

**BEEBE DRAW FARMS AUTHORITY**

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**A copy of the agenda/meeting packet is available at the Beebe Draw Farms website at  
[www.colorado.gov/beebedrawfarms](http://www.colorado.gov/beebedrawfarms)**

**NOTICE OF SPECIAL MEETING AND AGENDA**

| <u>Board of Directors:</u> | <u>Office:</u>      | <u>Term Expires:</u> |
|----------------------------|---------------------|----------------------|
| Paul “Joe” Knopinski       | President           | June 2021            |
| Christine Hethcock         | Vice-President      | June 2022            |
| Josh Freeman               | Treasurer           | June 2021            |
| Eric Wernsman              | Assistant Secretary | June 2022            |
| Lisa A. Johnson            | Secretary           |                      |

DATE: October 14, 2020

TIME: 6:00 P.M.

PLACE: DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THESE DISTRICTS' BOARD MEETINGS WILL BE HELD BY VIDEO/TELEPHONIC MEANS WITHOUT ANY INDIVIDUALS (NEITHER DISTRICT REPRESENTATIVES NOR THE GENERAL PUBLIC) ATTENDING IN PERSON.

**Join Microsoft Teams Meeting**

[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_ZTEwZGJiMGUtYmVlZC00ZmE3LTg0MTQtMDc4NDY5MWFkOTM3%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZTEwZGJiMGUtYmVlZC00ZmE3LTg0MTQtMDc4NDY5MWFkOTM3%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d)

[+1 720-547-5281](tel:+17205475281) United States, Denver (Toll) Conference ID: 775 797 140#

**1. ADMINISTRATIVE MATTERS**

A. Present Disclosures and Potential Conflicts of Interest.

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B. Approve Agenda and confirm posting of meeting notices.

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C. FIRST READING:



1. \_\_\_\_\_

D. SECOND READING:

1. \_\_\_\_\_

E. EMERGENCY READING:

1. \_\_\_\_\_

2. CONSENT AGENDA

These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board member requests; in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

1. Review and approve Minutes of the June 30, 2020 Special Meeting (enclosed 001)
2. Ratify approval of payment of claims through the period ending September 30, 2020, as follows (enclosed - 002):

|                      |           |                         |
|----------------------|-----------|-------------------------|
| General Fund         | \$        | 63,903.61               |
| Infrastructure Fund  | \$        | 5,322.50                |
| Amenities Fund       | \$        | -0-                     |
| <b>Total Claims:</b> | <b>\$</b> | <b><u>69,226.11</u></b> |

3. Consider approval of the Unaudited Financial Statements for the period ending August 31, 2020 (to be distributed)
4. Ratify approval of Professional Services Agreement with MLM & Associates LLC for Oil and Gas Operations and Oil and Gas Lesse in the District Boundaries and Pelican Lake Ranch Development (enclosed - 003)

3. FINANCIAL MATTERS

A. FIRST READING:

1. Acknowledge receipt of 2021 draft budgets from Beebe Draw Farms MD Nos. 1 -2 (004a and 004b). Review 2021 draft budget and confirm date to hold public hearing to consider adoption of 2021 budget for November 11, 2020 (004c)

B. SECOND READING:



1. \_\_\_\_\_

C. EMERGENCY READING

1. \_\_\_\_\_

4. PUBLIC COMMENT

A. \_\_\_\_\_

5. OPERATIONS & MAINTENANCE

A. Status of installation of fencing and no trespassing signs (agenda placeholder – no update is expected)

\_\_\_\_\_

B. Status of Agreement from homeowner regarding temporary access to RV Storage Facility and Lake Christina

\_\_\_\_\_

C. Discuss RV Storage Facility Use and Rental Services

\_\_\_\_\_

D. FIRST READING:

1. \_\_\_\_\_

E. SECOND READING:

1. \_\_\_\_\_

F. EMERGENCY READING:

1. \_\_\_\_\_

6. CAPITAL AMENITIES

A. \_\_\_\_\_

B. FIRST READING:

1. \_\_\_\_\_



## C. SECOND READING:

1. Discuss status of community survey related to additional amenities
- 

## D. EMERGENCY READING:

1. \_\_\_\_\_

## 7. INFRASTRUCTURE

## A. Filing No. 1:

1. \_\_\_\_\_

## B. FIRST READING:

1. \_\_\_\_\_

## C. SECOND READING:

1. \_\_\_\_\_

## D. EMERGENCY READING:

1. \_\_\_\_\_

## 8. LEGAL MATTERS

- A. Discuss Correspondence from Legal Counsel to Mr. Coleman Regarding Drainage (enclosed – 005a – 005b)
- 

- B. Consider approval of a drainage easement agreement between the Authority and Jeremy Thompson and Kristanne Korsgaard as the owners of Lot 180 (enclosed – 006)
- 

- C. Update regarding 2020 crack seal project
-



## D. FIRST READING:

1. \_\_\_\_\_

## E. SECOND READING:

\_\_\_\_\_

## F. EMERGENCY READING:

1. \_\_\_\_\_

G. **ADJOURN TO EXECUTIVE SESSION, IF NECESSARY, FOR THE FOLLOWING ITEM(S):**

1. Pursuant to Sections 24-6-402(4)(b) and 24-6-402(4)(e) C.R.S. for the purpose of receiving legal advice and to determine positions relative to matters that may be subject to negotiations concerning FRICO settlement communications related to Case No. 2020 CV 030090.

\_\_\_\_\_

## 9. OTHER BUSINESS

A. \_\_\_\_\_

## 10. ADJOURNMENT:

**THE NEXT REGULAR MEETING IS SCHEDULED FOR NOVEMBER 11, 2020.**



**MINUTES OF A SPECIAL MEETING OF  
THE BOARD OF DIRECTORS OF THE  
BEEBE DRAW FARMS AUTHORITY  
HELD  
JUNE 30, 2020**

A special meeting of the Board of Directors (referred to hereafter as the “Board”) of the Beebe Draw Farms Authority (referred to hereafter as the “Authority”) was convened on Tuesday, the 30<sup>th</sup> day of June, 2020, at 6:00 P.M. Due to the State of Emergency declared by Governor Polis and the threat to health and safety posed by the COVID-19 pandemic, the meeting was held via Microsoft TEAMS Meeting. The meeting was open to the public.

**ATTENDANCE**

**Directors In Attendance Were:**

Paul “Joe” Knopinski  
Christine Hethcock  
Josh Freeman  
Eric Wernsman

The Directors in attendance confirmed their qualifications to serve.

**Also In Attendance Were:**

Lisa Johnson; CliftonLarsonAllen LLP

Alan Pogue, Esq.: Icenogle, Seaver, Pogue, P.C.

William “Bill” Caldwell and Todd Sundeen; Beebe Draw Farms Metropolitan District No. 1 Board Members

Diane Wheeler and Bill Flynn; Simmons & Wheeler, P.C.

Tina Wernsman, Carol Satersmoen, Ed Farrell, Mary Jo Farrell, John Coleman, Kim Coleman, Jeremy Thompson, Kristanne Korsgaard, Linda Cox, and Scott Yakel; Residents

**DISCLOSURE OF  
POTENTIAL  
CONFLICTS OF  
INTEREST**

**Disclosures of Potential Conflicts of Interest:** The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State.

Ms. Johnson noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters



scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was noted that Directors Freeman, Wernsman, Hethcock and Knopinski's Disclosure Statements have been filed.

## **ADMINISTRATIVE MATTERS**

**Agenda, Confirmation of Notice Posting:** Ms. Johnson distributed for the Board's review and approval a proposed agenda for the Authority's special meeting.

Following discussion, upon motion duly made by President Knopinski, seconded by Director Hethcock and, upon vote, unanimously carried, the agenda was approved. Ms. Johnson noted meeting notices were posted as required.

**Acknowledge Appointment of Board Members from Beebe Draw Farms Metropolitan District No. 1 and No. 2 to the Authority Board:** The Board acknowledged the appointment of Eric Wernsman from District No. 1 and Christine Hethcock from District No. 2 to serve on the Authority Board for two-year terms.

**Appointment of Officers:** Upon a motion made by Director Hethcock, seconded by Director Wernsman, and upon a vote, unanimously carried, the Board appointed the following slate of officers:

President: Paul "Joe" Knopinski  
 Vice President: Christine Hethcock  
 Treasurer: Josh Freeman  
 Secretary: Lisa Johnson  
 Assistant Secretary: Eric Wernsman

## **SECOND READING:**

**Ratify approval of sending Board members to the 2020 SDA Virtual Conference:** After discussion, upon a motion duly made by Director Freeman, seconded by Director Hethcock, and upon a vote, unanimously carried, the Board ratified approval to send Board members from both districts to the 2020 SDA Virtual Conference.

## **CONSENT AGENDA**

**Consent Agenda:** The Board considered the following actions:

- Approve Minutes of the May 13, 2020 Special Meeting.
- Ratify approval of the payment of claims through the period ending June 11, 2020 as follows:

|                     |              |
|---------------------|--------------|
| General Fund:       | \$ 22,104.70 |
| Infrastructure Fund | \$ -0-       |



|                |              |
|----------------|--------------|
| Amenities Fund | \$ -0-       |
| Total:         | \$ 22,104.70 |

- Consider approval of the unaudited financial statements for the period ending May 31, 2020

Following discussion, upon motion duly made by President Knopinski, seconded by Director Wernsman and, upon vote, unanimously carried, the Board approved and/or ratified approval of the Consent Agenda with revisions to the May minutes as noted by President Knopinski.

## **FINANCIAL MATTERS**

### **Financial Matters:**

#### **Review and consider acceptance of the 2019 Audited Financial Statements and authorize execution of the Management Representation Letter**

Mr. Flynn presented the 2019 draft Audited Financial Statements to the Board.

Upon a motion duly made by Director Hethcock, seconded by Director Knopinski, and upon a vote, unanimously carried, the Board approved the draft 2019 Audited Financial Statements, subject to confirmation of the water shares information, comments from legal counsel and a clean, unmodified opinion from the Auditor.

## **PUBLIC COMMENTS**

### **Public Comments:**

Mr. Farrell asked if the recent equipment purchased by the Authority was offered with a discount due to a personal relationship of one of the Board members, and if so, why that discount was not negotiated for the benefit of other community members. Director Wernsman commented that the recent equipment purchase was procured through a government offered contract pricing, and that is how the Authority was able to purchase the equipment at such a reduced price.

