          | Material Stream | Frequency         | Per Home All-In Rate   | \$ \$14.56 + RMO             |
|---------------------------------|------------------------------------|-----------------|-------------------|--|------------------------------|
| 852                             | 96 Gallon Carts<br>64 Gallon Carts | Trash           | Weekly            | *Fuel & Environmental/RCR Included in All-In Rate, will be detailed on invoice.<br>*Recycle Material Offset (RMO) Applies; per home, per month | \$ Variable*<br>\$ Variable* |
|                                 |                                    | Recycle         | Every-other-week. | *Admin Charge Applies<br>Waived when enrolled in both Paperless & Autopay.   |                              |

**Additional Carts; 2<sup>nd</sup> trash and recycle carts at no charge, 3<sup>rd</sup> carts and beyond are \$5.00 per cart per month.**

**Special Instructions:**

- \$14.56 per home, per month + RMO, for Weekly Curbside Trash and Every-Other Week Curbside Recycle Service.
- Waste Management will supply (1) 96-gallon trash cart, and (1) 96-gallon recycle cart to all residents. All trash and recycle must be inside WM carts for service. WM will also provide 2nd trash and recycle carts at no additional charge upon request
- Residents may exchange the 96-gallon carts for 64-gallon carts, a swap fee will apply after initial delivery.
- Rate includes (4) Annual Rolloff Dumpsters.
- Bulk items will be billed directly to the resident at the time of request for service. Customer service (303) 797-1600
- Rate guaranteed for 12 months, increases in additional years to be based on The Consumer Price Index not to exceed 3%

**Initial One Time Service Charges\***

|                        |    |      |
|------------------------|----|------|
| Initial Delivery       | \$ | 0.00 |
| Delivery after Initial | \$ | 0.00 |

**As Needed Services\***

The above listed Charges are for recurring services only. Charges for all additional services will be at current rates at the time of service. These include but are not limited to: extra pickups, container removal, overages and contamination. Contact Waste Management for a full list of such additional services and current prices.

\* Fuel Surcharge, Environmental Charge, and Regulatory Cost Recovery ("RCR") Charge apply to all other Charges whether or not listed on this summary; any amounts shown above are estimated, and actual amounts will be calculated at the time of invoicing based on a percentage of the Charges. Information about these charges can be found at [www.wm.com/billhelp](http://www.wm.com/billhelp). State & Local taxes, and/or fees and a Recycle Material Offset, if applicable, will also be added to the Charges. An Administrative Charge per invoice will be assessed and can be removed by enrolling in paperless statements and automated payments. If Charges are Group Billed, the Charges total will adjust based on the number of Customer residences. The DISTRICT must timely notify Company of any increase or decrease in number of residences in the DISTRICT Area. The DISTRICT is not entitled to be reimbursed for any overpayment due to the DISTRICT's failure to notify Company of a decrease in the number of residences.

This Agreement does not provide for a fixed price during the Contract Term. Unless specifically provided otherwise herein, DISTRICT should expect Company to increase Charges as allowed by Section 6(b) and Company to seek other price increases subject to DISTRICT's consent under Section 6(c) of this Agreement. Consent to price increases may be given orally, in writing, or by notice and DISTRICT's payment of, or failure to object to, the price increase.

**Contract Term for monthly rate services is for twenty-four (24) Months from the Effective Date ('Initial Term') and it shall automatically renew thereafter for additional terms of twenty four (24) months ('Renewal Term') unless terminated as set forth herein.**

This Homeowners' DISTRICT Service Agreement (this "Agreement") is made as of the Effective Date shown above by and between Waste Management of Colorado, Inc. ("Company") and the DISTRICT named above, on behalf of the DISTRICT and the Customers. The undersigned individual signing this Agreement on behalf of the DISTRICT and all of the Customers acknowledges that he/she has read and understands the following terms and conditions of this Agreement and that he/she has the authority to sign on behalf of the DISTRICT and all of the Customers.

|   |              |                                    |       |
|---|--------------|------------------------------------|-------|
| _____                                       | _____        | _____                              | _____ |
| Customer Signature                          | Printed Name | Title                              | Date  |
| _____                                       | Mike Maher   | Waste Management Territory Manager | _____ |
| Company: Waste Management of Colorado, Inc. | Printed Name | Title                              | Date  |

**1. (a) SERVICE GUARANTEE.** We guarantee our Services (as defined below). If Company fails to perform Services in accordance with the agreed upon service summary set forth on page 1 of this Agreement (the "Service Summary"), and Company does not remedy such failure within five (5) business days of its receipt of a written demand from DISTRICT, DISTRICT may immediately terminate this Agreement without penalty.

**(b) SERVICES RENDERED; WASTE MATERIALS.** DISTRICT grants to Company the exclusive right, and Company through itself and its Affiliates shall furnish equipment and services, to collect and dispose of and/or recycle (collectively, the "Services") all Waste Materials generated, deposited, accumulated, or otherwise coming to exist in (1) the geographical area encompassing all of the residences which are subject to any rules of the DISTRICT as of the Effective Date of this Agreement, and (2) any additional geographical area(s) encompassing any additional residences that become subject to any of the rules of the DISTRICT, but only if (a) such additional area is in close proximity to the geographical area described in (1) above and (b) Company is able to provide collection services in such additional area (collectively, the "DISTRICT Area"). All residential premises within the DISTRICT Area (collectively, "Customers," or individually, "Customer") shall be required by the DISTRICT to utilize the collection services of Company, as described in this Agreement. The DISTRICT represents and warrants that the materials to be collected under this Agreement shall be only "Waste Materials" as defined herein. For purposes of this Agreement, "Waste Materials" means all non-hazardous solid waste generated in the DISTRICT Area, which includes Recyclable Materials (as defined in Section 12) if so indicated on the page 1 Service Summary. Waste Materials excludes, and DISTRICT and Customers shall not deposit or permit the deposit for collection of (i) any waste tires, (ii) radioactive, volatile, corrosive, flammable, explosive, biomedical, infectious, bio-hazardous, regulated medical or hazardous waste, toxic substance or material, as defined by, characterized or listed under applicable federal, state, or local laws or regulations, (iii) any materials containing information protected by federal, state or local privacy and security laws or regulations, (iv) any other items or material prohibited by federal, state or local laws or regulations, or that could adversely affect the operation or useful life of the facility(ies) receiving DISTRICT's Waste Materials, or (v) Special Waste not approved in writing by Company (collectively, "Excluded Materials"). Title to and liability for Excluded Materials shall remain with the generator/Customer at all times. Title to DISTRICT's Waste Materials is transferred to Company upon Company's receipt or collection unless otherwise provided in this Agreement or applicable law.

**2. REPRESENTATIONS BY THE DISTRICT.** The DISTRICT and the person signing this Agreement represent and warrant to Company that (1) the DISTRICT has the authority under the applicable CC&Rs to enter into this Agreement on behalf of all of the Customers and to obligate all of the Customers to be subject to and to comply with the terms of this Agreement and (2) this Agreement has been approved by the DISTRICT's board of directors.

**3. TRANSFER OF CONTROL.** If this Agreement is entered into before control of the DISTRICT is transferred from the developer to the residents, this Agreement shall be binding on the DISTRICT after the transfer of such control.

**4. CONTRACT TERM.** The Initial Term and any subsequent Renewal Term of this Agreement (collectively, the "Contract Term") is set forth on the Service Summary. Unless otherwise specified on the Service Summary, at the end of the Initial Term and any subsequent Renewal Term, the Contract Term shall automatically renew for an additional Renewal Term at the then current Service levels and applicable Charges, unless (a) for a Renewal Term of sixty (60) months or more, either party gives to the other party written notice of termination at least ninety (90) days, but not more than one hundred eighty (180) days, prior to the termination of the then-existing term, and (b) for a Renewal Term of less than twelve (12) months, either party gives to the other party written notice of termination at least thirty (30) days prior to the termination of the then-existing term. Notice of termination received at any other time will be considered ineffective and the Agreement will be considered automatically renewed upon completion of the then-existing term.

**5. TERMINATION RIGHTS.** Notwithstanding the foregoing, this Agreement can be terminated prior to the end of the Initial Term or a Renewal Term as follows:

(a) by DISTRICT (with no obligation to pay liquidated damages as provided in Section 9), (i) if Company fails to satisfy the Service Guarantee provided in Section 1(a) or (ii) pursuant to Section 6(c) if Company increases the Charges payable by DISTRICT hereunder with a Consensual Price Increase;

(b) by DISTRICT with thirty (30) days prior written notice to Company, subject to DISTRICT's obligation to pay liquidated damages as provided in Section 9 no later than thirty (30) days after written notice of termination;

(c) by Company, (i) if as a result of DISTRICT's breach of Section 7, Company suspends Services for more than fifteen (15) days, or (ii) if DISTRICT fails to cure any other breach of its obligations under this Agreement within five (5) business days of its receipt of written demand from Company to cure such breach; and

(d) by Company, with at least fifteen (15) days prior written notice to the DISTRICT, any time after DISTRICT retains, designates or appoints a broker or agent to act for DISTRICT, or manage its Services, under this Agreement.

