SERVICE AGREEMENT FOR
COMMUNITY CENTER EXTERIOR PAINTING

THIS SERVICE AGREEMENT FOR **COMMUNITY CENTER EXTERIOR PAINTING** ("Agreement") is entered into and effective as of the 8th day of September, 2015, by and between **BEEBE DRAW FARMS AUTHORITY**, an authority and separate legal entity duly created pursuant to Section 29-1-203, Colorado Revised Statutes ("C.R.S") (the "Authority"), and **FLAWLESS PAINTING, LLC** a Colorado Limited Liability Company (the "Consultant") (each a "Party" and, collectively, the "Parties").

RECITALS

WHEREAS, the Authority was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities and improvements in accordance with its service plan; and

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

WHEREAS, the Consultant has experience in providing the services, as set forth in **Exhibit A** hereto, attached and incorporated herein (the "Services"), and is willing to provide such Services to the Authority for reasonable consideration; and

WHEREAS, the Parties desire to enter into this Agreement to establish the terms by which the Consultant will provide the Services to the Authority;

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

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

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

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

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

(d) Advise the Authority of the status of the Services required by this Agreement on a regular basis and work in coordination with the Authority's consultants to assure that the Authority has the most complete information available for the exercise of the Authority's powers and discretionary authority.

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

1.2 Limitations on Authority.

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

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

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

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

1.5 Certification of Compliance with Illegal Alien Statute. By its execution hereof, the Consultant confirms and ratifies all of the certifications, statements, representations and warranties set forth in **Exhibit C** attached hereto and made a part hereof by this reference.

1.6 Work Product. "Work Product" shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including but not limited to all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted

electronic files and other documents, in whatever form. The Consultant shall maintain reproducible copies of any test results and logs which it obtains and shall make them available for the Authority's use, and shall provide such copies to the Authority upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the Authority. If requested by the Authority, Consultant shall execute and deliver such documents as shall be necessary in the Authority's sole discretion, to assign, transfer and convey all rights in the Work Product to the Authority or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the Authority its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the Authority immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto with a total contract amount not to exceed $4,600.00, unless otherwise approved in advance by the Authority through a written change order in form substantially as attached hereto as **Exhibit D** ("Change Order").

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

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

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

III. TERM AND TERMINATION

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

3.2 Termination. The Authority may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Consultant at least thirty (30) days prior to the effective date of such termination. The Consultant may terminate this Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Authority at least thirty (30) days prior to the effective date of such termination.

Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

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

IV. INDEMNIFICATION AND INSURANCE

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

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

(a) Liability Insurance Coverage.

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

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the Authority, which policy shall include, without

limitation, the Authority as an additional insured, a waiver of subrogation endorsement in favor of the Authority, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the Authority, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the Authority; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than $1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than $2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than $2,000,000 for Completed Operations and Products Liability.

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

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

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

(c) Effect of Approval or Acceptance of Insurance. Authority acceptance and/or approval of any or all of the insurances required hereunder does not and shall not

be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

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

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

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

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

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

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

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

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

To Authority:	Beebe Draw Farms Authority 141 Union Boulevard, Suite 150 Lakewood, Colorado 80228 Phone: (303) 987-0835 Fax: (303) 987-2032 Email: ljohnson@sdmsi.com Attn: Lisa Johnson
With a Copy To:	McGeady Sisneros, P.C. 450 E. 17th Avenue, Suite 400 Denver, Colorado 80203 Phone: (303) 592-4380 Fax: (303) 592-4385 Email: mmcgeady@mcgeadysisneros.com Attn: MaryAnn M. McGeady
To Consultant:	Flawless Painting, LLC 1912 Kingston Court Longmont, Colorado 80503 Phone: (303) 827-1671 Email: info@flawlesspainting.us Attn: Milos Garcala

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

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

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

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

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

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

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

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

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

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

Contractor:
Flawless Painting, LLC
By: _____
Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF ~~WELD~~ Boulder)

The foregoing instrument was acknowledged before me this 17th day of September, 2015, by Miles Garcia, as owner of Flawless Painting, LLC.

Witness my hand and official seal.