Mr. Caldwell asked if the pool would open soon. Directors Freeman and Wernsman reported that due to the COVID-19 related guidelines, opening the pool has become challenging. They are in the process of interviewing a few candidates for the pool manager position, and hope to open the pool as soon as possible.

Jeremy Thompson asked about the status of the bridge repair. Mr. Pogue responded with a brief update on the issues related to the bridge repair and the current FRICO lawsuit. President Knopinski provided an update on the status of the bridge repair project.



Linda Cox asked why Beebe Draw Farms Metro District No. 1 is included in the FRICO lawsuit. Mr. Pogue provided a response.

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## **OPERATIONS AND MAINTENANCE**

**Status of Installation of Fencing and No Trespassing Signs:** There was nothing new to report at this time.

### **Status of Agreement from homeowner regarding temporary access to RV Storage Facility and Lake Christina:**

Director Hethcock provided an update. Tina Wernsman spoke with the property owner about the status of a more formal agreement to continue to utilize her property. The property owner indicated that she has been extremely busy and has not been able to draft an agreement to present to the Authority just yet.

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## **CAPITAL AMENITIES**

### **SECOND READING:**

#### **Discuss the community survey results on interest in use of Authority property for recreation:**

Ms. Satersmoen presented the results of the survey. The survey results reflected that residents were most interested in a community gym. Ms. Johnson asked if Ms. Satersmoen could send the official results to her for use by the Authority. Director Hethcock commented that given the results of the survey, she would like to get started on the gym project as soon as possible.

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## **INFRASTRUCTURE MATTERS**

**Filing No. 1:** There was nothing new to report.

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## **LEGAL MATTERS**

### **Discuss Correspondence from Legal Counsel to Mr. Coleman Regarding Drainage:**

Mr. Pogue presented the letter that was included in the Board packet. He indicated this would be discussed in Executive Session later in the meeting. No discussion ensued during public session.

### **Update regarding 2019 Crack Seal Project with PLMRME:**

Ms. Johnson will contact Mr. Sickler at Ground Engineering and ask him to inspect the work completed by PLMRME. She will also ask Ground Engineering to prepare a Scope of Work for the crack seal work that was planned but not performed as part of the 2019 crack seal project.

### **Status of the Amenity Rules and Regulations:**

There were no new updates.



**ADJOURN TO EXECUTIVE SESSION, IF NECESSARY, FOR THE FOLLOWING ITEM(S):**

**Pursuant to Sections 24-6-402(4)(b) and 24-6-402(4)(e) C.R.S. for the purpose of receiving legal advice and to determine positions relative to matters that may be subject to negotiations concerning FRICO settlement communications related to Case No. 2020 CV 030090 and the request from Wisher Law concerning drainage mitigation at 16489 Fairbanks Drive South.**

Upon a motion duly made by Director Knopinski, seconded by Director Hethcock, and upon a vote, unanimously carried, the Board adjourned into Executive Session at 7:45 p.m.

Upon a motion duly made by Director Hethcock, seconded by Director Knopinski, and upon a vote, unanimously carried, the Board adjourned out of Executive Session at 8:11 p.m.

No action taken.

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**OTHER BUSINESS**

There was no other business discussed.

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**ADJOURNMENT**

There being no further business to come before the Board at this time, the meeting was adjourned after the Executive Session at 8:11 p.m.

Respectfully submitted,

By \_\_\_\_\_  
Secretary for the Meeting







**Attorney Statement  
Regarding Privileged Attorney-Client Communication**

Pursuant to §24-6-402(2)(d.5)(II)(b), C.R.S., I attest that, in my capacity as the attorney representing the Beebe Draw Farms Authority, I attended the executive session on June 30, 2020 for the sole purposes of providing legal advice on specific legal questions as authorized by §24-6-402(4)(b) C.R.S. I further attest that it is my opinion that all of the executive session discussions constituted attorney-client privileged communication as provided by §24-6-402(4)(b), C.R.S., and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to §24-6-402(2)(d.5)(II)(b), C.R.S.

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Alan Pogue, Esq.  
General Counsel  
Beebe Draw Farms Authority



| Account      | PO/Cont         | Check # | Invoice   | Date       | Date Paid  | Description                      | Amount   |
|--------------|-----------------|---------|-----------|------------|------------|----------------------------------|----------|
| 01-000-09100 | 0               | 1301    | BBDRAUTH  | 06/30/2020 | 07/27/2020 | June District Management         | 3,487.31 |
|              | **** TOTAL **** |         |           |            |            | Special District Mgmt            | 3,487.31 |
| 01-000-06600 | 0               | 1302    | 220060096 | 06/30/2020 | 07/27/2020 | RTL Transmissions                | 4.47     |
|              | **** TOTAL **** |         |           |            |            | UNCC                             | 4.47     |
| 01-000-07110 | 0               | 1303    | E6951     | 07/01/2020 | 07/27/2020 | Trash Removal July 2020          | 62.00    |
|              | **** TOTAL **** |         |           |            |            | B&C Refuse                       | 62.00    |
| 03-000-07700 | 0               | 1304    | BDFA-45   | 07/01/2020 | 07/27/2020 | Engineering                      | 675.00   |
|              | **** TOTAL **** |         |           |            |            | Do not Use - Colorado RE LLC     | 675.00   |
| 01-000-06480 | 0               | 1305    | 122512    | 06/30/2020 | 07/27/2020 | June Services                    | 62.00    |
|              | **** TOTAL **** |         |           |            |            | Ireland Stapleton                | 62.00    |
| 01-000-06600 | 0               | 1306    | 10436096  | 05/31/2020 | 07/27/2020 | R&M                              | 40.22    |
| 01-000-06600 | 0               | 1306    | 10531179  | 06/23/2020 | 07/27/2020 | R&M                              | 75.22    |
| 01-000-06600 | 0               | 1306    | 10678856  | 07/22/2020 | 07/27/2020 | R&M                              | 75.22    |
|              | **** TOTAL **** |         |           |            |            | United Site Services             | 190.66   |
| 03-000-07700 | 0               | 1307    | 20-06-002 | 07/06/2020 | 07/27/2020 | June Engineering                 | 987.50   |
|              | **** TOTAL **** |         |           |            |            | Crestone Consultants LLC         | 987.50   |
| 01-000-06480 | 0               | 1308    | 19432     | 06/24/2020 | 07/27/2020 | Pool Services 6/24-6/26          | 958.46   |
|              | **** TOTAL **** |         |           |            |            | Peak One Pool & Spa              | 958.46   |
| 01-000-06480 | 0               | 1309    | 40838673  | 07/01/2020 | 07/27/2020 | License Renewal                  | 115.77   |
|              | **** TOTAL **** |         |           |            |            | Weld Clerk/Recorder              | 115.77   |
| 01-000-06750 | 0               | 1310    | 18260     | 06/30/2020 | 07/27/2020 | June Legal                       | 3,312.00 |
|              | **** TOTAL **** |         |           |            |            | Icenogle Seaver Pogue            | 3,312.00 |
| 01-000-06120 | 0               | 1311    | 26358     | 04/30/2020 | 07/27/2020 | April Accounting                 | 803.75   |
| 01-000-06120 | 0               | 1311    | 26720     | 06/30/2020 | 07/27/2020 | June Accounting                  | 2,963.16 |
|              | **** TOTAL **** |         |           |            |            | Simmons & Wheeler, PC            | 3,766.91 |
| 01-000-07630 | 0               | 1312    | 20112     | 06/10/2020 | 07/27/2020 | Sewer install Pelican Lak        | 2,123.00 |
|              | **** TOTAL **** |         |           |            |            | Goodell Machinery & Construction | 2,123.00 |
| 01-000-06480 | 0               | 1313    | reimburse | 06/30/2020 | 07/27/2020 | Reimburse for Storage            | 125.00   |
|              | **** TOTAL **** |         |           |            |            | Todd Sundeen                     | 125.00   |
| 01-000-06760 | 0               | 1314    | 7688      | 06/30/2020 | 07/27/2020 | June Legal                       | 5,087.76 |
|              | **** TOTAL **** |         |           |            |            | Norton & Smith PC                | 5,087.76 |
| 01-000-09100 | 0               | 1315    | 2519844   | 06/12/2020 | 07/27/2020 | May Management                   | 564.38   |
| 01-000-09100 | 0               | 1315    | 2550012   | 07/08/2020 | 07/27/2020 | June Management                  | 5,679.16 |
|              | **** TOTAL **** |         |           |            |            | CliftonLarsonAllen LLP           | 6,243.54 |
| 01-000-06600 | 0               | 1316    | 220070094 | 07/31/2020 | 08/20/2020 | RTL Transmissions                | 1.49     |
| 01-000-06600 | 0               | 1316    | 220070094 | 07/31/2020 | 08/20/2020 | RTL Transmissions                | ( 1.49)  |