In order to move containers in a safe, secure and orderly fashion, Company shall have up to seven (7) days to remove any equipment from DISTRICT's service location(s) after the effective date of the termination of this Agreement.

**6. (a) CHARGES; ADDITIONAL SERVICES; CHANGES.** The initial charges, fees and other amounts payable by DISTRICT ("Charges") for Services and/or equipment furnished by Company to DISTRICT are set forth on the Service Summary. Company also reserves the right to charge DISTRICT additional Charges for additional Services provided by Company to DISTRICT, whether requested or incurred by DISTRICT, including, but not limited to, container relocation or removal; gate, enclosure or roll out services; account resume or reactivation services; extra pickups or trip charges; container overages and overflows; and equipment repair and maintenance (see www.wm.com/billhelp for a list of "Additional Service's", which may be updated from time to time), all at such standard prices or rates that Company is charging its DISTRICTS in the service area at such time. Changes in the frequency of collection, collection schedule, number, capacity and/or type of equipment, the terms and conditions of this Agreement, and any changes to the Charges payable under this Agreement (including any Consensual Price Increase or Negotiated Price Adjustment), may be agreed to orally, in writing or by other actions and practices of the parties, including, without limitation, electronic or online acceptance or payment of the invoice reflecting such changes, and written notice to DISTRICT of any such changes and DISTRICT's failure to object to such changes, which shall be deemed to be DISTRICT's affirmative consent to such changes.

**(b) PERMITTED PRICE INCREASES.** Company reserves the right, and DISTRICT acknowledges that it should expect Company to increase or add Charges payable by DISTRICT hereunder during the Contract Term: (i) for any changes or modifications to, or differences between, the actual equipment and Services provided by Company to DISTRICT and those specified on the Service Summary; (ii) for any changes or difference in the composition, amount or weight of the Waste Materials collected by Company from DISTRICT's service location(s) from what is specified on the Service Summary (including for container overages or overflows); (iii) for any increase in or other modification made by Company to the Fuel Surcharge, Regulatory Cost Recovery Charge, Recyclable Materials Offset, Environmental Charge, and/or any other Charges included or referenced in the Service Summary (which Charges are calculated and/or determined on enterprise-wide basis, including Company and all Affiliates); (iv) to cover any increases in disposal, processing, and/or transportation costs, including fuel surcharges; (v) to cover increased costs due to uncontrollable circumstances, including, without limitation, changes (occurring from and after three (3) months prior to the Effective Date) in local, state, federal or foreign laws or regulations (or the enforcement, interpretation or application thereof), including the imposition of or increase in taxes, fees or surcharges, or acts of God such as floods, fires, hurricanes and natural disasters; and (vi) for increases in the Consumer Price Index ("CPI") for Water, Sewer and Trash Collection Services published by U.S. Bureau of Labor Statistics, or with written notice to DISTRICT, any other national, regional or local CPI, with such increases in CPI being measured from the Effective Date, or as applicable, DISTRICT's last CPI based price increase date ("PI Date"). Increases to Charges specified in this Section 6(b) may be applied singularly or cumulatively and may include an amount for Company's operating or profit margin. DISTRICT acknowledges and agrees that any increased Charges under this Section 6 (including any Consensual Price Increases or Negotiated Price Adjustments) are not represented to be solely an offset or pass through of Company's costs.

**(c) CONSENSUAL PRICE INCREASES.** Without limiting the foregoing, Company also reserves the right to seek, and DISTRICT acknowledges that it should expect Company to seek, increases in the Charges payable by DISTRICT hereunder for reasons not specifically permitted in Section 6(b) (a "Consensual Price Increase"). If DISTRICT does not accept the Consensual Price Increase, DISTRICT's sole right and remedy shall be to terminate this Agreement by written notice to Company no later than thirty (30) days after Company notifies DISTRICT of such Consensual Price Increase. DISTRICT's failure to terminate this Agreement (within the 30-day period) shall be construed as DISTRICT's acknowledgement that the continuation of the Services by Company hereunder is good, valuable and sufficient consideration for the Consensual Price Increase. Notwithstanding the foregoing, the parties may, but are not obligated to, agree to a different increase or adjustment to DISTRICT's Charges (a "Negotiated Price Adjustment") as a result of a Consensual Price Increase. Absent a Negotiated Price Adjustment, the Consensual Price Increase shall be binding and enforceable against DISTRICT under this Agreement unless the DISTRICT terminates this Agreement (within the 30-day period) as described above. DISTRICT's agreement to a Consensual Price Increase or Negotiated Price Adjustment may be evidenced pursuant to Section 6(a) and the parties agree that this Agreement with such modified Charges will continue in full force and effect.

**7. INVOICES; PAYMENT TERMS.** Company shall send all invoices for Charges and any required notices to DISTRICT under this Agreement to DISTRICT's billing address specified in the Service Summary, unless DISTRICT elects to be billed or receive notices electronically or by e-mail, in which case, all DISTRICT invoices and notices also may be delivered in accordance with DISTRICT's electronic billing or email instructions. DISTRICT shall pay all invoiced Charges within thirty (30) days of the invoice date. Any DISTRICT invoice balance not paid within thirty (30) days of the date of invoice is subject to a late charge, and any DISTRICT check returned for insufficient funds is subject to a non-sufficient funds charge, both to the maximum extent allowed by applicable law. DISTRICT acknowledges that any late charge charged by Company is not to be considered as interest on debt or a finance charge, and is a reasonable charge for the anticipated loss and cost to Company for late payment. If payment is not made when due, Company retains the right to suspend Services until the past due balance is paid in full. In addition to full payment of outstanding balances, DISTRICT shall be required to pay a reactivation charge to resume suspended Services. If Services are suspended for more than fifteen (15) days, Company may immediately terminate this Agreement for default and recover any equipment and all amounts owed hereunder, including liquidated damages under Section 9.

**8. EQUIPMENT; ACCESS.** All equipment furnished by Company shall remain its property; however, DISTRICT shall have care, custody and control of the equipment and shall be liable for all loss or damage to the equipment and for its contents while at DISTRICT's service location(s). DISTRICT shall not overload, move or alter the equipment or allow a third party to do so, and shall use it only for its intended purpose. At the termination of this Agreement, Company's equipment shall be in the condition in which it was provided, normal wear and tear excepted. DISTRICT shall provide safe and unobstructed access to the equipment on the scheduled collection day. Company may suspend Services or terminate this Agreement in the event DISTRICT violates any of the requirements of this provision. DISTRICT shall pay, if charged by Company, any additional Charges, determined by Company in its sole discretion, for overloading, moving or altering the

equipment or allowing a third party to do so, and for any service modifications caused by or resulting from DISTRICT's failure to provide access. DISTRICT warrants that DISTRICT's property is sufficient to bear the weight of Company's equipment and vehicles and agrees that Company shall not be responsible for any damage to DISTRICT's pavement or any other surface resulting from the equipment or Services.

**9. LIQUIDATED DAMAGES.** In the event DISTRICT terminates this Agreement prior to the expiration of the Initial or Renewal Term for any reason other than as set forth in Section 5(a), or in the event Company terminates this Agreement for DISTRICT's default pursuant to Section 5(c), DISTRICT shall pay the following liquidated damages in addition to Company's legal fees, if any: (a) if the remaining Contract Term (including any applicable Renewal Term) under this Agreement is six (6) or more months, DISTRICT shall pay the average of its six (6) monthly Charges immediately prior to default or termination (or, if the Effective Date is within six (6) months of Company's last invoice date, the average of all monthly Charges) multiplied by six (6); or (b) if the remaining Contract Term is less than six months, DISTRICT shall pay the average of its six (6) most recent monthly Charges multiplied by the number of months remaining in the Contract Term. DISTRICT acknowledges that the actual damage to Company in the event of DISTRICT's early termination or breach of contract is impractical or extremely difficult to fix or prove, the foregoing liquidated damages amount is reasonable and commensurate with the anticipated loss to Company resulting therefrom, and such liquidated damages payment is an agreed-upon charge for DISTRICT's early termination or breach of contract and is not imposed as a penalty. DISTRICT shall also pay liquidated damages of \$100 for every DISTRICT waste tire that is found at any disposal facility used by Company. In addition to and not in limitation of the foregoing, Company shall be entitled to recover all losses, damages and costs, including attorneys' fees and costs, resulting from DISTRICT's breach of any other provision of this Agreement in addition to all other remedies available at law or in equity.