My commission expires: 02/02/2019

MARILYN J. LAWYER
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 19994011462
MY COMMISSION EXPIRES 02/02/2019

_____
Notary Public

Authority:
BEEBE DRAW FARMS AUTHORITY
By: _____
~~President~~ Asst. Secretary

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

The foregoing instrument was acknowledged before me this 8 day of September 2015, by Linda Evans Cox as Asst. Secretary of Beebe Draw Farms Authority.

Witness my hand and official seal.

My commission expires: 5-15-2016

NOTARY PUBLIC
LISA A. JOHNSON
STATE OF COLORADO

_____
Notary Public

EXHIBIT A
SCOPE OF SERVICES

Exterior prep and painting/staining of Community Center building.
Exterior prep and painting/staining of Pool shed, Pool facing doors, trim and touchup of concrete at shower area.

PRODUCTS: Benjamin Moore or Sherwin Williams to match existing paint colors. Sikkens for logs.

1. Cedar Siding:	Color: Benjamin Moore, Hillsborough Beige, 1033.
	Product: Benjamin Moore Solid Color Stain
2. Trim:	Color: Benjamin Moore, Rustique AF-275
	Product: Benjamin Moore BEN soft gloss finish
3. Doors:	Color: Match Glidden, Deep Forest Pine, 30GG 09-106
	Product: Benjamin Moore BEN soft gloss finish
4. Logs:	Color: Natural Finish
	Product: Sikkens Cetol SRD translucent oil stain

PRODUCT HANDLING:
Materials will be delivered to the job site in unopened containers with manufacturer's name and product description.

PROJECT CONDITIONS:
Protect and cover fixtures not to be painted. Use drop cloths and masking tape to protect adjacent surfaces from splatters and droppings.

EXHIBIT A
SCOPE OF SERVICES

PREPARATIONS:
1. Prepare surfaces to be painted in a skillful manner to produce a finished work of high quality and durability.
2. Clean surfaces to be free of dirt, oil, grease or other foreign matter.
3. Repair cracks, voids, etc. with suitable patching materials and finish flush to adjacent surfaces.
4. Prime coat surfaces as necessary.
5. High-pressure wash surfaces if applicable.

CLEANING:
Remove all surplus materials and debris from job site at the completion of each day worked. Remove splatters from unfinished surfaces. Leave area in a clean and finished condition.

WARRANTY: One Year from completion date.

EXHIBIT B
COMPENSATION

Community Center: $3,950.00

Pool shed, Pool facing doors, trim and touchup of concrete at shower area: $650.00

EXHIBIT C
CERTIFICATION OF CONSULTANT

1. Pursuant to the requirements of Section 8-17.5–102(1), C.R.S., the Consultant hereby certifies to the Authority that the Consultant does not knowingly employ or contract with an illegal alien who will perform work under the Agreement and that it will participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees of the Consultant who are newly hired to perform work under the Agreement.

2. In accordance with Section 8-17.5-102(2)(a), C.R.S., the Consultant shall not:

(a) Knowingly employ or contract with an illegal alien to perform work under the Agreement; or

(b) Enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under the Agreement.

3. The Consultant represents and warrants it has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program or the Department Program.

4. The Consultant is prohibited from using either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while the Agreement is in effect.

5. If the Consultant obtains actual knowledge that a subcontractor performing work under the Agreement knowingly employs or contracts with an illegal alien, the Consultant shall:

(a) Notify the subcontractor and the Authority within three days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

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

6. The Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment ("Department") made in the course of an investigation that the Department is undertaking, pursuant to the law.

7. If the Consultant violates any provision of Section 8-17.5–102(1), C.R.S., the Authority may terminate the Agreement immediately and the Consultant shall be liable to the Authority for actual and consequential damages of the Authority resulting from such termination, and the Authority shall report such violation by the Consultant to the Colorado Secretary of State, as required by law.

EXHIBIT D

FORM OF CHANGE ORDER

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

CHANGE IN SCOPE OF SERVICES (describe):

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

APPROVED:		**APPROVED**:	
By:		By:	
	Authority		**Consultant**