| Account         | PO/Cont | Check # | Invoice                     | Date       | Date Paid                 | Description | Amount     |
|-----------------|---------|---------|-----------------------------|------------|---------------------------|-------------|------------|
| **** TOTAL **** |         |         | UNCC                        |            |                           |             | 0.00       |
| 01-000-07110    | 0       | 1317    | E8611 08/03/2020            | 08/20/2020 | Trash Removal August 2020 |             | 62.00      |
| 01-000-07100    | 0       | 1317    | E8611 08/03/2020            | 08/20/2020 | Trash Removal Aug 2020    | (           | 62.00)     |
| **** TOTAL **** |         |         | B&C Refuse                  |            |                           |             | 0.00       |
| 03-000-07700    | 0       | 1318    | BBDFA -46 08/01/2020        | 08/20/2020 | Engineering               |             | 700.00     |
| 01-000-07700    | 0       | 1318    | BBDFA-46 08/01/2020         | 08/20/2020 | Engineering               | (           | 700.00)    |
| **** TOTAL **** |         |         | Colorado RE LLC             |            |                           |             | 0.00       |
| 03-000-07700    | 0       | 1319    | 20-08-02 08/03/2020         | 08/20/2020 | July Engineering          |             | 720.00     |
| 01-000-07700    | 0       | 1319    | 20-08-02 08/03/2020         | 08/20/2020 | July Engineering          | (           | 720.00)    |
| **** TOTAL **** |         |         | Crestone Consultants LLC    |            |                           |             | 0.00       |
| 01-000-06750    | 0       | 1320    | 18394 07/31/2020            | 08/20/2020 | July Legal                |             | 3,210.00   |
| 01-000-06750    | 0       | 1320    | 18394 07/31/2020            | 08/20/2020 | July Legal                | (           | 3,210.00)  |
| **** TOTAL **** |         |         | Icenogle Seaver Pogue       |            |                           |             | 0.00       |
| 01-000-06910    | 0       | 1321    | 22056 08/10/2020            | 08/20/2020 | Video remote Setup Review |             | 126.00     |
| 01-000-06910    | 0       | 1321    | 22056 08/10/2020            | 08/20/2020 | Video Remote Setup        | (           | 126.00)    |
| **** TOTAL **** |         |         | Talk Shop, Inc              |            |                           |             | 0.00       |
| 01-000-06760    | 0       | 1322    | July 2020 07/31/2020        | 08/20/2020 | Legal - FRICO             |             | 1,777.95   |
| 01-000-06760    | 0       | 1322    | July 2020 07/31/2020        | 08/20/2020 | Legal - FRICO             |             | 4,397.00   |
| 01-000-06760    | 0       | 1322    | July 2020 07/31/2020        | 08/20/2020 | Legal -- Frico            | (           | 6,174.95)  |
| **** TOTAL **** |         |         | Norton & Smith PC           |            |                           |             | 0.00       |
| 01-000-09100    | 0       | 1323    | 2583681 08/11/2020          | 08/20/2020 | July Management           |             | 5,701.91   |
| 01-000-09100    | 0       | 1323    | 2583681 08/11/2020          | 08/20/2020 | July Management           | (           | 5,701.91)  |
| **** TOTAL **** |         |         | CliftonLarsonAllen LLP      |            |                           |             | 0.00       |
| 01-000-07630    | 0       | 1324    | 190688-01 05/22/2020        | 08/20/2020 | Crack Seal Project        |             | 10,195.00  |
| 01-000-07630    | 0       | 1324    | 190688-01 05/22/2020        | 08/20/2020 | Crack Seal Project        | (           | 10,195.00) |
| **** TOTAL **** |         |         | PLM Asphalt & Concrete, LLC |            |                           |             | 0.00       |
| 01-000-06900    | 0       | 1325    | Assess 01/01/2020           | 08/20/2020 | 16494 Beebe Draw Farm Pky |             | 60.00      |
| 01-000-06480    | 0       | 1325    | Assess 01/01/2020           | 08/20/2020 | 16498 Badminton Rd S      |             | 300.00     |
| 01-000-06480    | 0       | 1325    | Assess 01/01/2020           | 08/20/2020 | 16494 & 16498             | (           | 360.00)    |
| **** TOTAL **** |         |         | Beebe Draw Farms POA        |            |                           |             | 0.00       |
| 01-000-06600    | 0       | 1326    | 220070094 07/31/2020        | 09/16/2020 | RTL Transmissions         |             | 1.49       |
| **** TOTAL **** |         |         | UNCC                        |            |                           |             | 1.49       |
| 01-000-07110    | 0       | 1327    | E8611 08/03/2020            | 09/16/2020 | Trash Removal August      |             | 62.00      |
| **** TOTAL **** |         |         | B&C Refuse                  |            |                           |             | 62.00      |
| 01-000-07700    | 0       | 1328    | BDFA-46 08/01/2020          | 09/16/2020 | Engineering               |             | 700.00     |
| **** TOTAL **** |         |         | Colorado RE LLC             |            |                           |             | 700.00     |



| Account      | PO/Cont         | Check # | Invoice           | Date       | Date Paid  | Description                 | Amount    |
|--------------|-----------------|---------|-------------------|------------|------------|-----------------------------|-----------|
| 01-000-07700 | 0               | 1329    | 20-07002          | 08/03/2020 | 09/16/2020 | July Legal                  | 720.00    |
|              | **** TOTAL **** |         |                   |            |            | Crestone Consultants LLC    | 720.00    |
| 01-000-06750 | 0               | 1330    | 18394             | 07/31/2020 | 09/16/2020 | July Legal                  | 3,210.00  |
|              | **** TOTAL **** |         |                   |            |            | Icenogle Seaver Pogue       | 3,210.00  |
| 01-000-06910 | 0               | 1331    | 22056             | 08/10/2020 | 09/16/2020 | Video Remote Setup          | 126.00    |
|              | **** TOTAL **** |         |                   |            |            | Talk Shop, Inc              | 126.00    |
| 01-000-06760 | 0               | 1332    | July 2020         | 07/31/2020 | 09/16/2020 | Legal- FRICO                | 1,777.95  |
| 01-000-06760 | 0               | 1332    | July 2020         | 07/20/2020 | 09/16/2020 | Legal - FRICO               | 4,397.00  |
|              | **** TOTAL **** |         |                   |            |            | Norton & Smith PC           | 6,174.95  |
| 01-000-09100 | 0               | 1333    | 2583681           | 08/11/2020 | 09/16/2020 | July Management             | 5,701.91  |
|              | **** TOTAL **** |         |                   |            |            | CliftonLarsonAllen LLP      | 5,701.91  |
| 01-000-07630 | 0               | 1334    | 190688-01         | 05/22/2020 | 09/16/2020 | Crack Seal Project          | 10,195.00 |
|              | **** TOTAL **** |         |                   |            |            | PLM Asphalt & Concrete, LLC | 10,195.00 |
| 01-000-06900 | 0               | 1335    | Assess 01/01/2020 | 09/16/2020 | 16494      | Beebe Draw Farm Pky         | 60.00     |
| 01-000-06900 | 0               | 1335    | Assess 01/01/2020 | 09/16/2020 | 16498      | Badminton Rd S              | 300.00    |
|              | **** TOTAL **** |         |                   |            |            | Beebe Draw Farms POA        | 360.00    |
| 01-000-06600 | 0               | 1336    | 220080098         | 08/31/2020 | 09/16/2020 | RTL Transmissions           | 7.45      |
|              | **** TOTAL **** |         |                   |            |            | UNCC                        | 7.45      |
| 01-000-07110 | 0               | 1337    | E9825             | 09/07/2020 | 09/16/2020 | Trash Removal September     | 67.00     |
|              | **** TOTAL **** |         |                   |            |            | B&C Refuse                  | 67.00     |
| 03-000-07700 | 0               | 1338    | BDFA-47           | 09/01/2020 | 09/16/2020 | Engineering                 | 650.00    |
|              | **** TOTAL **** |         |                   |            |            | Colorado RE LLC             | 650.00    |
| 01-000-06600 | 0               | 1339    | 10803065          | 08/18/2020 | 09/16/2020 | R&M                         | 75.22     |
|              | **** TOTAL **** |         |                   |            |            | United Site Services        | 75.22     |
| 03-000-07700 | 0               | 1340    | 20-08-003         | 08/31/2020 | 09/16/2020 | Engineering                 | 1,590.00  |
|              | **** TOTAL **** |         |                   |            |            | Crestone Consultants LLC    | 1,590.00  |
| 01-000-03535 | 0               | 1341    | 20212             | 09/01/2020 | 09/16/2020 | Pool Service                | 1,397.29  |
|              | **** TOTAL **** |         |                   |            |            | Peak One Pool & Spa         | 1,397.29  |
| 01-000-06750 | 0               | 1342    | 18522             | 08/31/2020 | 09/16/2020 | August Legal                | 226.00    |
|              | **** TOTAL **** |         |                   |            |            | Icenogle Seaver Pogue       | 226.00    |
| 01-000-06120 | 0               | 1343    | 26921             | 07/31/2020 | 09/16/2020 | July Accounting             | 1,877.01  |
|              | **** TOTAL **** |         |                   |            |            | Simmons & Wheeler, PC       | 1,877.01  |
| 01-000-03535 | 0               | 1344    | 5587              | 07/17/2020 | 09/16/2020 | Fish Stocking -PLR          | 3,490.00  |
|              | **** TOTAL **** |         |                   |            |            | Aquatics Associates, INC    | 3,490.00  |
| 01-000-06910 | 0               | 1345    | 22056             | 08/10/2020 | 09/16/2020 | Video Setup - Remote        | 126.00    |
|              | **** TOTAL **** |         |                   |            |            | Talk Shop, Inc              | 126.00    |



| Account                                      | PO/Cont | Check # | Invoice  | Date       | Date Paid  | Description           | Amount    |
|--|---------|---------|----------|------------|------------|-----------------------|-----------|
| 01-000-06760                                 | 0       | 1346    | Aug 2020 | 08/31/2020 | 09/16/2020 | Legal - FRICO         | 111.00    |
| 01-000-06760                                 | 0       | 1346    | Aug 2020 | 08/31/2020 | 09/16/2020 | Legal - FRICO         | 738.50    |
| **** TOTAL **** Norton & Smith PC            |         |         |          |            |            |                       | 849.50    |
| 01-000-09100                                 | 0       | 1347    | 2609103  | 09/08/2020 | 09/16/2020 | August Management     | 4,107.91  |
| **** TOTAL **** CliftonLarsonAllen LLP       |         |         |          |            |            |                       | 4,107.91  |
| 01-000-06900                                 | 0       | 1348    | 22370    | 08/31/2020 | 09/16/2020 | Truck & Screen Charge | 310.00    |
| **** TOTAL **** Diversified Underground, Inc |         |         |          |            |            |                       | 310.00    |
| *** GRAND TOTAL ***                          |         |         |          |            |            |                       | 69,226.11 |



## PROFESSIONAL SERVICES AGREEMENT

This **PROFESSIONAL SERVICES AGREEMENT** ("Agreement") is made and entered into as of this 21<sup>st</sup> day of September, 2020 (the "Effective Date"), by and between BEEBE DRAW FARMS AUTHORITY, an authority and separate legal entity duly created pursuant to Section 29-1-203, C.R.S. (the "Authority"), and MLM & Associates LLC, a Colorado limited liability company (the "Consultant"). The Authority and the Consultant may be individually referred to herein as a "Party" or collectively as the "Parties."

### RECITALS

WHEREAS, the Authority was established pursuant to its Authority Establishment Agreement dated April 12, 2011 in accordance with the laws of the State of Colorado to furnish, operate, and plan for certain public improvements and is permitted to enter into, make and perform contracts of every kind and to conduct its business and affairs; and

WHEREAS, the Authority desires to procure professional consulting services in connection with terminating existing and planning for future oil and gas operations in the Pelican Lake Ranch Development within the Authority's boundaries; and

WHEREAS, the Authority desires to engage the Consultant to perform such services as are contemplated herein.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

### COVENANTS AND AGREEMENT

#### 1.0 SERVICES PROVIDED BY CONSULTANT

1.1 Scope of Services. The Consultant shall provide such services as are set forth in **Exhibit A** attached hereto and incorporated herein (the "Services"). The Authority may, from time to time, request changes to the Services to be performed hereunder. Such changes, including any increase or decrease in the amount of Consultant's compensation, shall be agreed to by the Parties and set forth in an amendment to this Agreement as provided in Section 7.3 hereof. The Consultant shall have no right or authority, express or implied, to take any action, expend any sum, incur an obligation, or otherwise obligate the Authority in any manner whatsoever, except to the extent specifically provided in this Agreement.