**10. INDEMNITY.** Company agrees to indemnify, defend and save DISTRICT and its Affiliates harmless from and against any and all liability which DISTRICT or its Affiliates may suffer, incur or pay as a result of any bodily injuries (including death), property damage or violation of law, to the extent caused by any negligent act or omission or willful misconduct of Company or its employees, which occurs (a) during the collection or transportation of DISTRICT's Waste Materials, or (b) as a result of the disposal of DISTRICT's Waste Materials in a facility owned by Company or an Affiliate, provided that Company's indemnification obligations will not apply to occurrences involving Excluded Materials. DISTRICT agrees to indemnify, defend and save Company and its Affiliates harmless from and against any and all liability which Company and its Affiliates may suffer, incur or pay as a result of any bodily injuries (including death), property damage or violation of law to the extent caused by DISTRICT's breach of this Agreement or by any negligent act or omission or willful misconduct of DISTRICT or its employees, agents or contractors or DISTRICT's use, operation or possession of any equipment furnished by Company. Neither party shall be liable to the other for consequential, incidental or punitive damages arising out of the performance or breach of this Agreement.

**11. RIGHT TO PROVIDE COMPETING OFFERS.** If DISTRICT receives an offer from (or makes any offer to) a third party relating to such third party's provision to the DISTRICT of the same or similar Services to those provided hereunder, DISTRICT shall give Company prompt written notice of any such offer and a 15-day period to respond to such third party offer prior to DISTRICT agreeing to such third party offer.

**12. DISPUTE RESOLUTION-ARBITRATION AGREEMENT AND CLASS ACTION WAIVER. BINDING ARBITRATION:** Except for those claims expressly excluded below (EXCLUDED CLAIMS), DISTRICT, on behalf of itself and Customers, and Company agree that any and all existing or future controversy or claim between them arising out of or related to this Agreement or any prior agreements between the parties, whether based in contract, law or equity or alleging any other legal theory, or arising prior to, in connection with, or after the termination of this Agreement or any other agreements, shall be resolved by mandatory binding arbitration (see [www.wm.com](http://www.wm.com) for details on arbitration procedures). **CLASS ACTION WAIVER:** DISTRICT, on behalf of itself and Customers, and Company agree that under no circumstances, whether in arbitration or otherwise, may DISTRICT bring any claim against Company, or allow any claim that DISTRICT may have against Company to be asserted, as part of a class action, on a consolidated or representative basis or otherwise aggregated with claims brought by, or on behalf of, any other entity or person, including other DISTRICTs of Company. **EXCLUDED CLAIMS:** The following are not subject to mandatory binding arbitration: (a) either party's claims against the other in connection with bodily injury or real property damage and for environmental indemnification; and (b) Company's claims against DISTRICT for collection or payment of Charges, damages (liquidated or otherwise) or any other amounts due or payable to Company by DISTRICT under this Agreement or any prior agreements between the parties, but DISTRICT and Company may mutually agree to arbitrate any Excluded Claims.

**13. MISCELLANEOUS.** (a) Except for the obligation to make payments hereunder for Services already performed, neither party shall be in default for its failure to perform or delay in performance caused by events or significant threats of events beyond its reasonable control, whether or not foreseeable, including, but not limited to, strikes, labor trouble, riots, imposition of laws or governmental orders, fires, acts of war or terrorism, acts of God, and the inability to obtain equipment, and the affected party shall be excused from performance during the occurrence of such events. (b) This Agreement shall be binding on and shall inure to the benefit of the parties hereto and their respective successors and assigns. (c) The terms, conditions and disclosures set forth on [www.wm.com](http://www.wm.com) relating to Billing/Billing Help, Charges, Arbitration Procedures, and for those DISTRICTs that sign up for electronic billing and payment, WM ePay or Autopay, are incorporated by reference and made a part hereof (as such terms, conditions and disclosures may be changed or modified from time to time, effective from such change or modification). In addition to, and not in limitation of, the foregoing, the terms and provisions of this Agreement may be amended and modified as agreed to by the parties as provided in Section 6(a). Subject to the foregoing, this Agreement represents the entire agreement between the parties and supersedes any and all other agreements for the same Services at the same DISTRICT locations covered by this Agreement, whether written or oral, that may exist between the parties. (d) This Agreement shall be construed in accordance with the law of the state in which the Services are provided. (e) All written notification to Company required by this Agreement shall be effective upon receipt and delivered by Certified Mail, Return Receipt Requested, courier or by hand to Company's address on the first page of the Service Summary, provided that Company may provide written notice to DISTRICT of a different address for written notice to Company. (f) If any provision of this Agreement is declared invalid or unenforceable, then such provision shall be severed from and shall not affect the remainder of this Agreement; however, the parties shall amend this Agreement to give effect, to the maximum extent allowed, to the intent and meaning of the severed provision. (g) In the event Company successfully enforces its rights against DISTRICT hereunder, DISTRICT shall be required to pay Company's attorneys' fees and court costs. (h) Notwithstanding the termination of this Agreement, Sections 8, 9, 10, 12, 13, 14(d) and DISTRICT's obligation to make payments for all Charges and other amounts due or payable hereunder through the termination date shall survive the termination of this Agreement. (i) The term "Affiliate" means with respect to any specified party, any corporation, limited liability company, partnership or other legal entity, directly or indirectly, controlled by, controlling or under common control with such specified party, with "control" meaning, directly or indirectly, the power to direct or cause the direction of the management and policies of such legal entity, whether through the ownership of voting securities, by contract or otherwise. (j) "business day" means Monday through Friday, excluding bank holidays.

**14. RECYCLING SERVICES.** The following shall apply to fiber and non-fiber recyclables ("Recyclable Materials") and recycling services:

(a) (i) Single Stream Recyclable Materials ("Single Stream") will consist of DISTRICT's entire volume of clean, dry, paper or cardboard without wax liners; clean, dry and empty aluminum food and beverage containers, ferrous (iron) or steel cans, aerosol cans, and rigid container plastics #1-7, including narrow neck containers and tubs. Any material not specifically set forth above, including but not limited to foam, film plastics, plastic bags, and tissue or paper that had been in contact with food, is unacceptable ("Unacceptable Materials"), provided that glass may be included in Single Stream with specific written approval of Company. Single Stream may not contain any Unacceptable Materials. (ii) DISTRICT shall provide source-separated waste paper, cardboard, plastics and metals in accordance with the most current ISRI Scrap Specifications Circular and any amendments thereto or replacements thereof. (iii) All other Recyclable Materials will be delivered in accordance with industry standards or such specifications communicated to DISTRICT by Company from time-to-time. (iv) Company reserves the right, upon notice to DISTRICT, to discontinue acceptance of any category of Recyclable Materials as a result of market conditions related to such materials and makes no representations as to the recyclability of the materials which are subject to this Agreement.

(b) Recyclable Materials may not contain Excluded Materials or other materials that are deleterious or capable of causing material damage to any part of Company's property, its personnel or the public or materially impair the strength or the durability of Company's structures or equipment. Company may reject in whole or in part, or may process, in its sole discretion, Recyclable Materials not meeting the specifications, and DISTRICT shall pay and reimburse Company for all costs, losses and expenses incurred with respect to such non-conforming Recyclable Materials including costs for handling, processing, transporting and/or disposing of such non-conforming Recyclable Materials which charges may include an amount for Company's operating or profit margin. Without limiting the foregoing, Company may assess and DISTRICT shall pay a contamination charge for additional handling, processing, transporting and/or disposing of Unacceptable Materials, Excluded Materials, and/or all or part of non-conforming loads. In the event costs of processing recyclables exceeds the commodity value, a recyclable material offset will be charged per ton.

(c) Where Company has agreed in writing to provide a market-based rebate to DISTRICT, the following shall apply. DISTRICT acknowledges that the market value for Recyclable Materials will fluctuate based upon various factors, and such materials may at times have no value or that the value may be negative. Company will establish the value of Recyclable Materials each month based upon such various factors, including but not limited to quantity, quality and location. For recycling services, Company shall pay or charge DISTRICT on or about the last day of each month for Recyclable Materials accepted during the preceding month, after deduction of any charges owed to Company by DISTRICT. Any invoice shall be payable upon receipt. Where recycling services are provided, charges may include separate fuel and environmental surcharges as set forth at [www.wm.com](http://www.wm.com).

(d) Notwithstanding anything to the contrary set forth above, the liquidated damages calculation set forth in Section 9 of this Agreement shall not apply to any DISTRICT breach of the Agreement pertaining to Services for Recyclable Materials, which have been determined by Company to have a positive value. If a breach occurs under such circumstances, the damages shall be determined by calculating actual damages rather than such liquidated damages.

**INITIAL BY DISTRICT \_\_\_\_\_**



# Republic Services

Denver Hauling Division

## Blackstone Metro District Aurora, Colorado

REQUEST FOR PROPOSAL

# Proposal for Collection Services

# BLACKSTONE METROPOLITAN DISTRICT



Date: September 20, 2022

Dear Sabrina,

Thank you for your interest in Republic Services. We appreciate the opportunity and look forward to continuing to provide waste and recycle removal services to the residents of your metro district. Our bid for these services is located below. Please let me know if you require additional clarification or have any questions.