1.2 Professional Practices. All Services to be provided by the Consultant pursuant to this Agreement shall be provided by personnel experienced in their respective fields and in a manner consistent with the standards of care, diligence, and skill ordinarily exercised by professionals in similar fields and circumstances in accordance with sound professional practices. The Consultant shall be responsible for providing, at the Consultant's sole cost and expense, all management, supervision, labor, materials, administrative support, supplies and equipment necessary to perform the Services, all in accordance with this Agreement.

1.3 Representation. The Consultant represents that it is familiar with all laws that may affect its performance of this Agreement and shall advise the Authority of any changes in any laws that



may affect the its performance. The Consultant represents that it shall perform the Services required by this Agreement in compliance with all applicable federal and Colorado laws and regulations. The Consultant is solely and fully responsible to the Authority for the Services, including all acts and omissions of subcontractors and persons employed by them.

1.4 Responsibility for Errors. The Consultant shall be responsible for its work and results pursuant to this Agreement. The Consultant, when requested, shall furnish clarification and/or explanation as may be required by the Authority, regarding any Services rendered pursuant to this Agreement, at no additional cost to the Authority. In the event that an error or omission attributable to the Consultant occurs, the Consultant shall, at no cost to the Authority, provide all necessary design drawings, estimates, data, documents, services and any other Consultant professional services necessary to rectify and correct the matter to the sole satisfaction of the Authority and participate in any meeting required with regard to the correction.

## **2.0 Compensation and Billing**

2.1 Compensation. Compensation for satisfactory performance of the Services shall be based on the rate schedule set forth in **Exhibit A** attached hereto and incorporated herein and shall not exceed Ten Thousand Dollars (\$10,000), which has been budgeted and appropriated by the Authority in the current year of performance of the Services.

2.2 Compensation for Change in Services. The Consultant shall not receive additional compensation for any change in Services provided unless the Authority and the Consultant have executed an amendment to this Agreement authorizing the change in Services and the payment of additional compensation to the Consultant. Oral requests and/or approvals of a change in Services and payment of additional compensation shall be barred and are unenforceable.

2.3 Method of Billing. The Consultant shall submit invoices for the Services performed to the Authority for approval on a progress basis by the 3rd day of each month. Said invoices shall be based on the total of all Services provided by the Consultant which have been completed to the Authority's satisfaction. The Authority shall pay approved invoices within forty-five (45) days from the 3<sup>rd</sup> day of each month. Each invoice shall describe in detail the Services performed, the associated time for completion, and any expenses incurred. The Authority may return to the Consultant unsatisfactory invoices and may withhold payment thereof. The Association reserves the right to withhold payment for Services which are completed unsatisfactorily or are otherwise inadequate, as determined by the Authority in its sole discretion. All payments previously withheld by the Authority shall be released and paid to the Consultant promptly when the Services are subsequently determined by the Authority to be satisfactory.

## **3.0 TIME OF PERFORMANCE**

3.1 Commencement and Completion of Work. The Services shall commence upon the Effective Date. Failure of the Consultant to commence work in a timely manner and/or to diligently pursue work to completion may be grounds for termination of this Agreement by the Authority in accordance with Section 4.2(a) below.

3.2 Excusable Delays. Neither Party shall be responsible for delays or lack of performance resulting from acts beyond the reasonable control of the Party. Such acts shall include, but not be



limited to, acts of God, fire, strikes, material shortages, riots, acts of war, pandemics, or other condition beyond the reasonable control of a Party.

#### **4.0 TERM AND TERMINATION**

4.1 Term. The term of this Agreement shall begin on the Effective Date and expire on December 31, 2021, or when the Services have been completely performed to the Authority's satisfaction, whichever first occurs, or otherwise by mutual written agreement of the Parties or by the exercise of the termination provisions specified herein. This Agreement may be extended upon mutual written agreement of the Parties.

##### **4.2 Notice of Termination.**

a. The Authority may terminate this Agreement prior to its expiration or completion of the Services for convenience or for cause, in whole or in part, by delivery to the Consultant of a written notice of termination at least thirty (30) days prior to the effective date of termination. Such notice shall specify the extent of termination and the effective date. If the Consultant is found in violation of any provision of this Agreement, the Consultant shall be liable for actual and consequential damages to the Authority. The Consultant shall stop rendering Services as specified in the notice of termination.

b. The Consultant may terminate this Agreement for cause by delivery to the Authority of written notice of termination at least thirty (30) days prior to the effective date of termination, as specified in the notice. The Consultant shall stop rendering Services pursuant to this Agreement upon the effective date of termination.

4.3 Compensation upon Termination. In the event of early termination by either Party pursuant to Section 4.2 above, the Authority shall pay the Consultant only for those Services satisfactorily performed, as determined by the Authority, in its sole discretion, up to the effective date of termination. Compensation for work in progress will be prorated as to the percentage of work completed as of the effective date of termination, as applicable. In ascertaining the Services actually rendered up to the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress, whether delivered to the Authority or in the possession of the Consultant. The Consultant shall submit an invoice to the Authority for Services performed through the effective date of termination within ten (10) days thereof.

#### **5.0 INSURANCE**

5.1 Minimum Scope and Limits of Insurance. The Consultant shall maintain in full force and effect during the term of this Agreement, and at its sole cost and expense, the following insurance coverages to provide protection from claims that may arise out of or result from the Consultant's performance or obligation pursuant to this Agreement, whether such performance is by the Consultant, by anyone directly or indirectly employed by the Consultant, or by anyone who acts on behalf of the Consultant, including any subcontractors of the Consultant: (1) commercial general liability and property damage insurance in an amount not less than \$1,000,000 per occurrence and general aggregate; (2) workers' compensation insurance in the amounts required by law; (3) comprehensive automobile liability insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence; and (4) professional liability insurance with coverage of \$1,000,000, each claim and in the aggregate



5.2 Additional Insured Parties. The Authority shall be named as an additional insured on all policies (except workers' compensation insurance). The Consultant's insurance coverage shall be primary insurance and non-contributory with respect to all other available insurance sources.

5.3 Certificates of Insurance. Upon execution hereof, the Consultant shall provide the Authority certificates of insurance showing the coverages and endorsements required hereunder.

5.4 Notice. The Consultant will provide the Authority with a minimum 10-day notice for the cancellation of any insurance policies required by this Agreement due to the non-payment of a premium, and a minimum of 30-day notice for any change to or cancellation of an insurance policy other than for non-payment of a premium. Any failure on the part of the Consultant to comply with the notice reporting provisions or other conditions of the insurance policies set forth herein shall not affect the obligation of the Consultant to provide the required coverage to the Authority and its directors, officers, employees, and agents.

5.5 Subcontractor Insurance. If the Consultant subcontracts any portion of the Services, all subcontractor(s) shall be required to maintain the insurance coverages set forth in Section 5.1 hereof. The Consultant shall require each subcontractor to provide to the Consultant insurance certificates and endorsements, including necessary updates to the same, demonstrating compliance with Section 5.1. The Consultant shall retain all subcontractor insurance certificates and endorsements for the duration of the Agreement and shall, upon request, submit them to the Authority for review. Failure to acquire and maintain subcontractor insurance certificates is a material breach of this Agreement.

## 6.0 ILLEGAL ALIEN PROVISIONS.

6.1 Certification. Prior to the execution of this Agreement, the Consultant shall certify to the Authority, as attached hereto as **Exhibit B**, that at the time of certification, it does not knowingly employ or contract with an illegal alien who will perform work pursuant to this Agreement and that the Consultant will participate in either the E-Verify Program administered by the U.S. Department of Homeland Security and the Social Security Administration, or in the Colorado Department of Labor and Employment's Employment Verification Program (the "Department Program"), as further described in Section 6.6 herein, in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work pursuant to this Agreement.

6.2 Prohibited Acts. The Consultant shall not:

(A) Knowingly employ or contract with an illegal alien to perform work pursuant to this 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 pursuant to this Agreement.

6.3 Verification.

(A) The Consultant has confirmed the employment eligibility of all employees who are newly hired for employment to perform work pursuant to this Agreement through participation in either the E-Verify Program or the Department Program.



(B) The Consultant shall not use either the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while this Agreement is being performed.

(C) If the Consultant obtains actual knowledge that a subcontractor performing work pursuant to this Agreement knowingly employs or contracts with an illegal alien, the Consultant shall:

(i) Notify the subcontractor and the Authority within three (3) days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(ii) Terminate the subcontract with the subcontractor if, within three (3) days of receiving the notice required pursuant to subparagraph (i) hereof, 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 (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

6.4 Duty to Comply with Investigations. The Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment (the "Department") made in the course of an investigation conducted pursuant to Section 8-17.5-102 (5), C.R.S. to ensure that the Consultant is complying with the terms and conditions contained under Section 6.0 of this Agreement.

6.5 Breach. If the Consultant violates any provision set forth under Section 6.0 herein, the Authority may terminate the Agreement for breach of the Agreement. If the Agreement is so terminated, the Consultant shall be liable for actual and consequential damages to the Authority. The Authority shall notify the Colorado office of the Secretary of State if the Consultant violates any provision set forth under Section 6.0 herein and the Authority terminates the Agreement.

6.6 Department Program. If the Consultant participates in the Department Program in lieu of the E-Verify Program, the Consultant shall notify the Department and the Authority of such participation. The Consultant shall, within twenty (20) days after hiring an employee who is newly hired for employment to perform work under the Agreement, affirm that the Consultant has examined the legal work status of such employee, retained file copies of the documents required by 8 U.S.C. Sec. 1324a, and has not altered or falsified the identification documents for such employees. The Consultant shall provide a written, notarized copy of the affirmation to the Authority.

## 7.0 GENERAL PROVISIONS

7.1 Ownership of Work Product. Any and all Work Product (as defined below) created, prepared, and/or produced by the Consultant pursuant to this Agreement shall become the sole and exclusive property of the Authority under all circumstances, whether the Consultant completes the Services or the Agreement is terminated. Upon request by the Authority, the Consultant shall deliver all Work Product to the Authority in hard copy and in an electronic format compatible with the Authority's computer applications at the Consultant's expense. Upon payment to the Consultant for its Services, the Authority shall have the right to use and re-use all Work Product in any way or manner deemed appropriate by the Authority. Any modification of the Work Product, without written verification, completion, or adaptation by the Consultant, as appropriate for the specific purpose



intended, will be at the Authority's sole risk and without liability or legal exposure to the Consultant or to its officers, directors, members, partners, agents, employees, and subcontractors. The Authority's use of any or all such Work Product for its own purposes shall not be a violation of any patent or copyright thereof. For purposes of this Agreement, "Work Product" includes, but is not limited to, any and all finished or unfinished design, development and/or construction documents, drawings, reports, writings, data, studies, graphics, maps, plans, specifications, electronic files and other documents, materials and information, in every form and/or format, resulting from the Consultant's performance of the Services, and/or which the Consultant prepared and/or used in connection with this Agreement. All Work Product prepared by the Consultant pursuant to this Agreement is not intended or represented to be suitable for reuse by the Authority or others on extensions of the work or on any other project.

If not previously delivered to the Authority, upon completion of the Services or early termination this Agreement by either Party, the Consultant shall deliver to the Authority all Work Product within ten (10) days of the Authority paying the Consultant all undisputed amounts owed under the final invoice submitted to the Authority. Any use by the Authority of uncompleted Work Product without specific written authorization from the Consultant shall be at the Authority's sole risk and without liability or legal expense to the Consultant.

**7.2 Independent Contractor Status.** The Consultant is an independent contractor and nothing contained herein shall be construed as constituting any relationship with the Authority other than that of owner and independent contractor, nor shall it be construed as creating any relationship whatsoever between the Authority and any of the Consultant's employees. Neither the Consultant nor any of the Consultant's employees are or shall be deemed employees of the Authority. The Consultant is not, and shall not act as, the agent of the Authority. The employees who assist the Consultant in the performance of the Services shall always be under the Consultant's exclusive direction and control. The Consultant shall pay all wages, salaries, and other amounts due the Consultant's employees in connection with the performance of the Services and shall be responsible for all reports and obligations respecting such employees including social security tax, income tax withholding, unemployment compensation, worker's compensation, employee benefits and similar matters. The Consultant has sole authority and responsibility to employ, discharge, and otherwise control the Consultant's employees and has sole authority and responsibility for its agents, employees, and subcontractors the Consultant hires to perform the Services.

**7.3 Modification.** This Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the Authority and the Consultant.

**7.4 Assignment.** The Consultant shall not assign or transfer all or any part of the Consultant's interest in this Agreement without the Authority's prior written consent. Any attempted assignment or transfer shall be void and constitute a breach of the Agreement. The Authority's consent to one assignment shall not be deemed to be consent to any subsequent assignment nor the waiver of any right to consent to such subsequent assignment.

**7.5 Indemnification.** The Consultant shall defend, indemnify, assume all responsibility for, and hold harmless the Authority and each of its directors, officers, consultants, employees, servants, agents, and authorized volunteers, from and against any and all claims, demands, suits, actions, proceedings, judgments, losses, damages, injuries, penalties, costs, and expenses (including reasonable attorneys' fees), and liabilities arising, or alleging to arise, directly or indirectly, in whole or in part, from any intentional or negligent acts or omissions of the Consultant or any of its employees, and subcontractors, in connection with the Consultant's performance, duties, and obligations pursuant



to this Agreement; provided, however, that the Consultant shall not be liable for any claim, loss, damage, injury or liability caused by the negligence or fault of the Authority or any third party under the control or supervision of the Authority. If the Consultant is providing architectural, engineering, surveying, or other design services, then the extent of the Consultant's obligation to indemnify or hold harmless the Authority may be determined only after the Consultant's liability or fault has been determined by adjudication, alternative dispute resolution, or otherwise resolved by mutual agreement between the Consultant and the Authority. The obligations of the indemnifications extended by the Consultant to the Authority under this Section shall survive termination or expiration of this Agreement. The insurance requirements set forth in Section 5.0 through 5.5 above shall not be construed as limiting the indemnification provisions above or any rights, immunities, and protections provided to the Authority pursuant to the Colorado Governmental Immunity Act, Sections 24-10-101 *et seq.*, C.R.S. or the extent to which the Consultant may be held responsible for payments of damages to persons or property.

7.6 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 Authority or its Board of Directors, officers, employees, servants, agents, or authorized volunteers, pursuant to the Colorado Governmental Immunity Act, Section 24-10-101, *et seq.*, C.R.S.

7.7 Subject to Annual Appropriation. The Authority does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The Authority's payment obligations hereunder, including for any change in Services authorized pursuant to an amendment to this Agreement as set forth in Section 1.1 hereof, are subject to annual appropriations. Any extension of this Agreement or any change in Services to be provided by the Consultant resulting in additional compensation to be paid by the Authority, as set forth in an amendment to this Agreement, shall be subject to annual appropriations by the Authority. Services performed in any year after the current year, and any compensation owed to Consultant as a result of any extension of this Agreement, shall be subject to annual appropriations by the Authority.

7.8 Notices. Any notices, demands, or other communications required or permitted to be given by any provision of this Agreement shall be in writing and may be personally delivered; sent by certified mail, return receipt requested; sent by electronic mail, delivery receipt requested; or sent by a nationally recognized receipted overnight delivery service for earliest delivery the next day. Any such notice shall be deemed to have been given as follows: when personally delivered to the Party to whom it is addressed; when mailed, three delivery (3) days after deposit in the United States mail, postage prepaid; when by electronic mail, on the day sent if sent on a day during regular business hours (9 a.m. to 5 p.m.) of the recipient, otherwise on the next day at 9 a.m.; and when by overnight delivery service, one (1) day after deposit in the custody of the delivery service. The addresses for mailing, transmitting, or delivering notices shall be as follows:

**If to the Authority:**

Beebe Draw Farms Authority  
CliftonLarsonAllen LLP  
Attn: Lisa A. Johnson, Manager  
8390 E. Crescent Parkway, Suite 300  
Greenwood Village, CO 80111  
Email: lisa.johnson@claconnect.com

**Copy to:**

Icenogle Seaver Pogue, PC.  
Attn: Alan D. Pogue



4725 S. Monaco St., Suite 360  
 Denver, Colorado 80237  
 Email: APogue@ISP-law.com

**If to the Consultant:**

MLM & Associates LLC  
 Attn: Melissa Mayer  
 15103 W. 63<sup>rd</sup> Ave.  
 Arvada, CO 80403  
 Email: Melissa@mlmassociates.net

7.9 No Waiver. The delay or failure of either Party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. The waiver of any right or remedy in respect to any occurrence of event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

7.10 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

7.11 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance.

7.12 Attorneys' Fees. In the event litigation is brought by either Party in connection with this Agreement, the prevailing Party shall be entitled to recover from the opposing Party all costs and expenses, including reasonable attorneys' fees, incurred in the exercise of its rights or remedies hereunder or the enforcement of any terms, conditions, or provisions hereof.

7.14 No Third-Party Beneficiary Rights. This Agreement is entered into for the sole benefit of the Authority and the Consultant. No other parties are intended to be direct or incidental beneficiaries of this Agreement. No third party shall have any right in, under, or to this Agreement.

7.15 Headings. The headings, captions and titles contained herein are intended for convenience and reference only and are not intended to modify, explain or fully or accurately describe the content thereof and shall not affect the meaning or interpretation of this Agreement.

7.16 Binding Agreement. This Agreement shall inure to and be binding upon the respective Parties hereto and their successors and permitted assigns.

7.17 Entire Agreement. This Agreement, including all exhibits attached hereto, constitutes the entire Agreement between the Parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations.

7.18 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument.

*(Signatures appear following page.)*



IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

**BEEBE DRAW FARMS AUTHORITY:**

Christine Hethcock  
 By: Christine Hethcock  
 Its: Vice President

ATTEST:

Lisa A. Johnson  
 By: Lisa A. Johnson  
 Its: Secretary

**MLM & ASSOCIATES LLC**

Melissa Mayer  
 By: Melissa Mayer  
 Its: Owner



## **EXHIBIT A**

### **SCOPE OF SERVICES AND RATES FOR SERVICES**

#### **I. Scope of Services**

The "Services" to be performed under this agreement are as follows:

- Review current oil and gas operations in the Beebe Draw Farms Authority boundaries (in the Pelican Lake Ranch Development)
- Work with the oil and gas lessee in the Beebe Draw Farms Authority boundaries (in the Pelican Lake Ranch Development) to plug and abandon existing shut-in production, determine future drilling locations, terminate existing surface use agreements, and enter into new agreements

#### **II. Rates for Services**

##### **Consulting Rates**

- Hourly           \$100/hour
- Daily           \$720/day       (10% discount from hourly rate)
- Weekly \$3,200/week   (20% discount from hourly rate)

\*Hourly time will be charged in 15-minute increments

\*\*Travel time is included in day and weekly rates

##### **Expenses**

- All reasonable expenses incurred in the Consultant's performance of the Services including accommodations, sustenance, and travel (re-charged at cost)




**EXHIBIT B****CERTIFICATION REGARDING ILLEGAL ALIENS**

To: BEEBE DRAW FARMS AUTHORITY

I, Melissa Mayer, as Owner of MLM & Associates LLC, the prospective "Consultant" for that certain Professional Services Agreement ("Agreement") to be entered into with Beebe Draw Farms Authority, do hereby certify on behalf of said Consultant that, as of the date of this Certification, Consultant does not knowingly employ or contract with an illegal alien who will perform work pursuant to this Agreement and that Consultant will participate in either the E-Verify Program administered by the U.S. Department of Homeland Security and the Social Security Administration, or in the Colorado Department of Labor and Employment's Employment Verification Program pursuant to Section 8-17.5-102(5)(c), C.R.S. in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work pursuant to the Agreement.

Executed on the 30<sup>th</sup> day of September, 2020.