This Request for Proposal (RFP) contains confidential and proprietary information that is the property of Blackstone MD, which is confidential and proprietary, provided for the sole purpose of permitting the recipient to respond to the RFP and is valid for 60 days.

Sincerely,

Don Archuleta  
Republic Services  
Major Account Executive-HOA/Metro Districts  
C 720-201-5473 O 720-590-4337  
[DArchuleta@republicservices.com](mailto:DArchuleta@republicservices.com)  
Website: [www.republicservices.com](http://www.republicservices.com)



**Blackstone Metro District**  
**Solid Waste and Recycling Pricing Sheet**

| Collection Service  | Unit of Measure | Estimated Quantity | Unit Cost                 |  |
|---|-----------------|--------------------|---------------------------|--|
| Weekly Trash<br>Every Other Week Single<br>Stream Recycle<br><b>96 Gallon Trash Cart</b><br><b>96 Gallon Recycle Cart</b> | Monthly         | 900<br>Homes       | <b>\$9.00</b>             | Weekly Trash, 96 gallon cart (cart content only)             |
|   |                 |                    | <b>\$4.75</b>             | Every Other Week Recycle, 96 gallon cart (cart Content only) |
|   |                 |                    |                           |  |
|   |                 |                    | Individual Monthly Charge | <b>\$13.75 per home</b>                                      |

| Additional Cart Option  | Quantity | Price                            |
|-------------------------|----------|----------------------------------|
| 96 Gallon Trash Carts   | 1        | \$48 per year No Delivery Charge |
| 96 Gallon Recycle Carts | 1        | \$60 per year No Delivery Charge |

**Additional Items**

- There are No Fuel or Environmental Fee's, No Recycle fees
- Trash and Recycle containers are provided at no charge (with no delivery fees). Replacement containers are also no charge.
- All collections will be limited to the hours between 7:00 a.m. and 7:00 p.m. Monday through Friday.
- All trash and recyclables must be placed in the carts provided. Additional carts are available to the homeowners at the above pricing.
- Introductory/Transition letter will be sent to Property Manager with Trash/Recycle Tips and Information to distribute to all Homeowners.
- (3) Year - the rate is fixed for the first year and a rate adjustment cap of 5% will be in place for years 2-3.
- (5) Year - the rate is fixed for the first 2 years and a rate adjustment cap of 5% will be in place for years 3-5. Automatic renewal will be a month to month renewal when the current agreement expires.
- On time percentage of 99.94% for all HOAs in the Denver metro area

**Bulk(Large) Item Pick up**

Residents must call (303) 286-1200 to schedule the bulk removal. Bulk requests will be charged on \$25 per item basis and billed direct to the homeowner.



## Drive In/Roll Out Service

Republic Services will provide carry out, carry back services for residents who are physically unable to move their cart to the collection location. All carts must be accessible to our drivers without going behind fences, inside garages etc...

## Holiday Schedules

Republic Services observes the following Holidays: New Year's Day, Memorial Day, 4th of July, Labor Day, Thanksgiving and Christmas. If your trash day falls on or after an observed Holiday, your pickup will be on a one-day delay. Service will not be delayed if the Holiday falls on a Saturday or Sunday

## Inclement Weather

In the case of an extreme weather event, service may be delayed until access is available. A robo call will alert all residents participating in the robo call program as to when the roads will be safe and passable. Republic will communicate with city leadership and the Blackstone Metro District to coordinate access. As updates are available, we will communicate this information to the city and residents. In an extreme weather event, it may be necessary to run operations on a Saturday to complete collections

## References

**Saddle Rock Ridge HOA** – Tom Tanner, Board of Directors, (303) 570-5048

32303 S. Versailles Pkwy, Aurora 80015. Republic Services provides trash and recycle carted collection for this community of over 2100 homes.

**Adonea HOA** – Lisa Gajowski, HOA President [rango42@gmail.com](mailto:rango42@gmail.com)

99 N. Newbern Way, Aurora 80018. Republic Services provides trash and recycle carted collection for this community of over 1000 homes.

**Piney Creek HOA** – Cylinda Mobley, Association Business Manager, (303) 369-1800 ext 130. Republic Services provides trash and recycle carted collection for this community of over 1800 homes.

## Transition Plan

Trucks with trailers will be loaded with carts at a staging area. Delivery trucks will distribute carts to the residents throughout the community. We will follow a detail distribution list/map. This will be done in one day coordinated with the Community Manager.



My name is Chris Berry and I work for GFL Environmental. We appreciate the opportunity to respond to your RFP for Trash and Recycling Services at Blackstone Metro District. We're looking to design a proposal that will best meet your needs. We have a few questions below. We appreciate your consideration and look forward to establishing a mutually beneficial relationship with the District.

Would you be amenable to increasing the contract term to 3 or 5 years with optional years for renewal? We feel having the contract be limited to 2 years benefits the incumbent because of the upfront costs associated with purchasing carts. Having a longer term would allow us to spread out the start-up costs and provide a more competitive bid.

Would you consider locking the annual increase to the Trash and Recycling CPI for yearly increase or decrease with limits of no more than 5% increase or decrease per year?

Thank you for your consideration.

Chris

**Christopher Berry** | Govt Contracts Mgr  
GFL Environmental  
7373 Washington Street, Denver, CO 80229  
| [christopherberry@gflenv.com](mailto:christopherberry@gflenv.com) | [www.gflenv.com](http://www.gflenv.com)





Blackstone Metropolitan District  
27 Inverness Drive East  
Englewood, CO 80112  
Due: September 20, 2022  
RE: Trash & Recycling Services  
Sabrina Lopez  
Association Business Manager

Dear Sabrina,

GFL Environmental is pleased to submit the following proposal to Blackstone Metropolitan District for Trash and Recycling Services. We appreciate the opportunity to share our qualifications and we look forward to building a successful business partnership with the District.

At GFL we're proud to be the only major diversified environmental services company in North America and because of this we're uniquely qualified to undertake any environmental challenge with an unwavering commitment to safety matched with exceptional customer service.

GFL has secured leadership in the environmental solutions market through a combination of continual innovation and targeted growth. Recognizable by our signature fleet of bright green trucks, GFL is led by a driving passion to respect and act responsibly toward our environment. We are committed to building our company, our team, and our reputation through exceptional service standards, environmental protection, and positive contributions to the communities where we live and work.

We believe that by providing reliable, safe, and cost-effective solutions we encourage greater environmental responsibility, allowing our customers and the communities we serve to be Green For Life. Afterall, it's in our name GFL Environmental!

Although our company was founded in 2007, our Front Range location has been in operation since 1999 under the name Alpine Disposal, Inc. Since then, we have invested millions of dollars into our infrastructure, service, and people. Our commitment to the Colorado Front Range metro area can be found in the contracts we currently hold with Denver International Airport, Denver Water, Denver Zoo, Red Rocks CC, Auraria Campus, the University of Denver, and many others.

We were selected to partner with these organizations because of our diversified offerings; our ability to deliver timely, safe, and reliable services; and our superior local customer service. Our customer service center is located right here in Colorado Front Range so you can rest assured you'll be talking with a competent local representative.

At GFL, we want to be pioneers of sustainability and waste diversion in the Denver metro area. We have poured a large amount of money and effort into creating a single stream recycling program like no other. At our recycling facility located right here in Denver we can accept items that other recyclers are unable to because of the addition of new machinery like our state-of-the-art artificial intelligence robot.

We understand the trash and recycling contract with Blackstone Metropolitan District will require a high level of attention to detail and constant communication. We are ready to serve and look forward to meeting your needs.

Sincerely,

Robert Gill

Rob Gill  
GFL Environmental  
General Manager II  
Denver, CO 80229  
719-313-2562  
Robert.gill@gflenv.com

# GFL Environmental Qualifications

GFL Environmental will provide trash and recycling collection and disposal services that meet the specific trash collection and disposal specifications and requirements found in the Blackstone Metropolitan District Request for Proposal (RFP).

GFL Environmental will provide the necessary equipment, personnel, and containers to collect, haul, and dispose of trash and recycling generated District residents per the frequencies specified in the RFP. Please see attached documents showing our licensing and other credentials related to our qualifications.

GFL Environmental routinely performs trash and recycling collection services to the highest industry standards and will provide these services in accordance with associated guidelines and regulations.

At the heart of GFL Environmental is our greatest asset, our employees – whom we affectionately call “Team Green”. These talented men and women deliver quality service to our customers every day. Their hard work and the commitment they show to our clients are why we continue to meet our clients’ environmental needs and safety. Our employees wear GFL labeled work uniforms; are US citizens or legal residents; and are required to pass scheduled and unscheduled drug screenings.

GFL takes great pride in celebrating the diversity of our workforce and we continue to develop and implement programs designed to increase diversity among our employees. An example of this is our Women in Waste series showcasing the success stories of female employees working in various non-traditional roles across our organization. Through this program GFL encourages the advancement of women in the company while attracting and retaining more women into traditionally male dominated careers.