**MLM & ASSOCIATES LLC**

By:   
Name: Melissa Mayer  
Title: Owner



**Beebe Draw Farms Metropolitan District No. 1**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2021**

|   | Actual<br>2019 | Adopted<br>Budget<br>2020 | Actual<br>7/31/2020 | Estimate<br>2020 | Proposed<br>Budget<br>2021 |
|---|----------------|---------------------------|---------------------|------------------|----------------------------|
| Beginning fund balance  | \$ -           | \$ -                      | \$ -                | \$ -             | \$ -                       |
| Revenues:   |                |                           |                     |                  |                            |
| Property taxes  | 198,166        | 248,914                   | 217,446             | 248,914          | 250,497                    |
| Specific ownership taxes  | 13,557         | 19,913                    | 6,576               | 19,913           | 20,040                     |
| Interest income/ Other Income   | 1,755          | 1,053                     | 771                 | 1,500            | 1,500                      |
| Total revenues  | 213,478        | 269,880                   | 224,793             | 270,327          | 272,037                    |
| Total funds available   | 213,478        | 269,880                   | 224,793             | 270,327          | 272,037                    |
| Expenditures:   |                |                           |                     |                  |                            |
| Accounting / audit  | 12,227         | 7,500                     | 5,327               | 10,000           | 10,000                     |
| Insurance and Bonds   | 4,508          | 5,000                     | 4,302               | 4,302            | 5,000                      |
| Election expense  | -              | 5,000                     | 988                 | 988              | -                          |
| Legal   | 3,606          | 5,000                     | 502                 | 3,000            | 5,000                      |
| Management  | 6,450          | 6,000                     | 5,997               | 10,000           | 10,000                     |
| Miscellaneous   | 185            | 1,000                     | 129                 | 511              | 1,000                      |
| Directors fees  | 1,600          | 1,500                     | -                   | 1,500            | 1,600                      |
| Payroll Taxes   | 122            | 108                       | -                   | 108              | 122                        |
| Treasurer fees  | 2,975          | 3,732                     | 3,262               | 3,732            | 3,755                      |
| Transfer to Authority - General Fund O&M  | 96,357         | 178,059                   | 160,281             | 185,309          | 183,960                    |
| Transfer to Authority - Infrastructure - (2019 - D2 - Included Lots)                  | 16,363         | 20,886                    | 18,801              | 21,737           | 21,578                     |
| Transfer to Authority - Amenities - (2019 D2 - Included Lots)                         | 4,248          | 5,222                     | 4,701               | 5,435            | 5,395                      |
| Transfer to Authority - Amenities- (2011 Boundary Lots)                               | 64,837         | 22,777                    | 20,503              | 23,705           | 23,532                     |
| Emergency reserve (3%)  | -              | 8,096                     | -                   | -                | 1,094                      |
| Total expenditures  | 213,478        | 269,880                   | 224,793             | 270,327          | 272,036                    |
| Ending fund balance   | \$ -           | \$ -                      | \$ -                | \$ -             | \$ -                       |
| Assessed valuation  |                | \$ 6,222,840              |                     |                  | \$ 6,262,420               |
| Assessed valuation  |                |                           |                     |                  |                            |
| Mill Levy   |                | 40.000                    |                     |                  | 40.000                     |
| <b>Mill Levy allocation</b>   |                |                           |                     |                  |                            |
| Required O&M Mill to transfer to authority  |                | 28.614                    |                     |                  | 28.614                     |
| Mill levy for D1 costs  |                | 6.479                     |                     |                  | 6.479                      |
| Discretionary Capital Contribution Levy   |                | 4.907                     |                     |                  | 4.907                      |
| <b>Calculation of D2 Included lots allocation to Infrastructure and Amenity Funds</b> |                |                           |                     |                  |                            |
| Assessed Value District No. 2 Cap pledge  |                | 1,581,580                 |                     |                  | -                          |
| Mill levy on D2 included lots   |                | 4.907                     |                     |                  | 4.907                      |
| Property taxes from D2 included lots  |                | \$ 7,761                  |                     |                  | \$ -                       |
| SOT Taxes   |                | 18,346                    |                     |                  | 18,346                     |
| Transfer to Authority:  |                | \$ 26,107                 |                     |                  | \$ 18,346                  |
| Infrastructure Fund 80%   |                | \$ 20,885                 |                     |                  | \$ 14,677                  |
| Amenities Fund 20%  |                | \$ 5,222                  |                     |                  | \$ 3,669                   |
| <b>Calculation of 2011 Boundary lots transfer to Amenity Fund</b>                     |                | \$ 4,641,260              |                     |                  | \$ 6,262,420               |
| Discretionary Capital Contribution Levy   |                | 4.907                     |                     |                  | 4.907                      |
| Property taxes from Discretionary Capital Contribution Levy                           |                | \$ 22,775                 |                     |                  | \$ 30,730                  |
| SOT Taxes   |                | -                         |                     |                  | -                          |
| Transfer to Authority - Amenities Fund 2011 Boundary lots                             |                | \$ 22,775                 |                     |                  | \$ 30,730                  |



**Beebe Draw Farms Metropolitan District No. 1**  
**Proposed Budget**  
**Conservation Trust Fund**  
**For the Year ended December 31, 2021**

|                        | Actual<br><u>2019</u> | Adopted<br>Budget<br><u>2020</u> | Actual<br><u>7/31/2020</u> | Estimate<br><u>2020</u> | Proposed<br>Budget<br><u>2021</u> |
|------------------------|-----------------------|----------------------------------|----------------------------|-------------------------|-----------------------------------|
| Beginning fund balance | \$ 7,231              | \$ 8,380                         | \$ 8,338                   | \$ 8,338                | \$ 9,238                          |
| Revenues:              |                       |                                  |                            |                         |                                   |
| Interest income        | 162                   | 100                              | 34                         | 100                     | 100                               |
| CTF Revenue            | <u>945</u>            | <u>500</u>                       | <u>412</u>                 | <u>800</u>              | <u>800</u>                        |
| Total revenues         | <u>1,107</u>          | <u>600</u>                       | <u>446</u>                 | <u>900</u>              | <u>900</u>                        |
| Total funds available  | <u>8,338</u>          | <u>8,980</u>                     | <u>8,784</u>               | <u>9,238</u>            | <u>10,138</u>                     |
| Expenditures:          |                       |                                  |                            |                         |                                   |
| Accounting             | -                     | -                                | -                          | -                       | -                                 |
| Legal                  | -                     | -                                | -                          | -                       | -                                 |
| Capital outlay         | -                     | -                                | -                          | -                       | -                                 |
| Contingency            | <u>-</u>              | <u>-</u>                         | <u>-</u>                   | <u>-</u>                | <u>-</u>                          |
| Total expenditures     | <u>-</u>              | <u>-</u>                         | <u>-</u>                   | <u>-</u>                | <u>-</u>                          |
| Ending fund balance    | <u>\$ 8,338</u>       | <u>\$ 8,980</u>                  | <u>\$ 8,784</u>            | <u>\$ 9,238</u>         | <u>\$ 10,138</u>                  |



**Beebe Draw Farms Metropolitan District No. 1**  
**Proposed Budget**  
**Debt Service Fund**  
**For the Year ended December 31, 2021**

|                             | Actual<br><u>2019</u> | Adopted<br>Budget<br><u>2020</u> | Actual<br><u>7/31/2020</u> | Estimate<br><u>2020</u> | Proposed<br>Budget<br><u>2021</u> |
|-----------------------------|-----------------------|----------------------------------|----------------------------|-------------------------|-----------------------------------|
| Beginning fund balance      | \$ 6,666              | \$ 6,666                         | \$ 6,666                   | \$ 6,666                | \$ -                              |
| Revenues:                   |                       |                                  |                            |                         |                                   |
| Property taxes              | -                     | -                                | -                          | -                       | -                                 |
| Specific ownership taxes    | -                     | -                                | -                          | -                       | -                                 |
| Interest income             | -                     | -                                | -                          | -                       | -                                 |
| Transfer from general fund  | -                     | -                                | -                          | -                       | -                                 |
| Total revenues              | -                     | -                                | -                          | -                       | -                                 |
| Total funds available       | 6,666                 | 6,666                            | 6,666                      | 6,666                   | -                                 |
| Expenditures:               |                       |                                  |                            |                         |                                   |
| Bond Interest               | -                     | -                                | -                          | -                       | -                                 |
| Bond principal              | -                     | -                                | -                          | -                       | -                                 |
| Interest expense            | -                     | -                                | -                          | -                       | -                                 |
| Refund                      | -                     | 6,666                            | 2,850                      | 2,850                   | -                                 |
| Transfer to District 2      | -                     | -                                | -                          | 3,816                   | -                                 |
| Treasurer's fees            | -                     | -                                | -                          | -                       | -                                 |
| Trustee / paying agent fees | -                     | -                                | -                          | -                       | -                                 |
| Contingency                 | -                     | -                                | -                          | -                       | -                                 |
| Total expenditures          | -                     | 6,666                            | 2,850                      | 6,666                   | -                                 |
| Ending fund balance         | \$ 6,666              | \$ -                             | \$ 3,816                   | \$ -                    | \$ -                              |
| Assessed valuation          |                       | \$ 6,222,840                     |                            |                         | \$ 6,262,420                      |
| Mill Levy                   |                       | (0.458)                          |                            |                         | (0.458)                           |
| Total Mill Levy             |                       | 39.542                           |                            |                         | 39.542                            |



**Beebe Draw Farms Metropolitan District No. 2**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2021**

|  | Actual<br><u>2019</u> | Adopted<br>Budget<br><u>2020</u> | Actual<br><u>7/31/2020</u> | Estimate<br><u>2020</u> | Proposed<br>Budget<br><u>2021</u> |
|--|-----------------------|----------------------------------|----------------------------|-------------------------|-----------------------------------|
| Beginning fund balance                             | \$ -                  | \$ -                             | \$ -                       | \$ -                    | \$ -                              |
| Revenues:  |                       |                                  |                            |                         |                                   |
| Property taxes                                     | 509,406               | 411,737                          | 137,998                    | 411,737                 | 282,135                           |
| Property taxes - Capital Pledge 2051               | 7,843                 | 10,883                           | 10,220                     | 10,883                  | 11,976                            |
| Property taxes - Capital Pledge 2055               | 4,693                 | 6,725                            | 6,289                      | 6,725                   | 8,737                             |
| Specific ownership taxes                           | 56,737                | 26,000                           | 11,475                     | 20,000                  | 15,000                            |
| Transfer from District 1                           | -                     | -                                | -                          | 3,816                   | -                                 |
| Interest income/ Other Income                      | 1,865                 | 5,806                            | 1,537                      | 6,500                   | 2,000                             |
| Total revenues                                     | 580,544               | 461,151                          | 167,519                    | 459,661                 | 319,848                           |
| Total funds available                              | 580,544               | 461,151                          | 167,519                    | 459,661                 | 319,848                           |
| Expenditures:                                      |                       |                                  |                            |                         |                                   |
| Accounting / audit                                 | 12,475                | 7,500                            | 5,575                      | 9,557                   | 7,500                             |
| Insurance and Bonds                                | 4,115                 | 4,300                            | 3,319                      | 3,319                   | 3,500                             |
| Election expense                                   | -                     | 1,500                            | 1,078                      | 1,078                   | -                                 |
| Legal  | 5,172                 | 5,000                            | 4,862                      | 8,000                   | 6,000                             |
| Management   | 4,865                 | 4,000                            | 4,458                      | 6,000                   | 5,000                             |
| Miscellaneous                                      | 226                   | 500                              | 170                        | 500                     | 500                               |
| Directors fees                                     | 900                   | 1,200                            | -                          | 1,200                   | 1,200                             |
| Payroll Taxes                                      | 69                    | 77                               | -                          | 77                      | 77                                |
| Treasurer's fees                                   | 7,829                 | 6,440                            | 2,318                      | 6,440                   | 4,543                             |
| Transfer to Authority- Infrastructure              | 211,618               | 143,195                          | 55,381                     | 160,927                 | 110,458                           |
| Transfer to Authority- Amenities                   | 52,904                | 35,799                           | 17,489                     | 50,820                  | 34,882                            |
| Transfer to Authority- General                     | 280,371               | 237,805                          | 72,869                     | 211,743                 | 145,338                           |
| Contingency  | -                     | -                                | -                          | -                       | -                                 |
| Emergency reserve (3%)                             | -                     | 13,835                           | -                          | -                       | 850                               |
| Total expenditures                                 | 580,544               | 461,151                          | 167,519                    | 459,661                 | 319,848                           |
| Ending fund balance                                | \$ -                  | \$ -                             | \$ -                       | \$ -                    | \$ -                              |
| Assessed valuation                                 |                       | \$ 8,310,860                     |                            |                         | \$ 5,642,700                      |
| Assessed valuation - Capital Pledge 2051 (36 lots) |                       | \$ 977,560                       |                            |                         | \$ 1,075,700                      |
| Assessed valuation - Capital Pledge 2055 (45 lots) |                       | \$ 604,020                       |                            |                         | \$ 784,760                        |
| Mill levy refund                                   |                       | (0.458)                          |                            |                         |                                   |
| Mill Levy  |                       | 50.000                           |                            |                         | 50.000                            |
| Mill Levy - capital pledge                         |                       | 11.133                           |                            |                         | 11.133                            |



**Beebe Draw Farms Authority**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2021**

|                                  | Actual<br>2019 | Adopted<br>Budget<br>2020 | Actual<br>6/30/2020 | Estimate<br>2020 | Proposed<br>Budget<br>2021 |
|----------------------------------|----------------|---------------------------|---------------------|------------------|----------------------------|
| Beginning fund balance           | \$ 869,665     | \$ 750,302                | \$ 709,257          | \$ 709,257       | \$ 774,740                 |
| Revenues:                        |                |                           |                     |                  |                            |
| Transfer from District No. 1     | 96,357         | 178,059                   | 160,282             | 178,059          | 183,960                    |
| Transfer from District No. 2     | 280,371        | 237,805                   | 72,869              | 237,805          | 145,338                    |
| Developer Rent                   | -              | 1,626                     | -                   | 1,626            | 1,626                      |
| Pool Fees                        | 6,325          | 7,600                     | -                   | -                | 7,600                      |
| RV Parking Fees                  | 5,740          | 3,000                     | 2,550               | 3,000            | 3,000                      |
| Interest Income                  | -              | 3,000                     | 13,714              | 1,000            | 3,000                      |
| Other Income/hail                | 390            | -                         | 2,171               | 2,200            | -                          |
| Total revenues                   | 389,183        | 431,090                   | 251,586             | 423,690          | 344,524                    |
| Total funds available            | 1,258,848      | 1,181,392                 | 960,843             | 1,132,947        | 1,119,264                  |
| Expenditures:                    |                |                           |                     |                  |                            |
| Administration                   |                |                           |                     |                  |                            |
| Accounting                       | 33,383         | 27,000                    | 18,357              | 27,000           | 27,000                     |
| Audit                            | 5,070          | 6,000                     | -                   | 6,000            | 6,000                      |
| Directors Fees                   | 2,300          | 3,300                     | -                   | 3,000            | 3,300                      |
| Payroll Taxes                    | 176            | 4,965                     | 6,572               | 8,500            | 4,965                      |
| Miscellaneous                    | 15,869         | 2,000                     | 4,782               | 9,000            | 2,000                      |
| Training                         | -              | 6,000                     | -                   | -                | 6,000                      |
| Insurance and Bonds              | 20,559         | 22,000                    | 22,866              | 22,866           | 22,000                     |
| Legal FRICO                      | -              | -                         | 12,564              | 25,000           | 35,000                     |
| Legal                            | 42,031         | 27,000                    | 19,030              | 30,000           | 27,000                     |
| Legal Oil and Gas                | -              | 2,000                     | -                   | 10,000           | 10,000                     |
| Management                       | 38,176         | 33,000                    | 23,128              | 33,000           | 33,000                     |
| Project Management               | 773            | 1,000                     | 53                  | 500              | 1,000                      |
| Property Management wages        | 66,447         | 60,000                    | 18,535              | 35,000           | 60,000                     |
| Total Administration             | 224,784        | 194,265                   | 125,887             | 209,866          | 237,265                    |
| Physical Facilities              |                |                           |                     |                  |                            |
| Facilities Management            | -              | -                         | -                   | -                | -                          |
| Maintenance facility maintenance | -              | 2,000                     | -                   | -                | 2,000                      |
| Community Center/Gatehouse       | 6,346          | 5,000                     | 14,840              | 20,000           | 5,000                      |
| Hail damage                      | 161,095        | -                         | -                   | -                | -                          |
| Equestrian Facility              | -              | 750                       | 392                 | 500              | 3,000                      |
| Ground Lease                     | 2,800          | 2,884                     | -                   | 2,884            | 2,971                      |
| Nature Preserve                  | -              | 1,000                     | -                   | -                | 1,000                      |
| RV Storage                       | -              | 500                       | -                   | -                | 500                        |
| Sport Court                      | -              | 1,500                     | -                   | -                | 1,500                      |
| Utilities                        | 35,403         | 26,000                    | 11,111              | 26,000           | 26,000                     |
| Total Physical Facilities        | 205,644        | 39,634                    | 26,343              | 49,384           | 41,971                     |
| Aquatic Facilities               |                |                           |                     |                  |                            |
| Community Pool                   | 8,585          | 17,000                    | -                   | 5,000            | 17,000                     |
| Pool repair                      | -              | 3,000                     | -                   | 5,000            | 3,000                      |
| Lake Christina/Fish Stocking     | 9,847          | 10,000                    | -                   | 9,900            | 7,000                      |
| Lake Christina Maint/Habitat     | 700            | 7,000                     | -                   | -                | 500                        |
| Total Aquatic Facilities         | 19,132         | 37,000                    | -                   | 19,900           | 27,500                     |



**Beebe Draw Farms Authority**  
**Proposed Budget**  
**General Fund**  
**For the Year ended December 31, 2021**

|   | Actual<br><u>2019</u> | Adopted<br>Budget<br><u>2020</u> | Actual<br><u>6/30/2020</u> | Estimate<br><u>2020</u> | Proposed<br>Budget<br><u>2021</u> |
|---|-----------------------|----------------------------------|----------------------------|-------------------------|-----------------------------------|
| Parks and Open Space                          |                       |                                  |                            |                         |                                   |
| Park/Recreation Facilities                    | -                     | 1,000                            | -                          | -                       | -                                 |
| Landscaping Improvements                      | -                     | 5,000                            | -                          | -                       | -                                 |
| Signage                                       | 1,695                 | 1,000                            | -                          | -                       | -                                 |
| Play Equipment                                | 473                   | -                                | -                          | -                       | -                                 |
| Landscape Maintenance                         | 7,189                 | 6,000                            | 426                        | 2,000                   | 2,000                             |
| Rodent Control                                | -                     | 6,500                            | -                          | -                       | 5,000                             |
| Tree Maintenance                              | 8,800                 | 4,750                            | -                          | 4,750                   | 4,750                             |
| Total Parks and Open Space                    | <u>18,157</u>         | <u>24,250</u>                    | <u>426</u>                 | <u>6,750</u>            | <u>11,750</u>                     |
| Roads, Trails and Ditches                     |                       |                                  |                            |                         |                                   |
| Riding/Walking Trails                         | -                     | 4,000                            | -                          | -                       | -                                 |
| Nature Trail at Lake Christina                | -                     | 4,000                            | -                          | -                       | -                                 |
| Road Maintenance - Dirt                       | 1,265                 | 500                              | -                          | 500                     | 500                               |
| Road Maintenance - Paved                      | 2,500                 | 8,000                            | 1,280                      | 2,500                   | 2,500                             |
| Total Roads, Trails and Ditches               | <u>3,765</u>          | <u>16,500</u>                    | <u>1,280</u>               | <u>3,000</u>            | <u>3,000</u>                      |
| O&M - Other Expenses                          |                       |                                  |                            |                         |                                   |
| Other   | 20,458                | 10,000                           | -                          | 1,000                   | 1,000                             |
| Locates                                       | -                     | -                                | 37                         | 100                     | 200                               |
| Vehicle/Equipment                             | 14,927                | 78,000                           | 66,084                     | 66,084                  | 20,000                            |
| Total O&M - Other expenses                    | <u>35,385</u>         | <u>88,000</u>                    | <u>66,121</u>              | <u>67,184</u>           | <u>21,200</u>                     |
| Capital Replacement (b)                       | -                     | 5,000                            | -                          | -                       | 5,000                             |
| Discretionary Funds                           |                       |                                  |                            |                         |                                   |
| Capital R&R Contingency                       | 36,130                | 25,000                           | 2,123                      | 2,123                   | 25,000                            |
| Emergency reserve (3%)                        | -                     | 11,656                           | -                          | -                       | 14,236                            |
| Total expenditures                            | <u>542,997</u>        | <u>441,305</u>                   | <u>222,180</u>             | <u>358,207</u>          | <u>386,922</u>                    |
| Ending fund balance                           | <u>\$ 715,851</u>     | <u>\$ 740,087</u>                | <u>\$ 738,663</u>          | <u>\$ 774,740</u>       | <u>\$ 732,342</u>                 |
| O&M Reserve Fund                              | -                     | 350,000                          | -                          | -                       | 350,000                           |
| Capital Repair & Replacement Reserve          | -                     | 260,878                          | -                          | 260,878                 | -                                 |
| Discretionary Funds District 1 gets to decide | 6,594                 | 129,209                          | -                          | -                       | -                                 |
| Total reserved fund balance                   | <u>\$ 6,594</u>       | <u>\$ 740,087</u>                | <u>\$ -</u>                | <u>\$ 260,878</u>       | <u>\$ 350,000</u>                 |
| Ending fund balance                           | <u>\$ 709,257</u>     | <u>(0)</u>                       | <u>\$ 738,663</u>          | <u>\$ 774,740</u>       | <u>382,342</u>                    |

b Capital repair & replacement 2019 projects

|            |              |                              |              |
|------------|--------------|------------------------------|--------------|
| Pool Cover | <u>5,000</u> | Pool sewer service placement | <u>5,000</u> |
|------------|--------------|------------------------------|--------------|