## References

Ken Colaizzi, President  
Trail Mark HOA  
Littleton, CO 80127  
[president@trailmarkhoa.org](mailto:president@trailmarkhoa.org)

Beth Jennewein  
Custom Management Group, Inc.  
2950 South Jamaica Court | Suite 101 | Aurora, CO 80014  
O: 303-752-9644  
[operations@cmgs.co](mailto:operations@cmgs.co)

Heidi Brown  
Community Property Manager  
[heidi@teleos-services.com](mailto:heidi@teleos-services.com)  
303-912-2294  
Teleos Management Group

# Proposed Schedule

## Hours and Days of Operations

GFL Environmental agrees that all scheduled pick-ups will be performed between the hours of 7:00 AM - 7:00 PM, unless other arrangements are agreed to by both parties. GFL will take great pains to schedule services on your preferred day, Thursdays; however, we will verify day of service upon award. Service will be delayed one calendar day if the service day falls on one of the following holidays:

New Year's Day  
Memorial Day  
Independence Day  
Labor Day  
Thanksgiving Day  
Christmas Day

As a service provider we want to be able to provide a level of consistency for our customers. This is achieved through various points of mindfulness regarding service. An example of this mindfulness is to have route drivers dedicated to the specific routes of the District. This allows for fewer service hiccups as the driver gets to know the service area.

GFL Environmental will strictly adhere to the required pick-up schedules and will strive to remedy any missed pick-ups within 24 hours of notification. With legitimate reason GFL will contact the appropriate people with advanced knowledge of a potential missed pick-up(s) due to inclement weather, etc. We ask that all residents have their trash and recycling carts out before 7:00 AM on their scheduled pick-up day, placed correctly for our trucks to service, not blocked by vehicles or other obstruction, with no excess trash on the street outside the cart.

## Trash Overflow

Trash overflow is bound to happen for some residents within the Association. To address this issue we propose a "bag tag" method for excess trash. This means all material for trash and recycling must be confined to the provided cart. The lid may be slightly ajar for service; however, items or bags outside of the provided cart will be considered extra and will be handled as such. The customer must have an affixed bag tag on the extra material or called in to have a bulk item removed. If neither of these solutions have been done, then the extra material will not be serviced. Bag tags are available for purchase through our office for \$4 each. We can arrange for the tags to be available at your location if you desire.

## Missed Pick-ups

We will strive to handle missed pick-ups and complaints within 24 hours by the Account Manager to follow-up with operations team to determine a solution leading to positive outcomes. At our local Denver office we have a team of customer service representatives ready and able to help out. Blackstone Metro District will have an Account Manager for their services; however, in the event of the Account Manager's absence or unavailability the client can call our local office and get help from any of

the customer service representatives. They can check in on services for the day as well as let you know schedules, schedule extra pick-ups, and delays. All of our CSR's answer the phone with a polite greeting and do their best to get the answers you need.

## Recycling

GFL Environmental operates a single-stream Material Recycling Facility (MRF) in the Denver Metro area called Altogether Recycling. Our process is all about sorting and baling material delivered to the MRF from all over the Denver Metro area. The finished products are then purchased by end user manufactures for reuse.

Some items that we accept are different from our competitors. Due to our recently installed artificially intelligent robotic system we can now recycle large pieces of Styrofoam, hot and cold plastic lined paper cups, and rigid plastics. With the increase of home delivery these added benefits can make a world of difference in helping residents increase their recycling potential.

### Best Recycling Practices

- No plastic bags!
- Flatten boxes
- Do not crush aluminum cans
- Leave plastic cap on plastic bottles
- Rinse out food and dump liquid

### Examples of Acceptable Items

- Aluminum cans
- Corrugated cardboard
- Glass containers
- Paper
- Plastic (bottles and tubs #1-#7, no #6)

### Example of Unacceptable Items

- Plastic bags!
- Trash
- Hazardous items
- Liquids
- Clam shells
- Shredded paper

## Transition Plan

A transition to a new hauler for trash and recycling services for a large HOA can seem like a daunting proposition; however, it doesn't have to be. At GFL we take pride in our professional transition and operations teams ability to smoothly transition Blackstone Metro District under the GFL umbrella.

Communication is key to set a date for cart delivery that guarantees no disruption of service for residents. Once the carts are delivered we will begin service as scheduled for weekly trash and weekly recycling services. As service continues we may receive more calls at the beginning of the change to GLF as some residents will still be getting used to the change and may have questions. We will handle phone calls and email inquiries in a professional and courteous manner with the goal of providing timely and positive solutions.

## Safety

At GFL we take safety seriously. We understand operating heavy machinery in neighborhoods requires the driver to make sure everyone and everything is taken into account when providing service. To help the drivers we mandate they all receive the top driving course in the country called The Smith System. This program is designed to prevent accidents by having drivers focus on the big picture, aim high in steering, keep their head on a swivel, and avoid distractions.

Our trucks have installed cameras to help with backup and inside the cab so the driver is monitored during their route. This system has allowed us to reward good behavior and correct bad behavior when necessary. Our drivers also have to demonstrate good driving by going through a series of driving obstacles at our facility and are responsible for completing a thorough safety check before they can begin their day as well as go through a safety lane inspection at the end of the day.

## Pricing

Pricing for weekly trash removal for (1) 96-gallon solid waste removal bin, and (1) 96 gallon recycle bin will be a base flat rate of **\$15.00** per home. Pricing for weekly trash removal for (1) 96-gallon solid waste removal bin, and bi-weekly for (1) 96-gallon recycle bin will be a base flat rate of **\$13.25** per home. Please see Table 1.

TABLE 1

| Service             | Cart size            | Frequency        | Price       |
|---------------------|----------------------|------------------|-------------|
| Trash               | 96 gallon            | Weekly           | \$15.00 mo. |
| Recycling           | 96 gallon            | Weekly           | Included    |
| Trash               | 96 gallon            | Weekly           | \$13.25 mo. |
| Recycling           | 96 gallon            | Bi-weekly        | Included    |
| Additional Cart - 1 | 96 gallon            | Weekly           | \$6.00 mo.  |
| Bulky Item          |                      | 2 items Annually | included    |
| Bag tags            | Bags outside of cart | When needed      | \$4 per tag |

## Contract Length

GFL understands new services for the District will begin on January 1, 2023. Would you be amenable to increasing the contract term to 3 or 5 years with optional years for renewal? We feel having the contract be limited to 2 years benefits the incumbent because of the upfront costs associated with purchasing carts. Having a longer term would allow us to spread out the start-up costs and provide a more competitive bid. The price in Table 1 is valid for a 3-year period with an annual increase tied to the Trash and Recycling CPI for yearly increase or decrease with limits of no more than 5% increase or decrease per year.

## Bulky Items

Residents may request pick-up for no more than 2 bulky items per year. Residents will need to call in to customer service to arrange pick-up of their bulky item. Bulky items are considered to be too big to fit in a cart. Bulky items will be picked up curbside on the regular day of service. GFL will not pick-up freon containing appliances, hazardous materials, or large metal objects.

## Bag Tags & Additional Carts

Residents may request an additional trash or recycling cart for collection services. The cost will be an additional \$6 per month for each additional cart. Bag tags are available for residents to purchase at \$4 per tag. Tags must be placed on any bags placed outside of the cart.

# **BOARD VACANCY**



# BLACKSTONE METROPOLITAN DISTRICT

## Board Candidate Letter of Interest

Please complete and return this form (or include your responses on a separate sheet), **including the signed candidate statement**, so that it is received by management *no later than Thursday, November 3, 2022 by 5:00 p.m.* This form may be returned by email to [BlackstoneMetro@westwindmanagement.com](mailto:BlackstoneMetro@westwindmanagement.com), or by mail (or may be hand-delivered) to: Blackstone Metro District c/o Westwind Management Group 27 Inverness Drive East, Englewood CO 80112. If you have any questions, please send an email to the address above or call 720-509-6076.

**Candidate Name:** Todd A Bower

**Qualifications:**

Please briefly list your background information (education, work experience, time living in the community, volunteer experience, etc.).

SEE ATTACHED RESUME'

**Candidate statement:**

Why do you want to serve on the board?

I believe in being part of a community and giving back as much as possible. My wife and I raised our children in Denver/Littleton and have now, after more than 28 years, we are ready to plant new roots down in this community as we finish the construction of our new home in Blackstone. Both my wife and I come from families that were fire fighters and teachers. We continued that trend of Servant Leadership as she has been an educator for more than 16 years and I am finishing my 30th year as a firefighter and Chief officer for the Denver Fire Department. My wife and I received our Undergraduate and Master degrees here in the metro area. We both are alumnis of the University of Denver where I also received my Juris Doctorate.

Since we purchase our lot

**Question: *Are there any time constraints that would impact your service on the Board? If yes, please explain. Generally, Board members have the following responsibilities:***

- Attend board meetings (usually once a month, about 2 hours per board meeting)
- Review meeting agendas and meeting packet enclosures (minutes, consultant reports, financials, etc.)
- Review and approve the District's annual budget and annual property tax rate
- Assist in committee assignment(s)
- Help to identify capital projects and areas for improvement within the District (Blackstone)

**Answer: N/A**

**Question: *Have you ever been convicted of a felony? (Please note that you may not serve on the Board if you have a felony conviction on your record.)*** **Answer: NO**

**Question: *What items do you believe the Board should focus on for the next year and the following years? (i.e., what priorities should the Board focus on)?***

**Answer:** The constituents drive a majority of the items that the community should focus on. Being a Fiduciary is at the top of the list. Having the ability to manage the increased costs of all contacts (i.e. Management Company, maintenance, landscaping, etc.) are always on the front burner. In addition, the conversation of water will be an on-going topic especially given the City of Aurora's recently passed new restrictions. Working with the municipality regarding their WaterWise program will be beneficial as we collaborate with them. Further increased transparency is paramount especially as the budgets are finalized, fees adjusted, and Capital projects are discussed. This increased transparency should also bring the website up to a greater standard and more timely information flow. Ensuring we get community input is vital to providing an all inclusive and engaged community.

**Question: *What challenges do you see facing the Board and the District, if any?***

**Answer:**

I believe that in addition to the items listed above, the lack of participation/attendance in Board meetings reduces the inputs and the potential solutions that can occur. Utilizing different technological opportunities to assist in having our Board meetings be broadcast could be a great conduit for increased community participation. Also, maintaining proper oversight of the Management Company is a continuous process.

### Board Candidate Statement

This is to certify, that I, Todd A. Bower, desire to be a candidate for appointment by the Board of Directors of the Blackstone Metropolitan District to fill a vacancy on the Board of Directors of the District.

I affirm that I am an eligible elector of the District on the date of signing this form. I am an eligible elector because I am registered to vote in the State of Colorado and am (mark all that apply):

a resident of the District.

the owner (or the spouse/civil union partner of the owner) of taxable real or personal property situated within the boundaries of the District.

Name of spouse/civil union partner if property in his/her name: Antonia He L Bower

\_\_\_\_\_ a person who is obligated to pay taxes under a contract to purchase taxable property within the District.

Physical address:

My residence Street address is: 27081 E Long Circle

Aurora, Zip Code 80016-2546, County of Arapahoe, State of Colorado.

If different from the above Physical address, my mailing address is: N/A

City \_\_\_\_\_, Zip Code \_\_\_\_\_.

My email address is Todd A Bower@gmail.com

and my telephone number is 303 883 3107

|                                |                      |
|--------------------------------|----------------------|
| Signature: <u>Todd A Bower</u> | Date: <u>11/1/22</u> |
|--------------------------------|----------------------|

# Todd A. Bower, J.D., MBA

27081 E. Long Circle.  
Aurora, CO 80016-2546

PH: 303-880-3107  
[ToddABower@gmail.com](mailto:ToddABower@gmail.com)

## Statement & Overview

Over the course of my over 28 year career with the Denver Fire Department I have had the opportunity to serve the City and County of Denver as a FireFighter and Executive. I progressed to the position of Interim Chief of Department. It has been through perseverance, combined with opportunities along the way, to grow as a leader and an Executive while earning my credentials as an Investment Advisor Representative (FINRA) and advanced degrees in business, finance, and law. I believe that my upbringing, background, education, and experiences combined makes me uniquely qualified for this position. I have a demonstrated track record of working and collaborating with diverse stakeholders. Serving in Executive positions throughout my career, and spending more than 18 years as a Public Pension Plan Trustee, provides me with actual first hand experience of knowing the vantage points to maintain best practices, fiduciary oversight, and necessary strategic forward thinking.

## RECENT PROFESSIONAL HIGHLIGHTS

### As Chief of the Denver Fire Department (Interim) (3/2020-10/2020)

- Command Staff** - After the abrupt resignation of the Chief of the Department I assembled a team that embodies the true mission of Servant Leadership by putting the community first in all decisions.
- Pandemic** – Covid adjustments, civil unrest, - mental wellness and budgetary employee costs adjustments that are outside normal approved budgetary line items.
- Initiated Standing Video Communications** - daily and weekly from the Chief to all employees. Open forum and dialogue that promotes communication and transparency.
- Personnel Management** – Management Changes - reassigned personnel to districts in need of new perspective of acceptance and inclusiveness. Removed Lieutenants from the departments transfer policy to align them with the rest of management. Implemented quarterly performance management reviews to align with oath, job descriptions, code of conduct, and EDI (Equity, Diversity, and Inclusion) expectations of the department.
- Budget Crisis/Financial Performance** – Economic downturn. Covid Test implementation, maintained staffing and response levels and prudently allocated overtime expenditures. I worked with DEN to help cut their budget by \$1 million in 2020 and additional \$2 million in 2021.
- Ambulances** - I began the process to co-locate ambulances along side fire apparatus in Denver Fire Stations.
- The Equity Project, LLC.** - **Dr. Nita Mosby Tyler** - contracted to do an initial training on race and social justice for all 300 DFD managers starting in September 2020.
- Committees Established** - *Cultural Integration Committee (CIC)*: an independent, employee groups directed committee to review, train, and implement new strategies for Department workplace culture. The CIC has full autonomy to move the culture of the organization forward from the employee perspective and may expand into community participation as well. The Denver Fire Department administration will fulfill fiscal and logistic needs of the CIC. The *Community Engagement Teams (CETs)* and Firehouse Neighborhood Partners (FNPs). The CETs meet monthly with each council district to stay on top of the needs of each unique community. The fire departments members, of each fire station, service as the faces and customer service arm tied directly to the neighborhoods. Building relationships and rapport at the consumer level.

### As Deputy Fire Chief of the Denver Fire Department (2010 – 2020)

- Day-to-Day Department Operations (Agency COO)** – 2nd in command of nearly 1,100 uniformed and civilian employees. Managing seven Direct Reports which included Divisions of Operations, Fire Prevention, Technical Services (Dispatch), Administration, Safety & Training, Denver International Airport, and Finance Director. In addition, provided strategic direction and oversight for the entire organization. Instilled best practices and systems into daily department activities. Blended in policy enhancements with overall integration into the regional wide fire service collaboration and delivery approach. Initiated the departments infusion into National Fire Service Credentialing (CFO-Chief Fire Officer), Executive development, and industry programs recognition.

# Todd A Bower, JD, MBA

## RECENT PROFESSIONAL HIGHLIGHTS (CONTINUED)

**Colorado Fire & Police Pension Association** - 09/2001 to 09/2019 – Trustee – Appointed twice by Governor Bill Owens, one term by Governor Bill Ritter, Jr., and two terms by Governor John Hickenlooper; **Chairman** of the Investment Risk Committee; **Chairman** of the Board – 2 terms; **Vice-Chairman** of the Board –2 terms, Managed a \$5 Billion Portfolio; Disability Hearings; Hiring of personnel (CEO, CFO, CBO, and Staff); Hiring of Consultants, Money Managers, Audit Firms, Gate Keepers, & other financial related endeavors; Annual operating budget oversight; Multi-million dollar capital investments; Long term planning; International investments; Guest speaker at several fiduciary seminars; Moderator for fiduciary panels; Developed key legislation; Instrumental in the development and implementation of benefits enhancements for statewide Defined Benefit Pension yearly percentage calculations and 4% & 5% increases in contributions from employees and employers.

- Overall Board Governance** – Short and Long-range strategic management of multi-billion dollar State of Colorado Fire and Police pension systems. Two-time board Chairman, two-time board Vice Chair, Investment Risk Committee Chair, Co-Chair of two Statewide Pension Benefit and Contribution increases task forces spanning 9 years. This included implementing legislation, promulgating statewide education and election processes, and reaching Super-Majority vote status for employee contribution increases.
- Internal Committees Created** – Audit Committee; Investment Risk Committee; Investment Committee; Internal Investment Committee; Self-Directed Plans Committee; Budget Committee
- Task Forces Created since 2001** - 2001 - Disability Task Force, 2001 - Volunteer Defined Contribution Plan Task Force, 2003 – SW Hybrid Plan & Re-entry Task Force, 2006 – (not implemented) Retiree Health Insurance Task Force, 2011 - SWDB Plan Task Force (Co-Chair) on Member Contributions, 2018 - Statewide Plans Task Force (Co-Chair) - legislation for increasing contributions and implementing the Rule of 80.
- Multiple Rate of Return Assumption Reductions** - Each reduction had a corresponding negative impact on overall plan funding status over the 30-year time horizon.

## PROFESSIONAL EXPERIENCE

|  |              |
|--|--------------|
| <b>Denver Fire Department (DFD)</b>  | 1993-present |
| <input type="checkbox"/> Assistant Chief - District 3 Administrator (11/2020-Present)                      |              |
| <input type="checkbox"/> Chief of Department (Interim) (3/2020-10/2020)                                    |              |
| <input type="checkbox"/> Deputy Fire Chief of Department (10/2010-3/2020)                                  |              |
| <input type="checkbox"/> Division Chief of Administration (2/2010-10/2010)                                 |              |
| <input type="checkbox"/> Assistant Chief, Captain, Lieutenant, Engineer, and Firefighter (04/1993-12/2007) |              |
| <b>Colorado Fire and Police Pension Association (FPPA)</b>   | 2001-2019    |
| <input type="checkbox"/> FPPA Board of Directors - Pension Trustee and Fiduciary                           |              |
| <b>Regis University</b>  | 2006-2020    |
| <input type="checkbox"/> Affiliate Professor – Homeland Security   |              |
| <b>Metro State University of Denver</b>  | 2018-present |
| <input type="checkbox"/> Affiliate Professor - Legal and ethical issues in Fire Service Management         |              |
| <b>Equitable &amp; Cambridge</b>   | 2021-Present |
| <input type="checkbox"/> Wealth Management - Investment Advisor Representative - FINRA registered.         |              |

## BUSINESS OWNERSHIP

|  |              |
|--|--------------|
| <input type="checkbox"/> Attorney - General Legal Practice                               | 1999-2010    |
| <input type="checkbox"/> Above Board Consulting, LLC - Attorney - General Legal Practice | 2010-Present |
| <input type="checkbox"/> CORI Real Estate, LLC - Real Estate Business - Broker/Owner     | 2001-Present |
| <input type="checkbox"/> Restaurant Franchisee - Three locations                         | 2005-2008    |

# Todd A Bower, JD, MBA

## EDUCATION | PROFESSIONAL DEVELOPMENT

|            |  |
|------------|--|
| 2/22       | Chartered Financial Analyst (CFA) - Level I Candidate  |
| 09/21      | Passed FINRA Series 66 Exam  |
| 04/21      | Passed FINRA Series 7 Exam   |
| 11/20      | Passed FINRA (SIE) Securities Industry Essentials Exam   |
| 05/16      | Regis University – MBA Finance and Accounting  |
| 07/11-8/11 | Harvard Kennedy School of Government – Senior Executives in Local Government   |
| 05/99      | Passed Colorado Bar Exam   |
| 8/95-12/98 | University of Denver College of Law; J.D. degree in Law. Diploma Received 12/98.   |
| 8/90-8/94  | University of Colorado at Denver; B.S. in Business Administration with emphasis Management, Computer Information Systems Mgmt, & Finance. Diploma received 8/94. |
| 8/89-5/90  | University of Northern Colorado; Greeley, CO (Freshman Year)   |
| 8/86-5/89  | Iver C. Ranum High School – Diploma received 5/89.   |

## COMMITTEES/ORGANIZATIONS

- Governor's Executive Committee for First Responder Safety** - Executive Committee Member - 2021-Present.
- Colorado State Fire Chiefs – Metro Chief Section** – 2020 President, 2019 VicePresident, 2018 Member-At-Large.
- International Association of Fire Chiefs** – Terrorism and Homeland Committee Member; NFPA 3000 (Active Shooter)
- Center for Public Safety Excellence – Accreditation Manager** – Successful DFD Accreditation 2018.
- Insurance Service Organization (ISO)** – Project Lead to move DFD from a rating of 2 to a rating of 1 – 2018.
- City of Englewood IGA** -Merger&Acquisition Project Lead for intergovernmental acquisition of services to Englewood
- The City of Denver's Equity, Diversity, and Inclusivity (EDI) Team** - DFD team member participating in Denver's EDI
- Mayor's Office Equity and Reconciliation Task Force**
- Creation of the Cultural Integration Committee (CIC)**
- Creation of the Community Engagement Teams (CETs) and the Neighborhood Fire-Station Partners (NFPs)**
- Children Affairs Committee**
- Denver Auditor Audit** - Project lead regarding Denver City Auditor's DFD audit
- Fire & Police Pension Association (Trustee)** - 2001-2019 - **Two-Time Chairman of the Board**
- Denver Old Hire Firefighters Pension Board** - Trustee
- Denver Firefighters Local 858 - Three-term Chairman** – Collective Bargaining Committee;
- Denver Firefighters Local 858 - Director** - Health, Safety, & Benefits

## ACCOMPLISHMENTS/CERTIFICATIONS/AWARDS

- Top two finalists for the Executive Director - Colorado Fire & Police Pension Assoc. (FPPA)2021
- Top two finalists for the Chief of Department - Denver Fire Department 2010
- Chief Fire Officer (CFO) - Center for Public Safety Excellence designation.
- Firefighter 1, Firefighter 2, Emergency Medical Technician (EMT), Hazardous Materials Operation Level, Hazardous Materials Technician Level, PADI Scuba Certification
- National Incident Management System (NIMS) - 100-800.
- Unit Citation Award, Truck 1, 1/94 – "For the outstanding actions in the rescue of occupants and extinguishment of the 2nd alarm fire at 1125 Washington Street"
- Unit Citation Award, HAMER 1 (Hazmat), 6/2006 – "For their efficient operation and the successful extrication of a buried victim in an extremely difficult trench collapse"
- Unit Citation Award, HAMER 1(Hazmat)

## ACCOMPLISHMENTS/CERTIFICATIONS/AWARDS (CONTINUED)

- Criminal Law Highest Academic Performance Spring 1997 – University of Denver College of Law
- University of Denver College of Law Preventive Law Reporter, (Vol. 16, No. 4, Winter 1997/98) - Staff, Article "Taking Appropriate Hiring Precautions"

# Todd A Bower, JD, MBA

## **COMMUNITY OUTREACH, ASSOCIATIONS, & ACTIVITIES**

Denver Firefighters Museum; Construction Advisory Committee - Denver Public Schools; University of Northern Colorado Varsity Football Walk-on; Bear Creek Little League Baseball – (Head Coach 2 seasons); DU College of Law - Sports & Entertainment Law Society – President; DU College of Law - Preventive Law Reporter – Staff Member; Normandy Elementary School – Volunteer; Gold-Crown Girls Volleyball coach; That Man Is You program (Catholic Church), University of Denver - Law Student Mentor.

# BLACKSTONE METROPOLITAN DISTRICT

## Board Candidate Letter of Interest

Please complete and return this form (or include your responses on a separate sheet), **including the signed candidate statement**, so that it is received by management *no later than Thursday, November 3, 2022 by 5:00 p.m.* This form may be returned by email to [BlackstoneMetro@westwindmanagement.com](mailto:BlackstoneMetro@westwindmanagement.com), or by mail (or may be hand-delivered) to: **Blackstone Metro District c/o Westwind Management Group 27 Inverness Drive East, Englewood CO 80112.** If you have any questions, please send an email to the address above or call **720-509-6076.**

**Candidate Name:** Paul Cramer

### **Qualifications:**

Please briefly list your background information (education, work experience, time living in the community, volunteer experience, etc.).

Retired executive having worked at both IBM and KPMG in finance for a total of 43+ years.

Moved into the Blackstone community in April, 2019 (3.5 years).

Was Chairman of the Finance Committee for Estrella Mountain Ranch HOA in Goodyear, AZ.

5000+ home community including two rec centers and swimming pools. \$5+ Million Budget & \$3+ Million Reserve)

Worked closely with the community management company (CCMC) with regular meetings on financials and strategies.

### **Candidate statement:**

Why do you want to serve on the board?

I believe that my management and business experience, coupled with my experience working with an HOA board of directors and management company on their financials, strategies, and agreement compliance make me well suited to serve on this board.

**Question: *Are there any time constraints that would impact your service on the Board? If yes, please explain. Generally, Board members have the following responsibilities:***

- Attend board meetings (usually once a month, about 2 hours per board meeting)
- Review meeting agendas and meeting packet enclosures (minutes, consultant reports, financials, etc.)
- Review and approve the District's annual budget and annual property tax rate
- Assist in committee assignment(s)
- Help to identify capital projects and areas for improvement within the District (Blackstone)

**Answer:** NONE



**Question:** *Have you ever been convicted of a felony?* (Please note that you may not serve on the Board if you have a felony conviction on your record.) **Answer:** NO

**Question:** *What items do you believe the Board should focus on for the next year and the following years? (i.e., what priorities should the Board focus on)?*

**Answer:** \_\_\_\_\_

1. Building a better rapport between the community and the management company. History has been a bad precedent.
2. Establishing a fiscally sound balance between strategies, desires, and community member financial needs including financial burdens mandated by the country club.

**Question:** *What challenges do you see facing the Board and the District, if any?*

**Answer:**

1. Colorado and community cost of living
2. Community safety and security
3. Management Company relationship and perception with community

### Board Candidate Statement

This is to certify, that I, Paul Cramer (full name of candidate),  
desire to be a candidate for appointment by the Board of Directors of the Blackstone Metropolitan  
District to fill a vacancy on the Board of Directors of the District.

I affirm that I am an eligible elector of the District on the date of signing this form. I am an eligible  
elector because I am registered to vote in the State of Colorado and am (mark all that apply):

- a resident of the District.  
 the owner (or the spouse/civil union partner of the owner) of taxable real or  
personal property situated within the boundaries of the District.  
Name of spouse/civil union partner if property in his/her name: \_\_\_\_\_  
 a person who is obligated to pay taxes under a contract to purchase taxable  
property within the District.

Physical address:

My residence Street address is: 27524 E Canyon Place

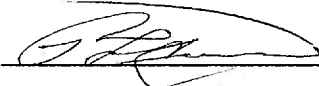
City Aurora, Zip Code 80016, County of Arapahoe,  
State of Colorado.

If different from the above Physical address, my mailing address is: Same as above

City \_\_\_\_\_, Zip Code \_\_\_\_\_.

My email address is pcramer27@gmail.com

and my telephone number is (623) 302-4493

|  |                       |
|--|-----------------------|
| Signature:  | Date: <u>10/28/22</u> |
|--|-----------------------|

# BLACKSTONE METROPOLITAN DISTRICT

## Board Candidate Letter of Interest

Please complete and return this form (or include your responses on a separate sheet), **including the signed candidate statement**, so that it is received by management *no later than Thursday, November 3, 2022 by 5:00 p.m.* This form may be returned by email to [BlackstoneMetro@westwindmanagement.com](mailto:BlackstoneMetro@westwindmanagement.com), or by mail (or may be hand-delivered) to: [Blackstone Metro District c/o Westwind Management Group 27 Inverness Drive East, Englewood CO 80112](#). If you have any questions, please send an email to the address above or call [720-509-6076](tel:720-509-6076).

**Candidate Name:** Christina Herren

### **Qualifications:**

Please briefly list your background information (education, work experience, time living in the community, volunteer experience, etc.).

Graduate of Arizona State University, Class of '93 (FORK EM!), 27+ years in Human Resources

I've lived in the community for 2 1/2 years. My volunteer experience ranges from being

fundraising chair for my kids sports teams to sitting on the Advisory Board at the CCIC

Aviation Maintenance Program. I've also built houses with Habitat for Humanity, mentored

parents adopting through the foster care system, and cooked meals for families at RMCD House.

I also served on the DRC for my former HOA.

### **Candidate statement:**

Why do you want to serve on the board?

I believe we have a great community of people who want to maintain the value of not  
only our homes, but of our community. As a relatively new resident, I saw how difficult it was to  
meet the neighbors (granted COVID shut everything down 10 days after we moved in),  
and would like to be a part of assisting in that.

**Question:** *Are there any time constraints that would impact your service on the Board? If yes, please explain. Generally, Board members have the following responsibilities:*

- Attend board meetings (usually once a month, about 2 hours per board meeting)
- Review meeting agendas and meeting packet enclosures (minutes, consultant reports, financials, etc.)
- Review and approve the District's annual budget and annual property tax rate
- Assist in committee assignment(s)
- Help to identify capital projects and areas for improvement within the District (Blackstone)

**Answer:** I have quarterly advisory board meetings for the CCIC Aviation Maintenance  
Program but those are sparse and I can manage both.

**Question:** *Have you ever been convicted of a felony?* (Please note that you may not serve on the Board if you have a felony conviction on your record.) **Answer:** No.

**Question:** *What items do you believe the Board should focus on for the next year and the following years?* (i.e., what priorities should the Board focus on)?

**Answer:** Landscaping and weed control. Controlling speeders throughout the neighborhood. Ensuring a robust community fund.

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**Question:** *What challenges do you see facing the Board and the District, if any?*

**Answer:**

None that I am currently aware of.

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### Board Candidate Statement

This is to certify, that I, Christina Herren (full name of candidate), desire to be a candidate for appointment by the Board of Directors of the Blackstone Metropolitan District to fill a vacancy on the Board of Directors of the District.

I affirm that I am an eligible elector of the District on the date of signing this form. I am an eligible elector because I am registered to vote in the State of Colorado and am *(mark all that apply)*:

- a resident of the District.
- the owner (or the spouse/civil union partner of the owner) of taxable real or personal property situated within the boundaries of the District.  
Name of spouse/civil union partner if property in his/her name: \_\_\_\_\_
- a person who is obligated to pay taxes under a contract to purchase taxable property within the District.

Physical address:

My residence Street address is: 7690 S Blackstone Parkway


City Aurora, Zip Code 80016, County of Arapahoe,  
State of Colorado.

If different from the above Physical address, my mailing address is: \_\_\_\_\_

City \_\_\_\_\_, Zip Code \_\_\_\_\_.

My email address is christina.herren@gmail.com

and my telephone number is 303-990-7199

|   |                                     |
|---|-------------------------------------|
| <p><b>Signature:</b> <u></u></p> | <p><b>Date:</b> <u>10.17.22</u></p> |
|---|-------------------------------------|

**Board Candidate Statement**

This is to certify, that I, Dana Jackiewicz (full name of candidate),  
desire to be a candidate for appointment by the Board of Directors of the Blackstone Metropolitan  
District to fill a vacancy on the Board of Directors of the District.

I affirm that I am an eligible elector of the District on the date of signing this form. I am an eligible  
elector because I am registered to vote in the State of Colorado and am (mark all that apply):

- a resident of the District.
- the owner (or the spouse/civil union partner of the owner) of taxable real or  
personal property situated within the boundaries of the District.
- Name of spouse/civil union partner if property in his/her name: John Jackiewicz  
a person who is obligated to pay taxes under a contract to purchase taxable  
property within the District.

Physical address:

My residence Street address is: 27938 E. CLIFTON PL

City AURORA, Zip Code 80016, County of ARAPAHOE,  
State of Colorado.

If different from the above Physical address, my mailing address is: \_\_\_\_\_

City \_\_\_\_\_, Zip Code \_\_\_\_\_

My email address is Dana@GLADIATORLIGHTING.COM

and my telephone number is 720-412-6973

|   |                       |
|---|-----------------------|
| Signature: <u></u> | Date: <u>11/03/22</u> |
|---|-----------------------|

# BLACKSTONE METROPOLITAN DISTRICT

## Board Candidate Letter of Interest

Please complete and return this form (or include your responses on a separate sheet), including the signed candidate statement, so that it is received by management *no later than Thursday, November 3, 2022 by 5:00 p.m.* This form may be returned by email to [BlackstoneMetro@westwindmanagement.com](mailto:BlackstoneMetro@westwindmanagement.com), or by mail (or may be hand-delivered) to: Blackstone Metro District c/o Westwind Management Group 27 Inverness Drive East, Englewood CO 80112. If you have any questions, please send an email to the address above or call 720-509-6076.

Candidate Name: DANA JACKIEWICZ

### Qualifications:

Please briefly list your background information (education, work experience, time living in the community, volunteer experience, etc.).

BCL Resident Since 9/2020 . 2005- 2009 HOA PRES The Orchard Indio, Ca  
VOLUNTEER EXPERIENCE 2013-2021 SOUTHSHORE HOA DIRECTOR, ARCH COMM,  
SOUTHSHORE LANDSCAPE COMM CHAIR, SOUTHSHORE SOCIAL COMMITTEE CHAIR,  
WORK EXPERIENCE: BUSINESS OWNER GLADIATOR LIGHTING, Construction  
Design AND FACILITY MGMT. Planning Commission City of Aurora  
2017-2019

### Candidate statement:

Why do you want to serve on the board?

I HAVE ALWAYS VOLUNTEERED MY TIME TO THE COMMUNITY  
WE RESIDE IN. BRINGING A COMMUNITY TOGETHER IS A FANTASTIC  
OPPORTUNITY. I HAVE THE TIME AND ENERGY TO DEVOTE TO  
MY COMMUNITY WHILE OTHERS DO NOT.

Question: *Are there any time constraints that would impact your service on the Board? If yes, please explain. Generally, Board members have the following responsibilities:*

- Attend board meetings (usually once a month, about 2 hours per board meeting)
- Review meeting agendas and meeting packet enclosures (minutes, consultant reports, financials, etc.)
- Review and approve the District's annual budget and annual property tax rate
- Assist in committee assignment(s)
- Help to identify capital projects and areas for improvement within the District (Blackstone)

Answer: NO TIME CONSTRAINTS.

Question: *Have you ever been convicted of a felony? (Please note that you may not serve on the Board if you have a felony conviction on your record.)* Answer: NO

Question: *What items do you believe the Board should focus on for the next year and the following years? (i.e., what priorities should the Board focus on)?*

Answer: obvious Property Maintenance + Community Safety,  
WaterWise Programs, Landscaping AND TREE REPLACEMENTS,  
OIL/GAS LEASES.

Question: *What challenges do you see facing the Board and the District, if any?*

Answer:

TRAFFIC DUE TO CONSTRUCTION OF 2 ADJACENT PROPERTIES  
TO THE EAST AND NORTH.

WELL WATER LEVELS - PRARIE WATER PROJECT

GOLF CARTS - STREET LEGAL