Roads chip and seal  
Irrigation system  
Vehicle

|   |                 |  |                 |
|---|-----------------|--|-----------------|
| Total Capital repair and replacement projects | <u>\$ 5,000</u> |  | <u>\$ 5,000</u> |
|---|-----------------|--|-----------------|

include bridge construction in cap R&R



**Beebe Draw Farms Authority**  
**Proposed Budget**  
**Capital Infrastructure Fund**  
**For the Year ended December 31, 2021**

|  | Actual<br><u>2019</u> | Adopted<br>Budget<br><u>2020</u> | Actual<br><u>6/30/2020</u> | Estimate<br><u>2020</u> | Proposed<br>Budget<br><u>2021</u> |
|--|-----------------------|----------------------------------|----------------------------|-------------------------|-----------------------------------|
| Beginning fund balance                         | \$ 5,650,164          | \$ 5,371,276                     | \$ 5,908,967               | \$ 5,908,967            | \$ 6,078,743                      |
| Revenues:                                      |                       |                                  |                            |                         |                                   |
| Transfer from District No. 1                   | 16,363                | 20,886                           | 18,801                     | 20,886                  | 21,578                            |
| Transfer from District No. 2                   | 201,590               | 129,320                          | 42,807                     | 129,320                 | 94,136                            |
| Transfer from District No. 2 - Cap Pledge 2051 | 6,274                 | 8,576                            | 7,385                      | 8,576                   | 9,437                             |
| Transfer from District No. 2 - Cap Pledge 2055 | 3,754                 | 5,299                            | 5,189                      | 4,188                   | 6,885                             |
| Water Tap Fees                                 | 408,000               | 450,000                          | 141,000                    | 291,000                 | 450,000                           |
| Oil revenue                                    | 179,568               | -                                | 806                        | 806                     | -                                 |
| Interest Income                                | 85,006                | 40,000                           | -                          | 15,000                  | 40,000                            |
| Total revenues                                 | <u>900,555</u>        | <u>654,081</u>                   | <u>215,988</u>             | <u>469,776</u>          | <u>622,036</u>                    |
| Total funds available                          | <u>6,550,719</u>      | <u>6,025,357</u>                 | <u>6,124,955</u>           | <u>6,378,743</u>        | <u>6,700,779</u>                  |
| Expenditures:                                  |                       |                                  |                            |                         |                                   |
| Engineering and Planning                       | 57,131                | 100,000                          | 12,206                     | 50,000                  | 100,000                           |
| Legal  | -                     | 75,000                           | -                          | -                       | 75,000                            |
| Infrastructure                                 | 584,621               | 250,000                          | 6,402                      | 250,000                 | 250,000                           |
| Contingency                                    | -                     | 1,000,000                        | -                          | -                       | 3,000,000                         |
| Total expenditures                             | <u>641,752</u>        | <u>1,425,000</u>                 | <u>18,608</u>              | <u>300,000</u>          | <u>3,425,000</u>                  |
| Ending fund balance                            | <u>\$ 5,908,967</u>   | <u>\$ 4,600,357</u>              | <u>\$ 6,106,347</u>        | <u>\$ 6,078,743</u>     | <u>\$ 3,275,779</u>               |

Note: No lot development in 2019 following 32 lots being completed 4th quarter of 2018  
20 lots for water tap fees for 2019  
2020 estimate \$30,000/tap times 15 taps =\$450,000



**Beebe Draw Farms Authority**  
**Proposed Budget**  
**Amenities**  
**For the Year ended December 31, 2021**

|  | Actual<br><u>2019</u> | Adopted<br>Budget<br><u>2020</u> | Actual<br><u>6/30/2020</u> | Estimate<br><u>2020</u> | Proposed<br>Budget<br><u>2021</u> |
|--|-----------------------|----------------------------------|----------------------------|-------------------------|-----------------------------------|
| Beginning fund balance                         | \$ 808,564            | \$ 994,723                       | \$ 975,445                 | \$ 975,445              | \$ 1,041,444                      |
| Revenues:                                      |                       |                                  |                            |                         |                                   |
| Transfer from District No. 1                   | 69,085                | 27,999                           | 25,204                     | 27,999                  | 28,927                            |
| Transfer from District No. 2                   | 50,396                | 32,330                           | 13,553                     | 32,330                  | 30,802                            |
| Transfer from District No. 2 - Cap Pledge 2051 | 1,569                 | 2,144                            | 2,836                      | 2,144                   | 2,359                             |
| Transfer from District No. 2 - Cap Pledge 2055 | 939                   | 1,325                            | 1,100                      | 1,325                   | 1,721                             |
| Oil and gas                                    | 44,892                | -                                | 201                        | 201                     | -                                 |
| Interest income                                | -                     | 10,000                           | -                          | 2,000                   | 10,000                            |
| Transfer from general fund                     | -                     | -                                | -                          | -                       | -                                 |
| Total revenues                                 | <u>166,881</u>        | <u>73,797</u>                    | <u>42,894</u>              | <u>65,999</u>           | <u>73,809</u>                     |
| Total funds available                          | <u>975,445</u>        | <u>1,068,520</u>                 | <u>1,018,339</u>           | <u>1,041,444</u>        | <u>1,115,253</u>                  |
| Expenditures:                                  |                       |                                  |                            |                         |                                   |
| Transfers out                                  | -                     | -                                | -                          | -                       | -                                 |
| Fitness center                                 | -                     | 80,000                           | -                          | -                       | 80,000                            |
| ATV/gun range                                  | -                     | 80,000                           | -                          | -                       | 80,000                            |
| Trail along Beebe Draw Parkway                 | -                     | 50,000                           | -                          | -                       | 75,000                            |
| Legal  | -                     | -                                | -                          | -                       | -                                 |
| Contingency                                    | -                     | -                                | -                          | -                       | -                                 |
| Total expenditures                             | <u>-</u>              | <u>210,000</u>                   | <u>-</u>                   | <u>-</u>                | <u>235,000</u>                    |
| Ending fund balance                            | <u>\$ 975,445</u>     | <u>\$ 858,520</u>                | <u>\$ 1,018,339</u>        | <u>\$ 1,041,444</u>     | <u>\$ 880,253</u>                 |
| Assessed valuation                             |                       | <u>\$ -</u>                      |                            |                         | <u>\$ -</u>                       |
| Mill Levy                                      |                       | <u>0.000</u>                     |                            |                         | <u>0.000</u>                      |
| Total Mill Levy                                |                       | <u>0.000</u>                     |                            |                         | <u>0.000</u>                      |



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**From:** Christopher Wisher <[cwisher@wisherlawllc.com](mailto:cwisher@wisherlawllc.com)>

**Sent:** Wednesday, September 23, 2020 12:03 PM

**To:** Alan Pogue <[apogue@isp-law.com](mailto:apogue@isp-law.com)>

**Subject:** Re: Beebe Draw Farms Authority

Alan-

I think we are closing in on something that will work. It is my understanding that unrelated drainage issues are currently being addressed/built in other parts of the community. That said, while my client would like to leave the door open to adjacent property owners to comment via the Public Comment Process before the work is started, my client will be comfortable if the materials used for the project match those being used in other areas of the community. See pictures attached.

If this is acceptable, again, I think that we are closing in on a situation in which both sides can move forward from this. What is the proposed timeframe to begin the work?

Regards-

--

**Christopher H. Wisher**

Attorney at Law

Phone: 303.502.7688

[cwisher@wisherlawllc.com](mailto:cwisher@wisherlawllc.com)

**Wisher Law LLC**

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## ICENOGLE SEAVER POGUE

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April 23, 2020

**VIA EMAIL AND U.S. MAIL**

Christopher H. Wisher  
Wisher Law, LLC  
2955 Inca Street, Unit 1L  
Denver, CO 80202  
cwisher@wisherlawllc.com

**Re: Drainage at 16489 Fairbanks Drive South (Lot 75)**

Dear Mr. Wisher,

This law firm serves as general counsel to the Beebe Draw Farms Authority (the "Authority"). I am writing in response to your February 24, 2020 letter to Lisa Johnson concerning the above-referenced matter.

As indicated in both your letter and the July 16, 2019 report prepared for your clients by Reid W. Bond, P.E., your clients believe that inadequate drainage on Fairbanks Drive South has resulted in gradual damage to their property, 16489 Fairbanks Drive South ("Lot 75"), including stormwater flows across the two driveways on Lot 75 and concentrated drainage causing erosion and drainage onto the adjoining Lot 76.

The Authority is willing to complete the improvements described below to address the drainage issue affecting Lot 75 if your clients agree to complete certain other improvements on Lot 75. In particular, the Authority will:

- Regrade the area south of the driveway serving Lot 74 to capture the drainage coming through the culvert under the Lot 74 driveway and route it in a swale to the driveways serving Lot 75;
- On the south side of the driveways serving Lot 75, pick up the drainage and route it in a swale to the graded swale on the lot line between Lot 75 and Lot 76; and
- Provide one-time erosion control in the area where previous drainage flows have caused erosion along the front of Lot 75.

The Authority will provide or cause to be provided the above-described improvements in its absolute discretion and makes no representation that the improvements will stop or reduce the erosion on Lot 75. The improvements are intended to accommodate nuisance flows, not greater flows, and not 100-year storm events.

*Alan D. Pogue* | *APogue@isp-law.com* | *Direct 303.867.3006*

4725 S. Monaco St., Suite 360 | Denver, CO 80237 | 303.292.9100 | fax 303.292.9101 | [www.isp-law.com](http://www.isp-law.com)





## ICENOGLE SEAVER POGUE

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The Authority is willing to provide the above-described improvements if your clients will agree to do the following:

- Provide and install a culvert under both driveways on Lot 75 of similar size to the culvert under the Lot 74 driveways to match drainage flows from the swale proposed in the first bullet point, above; and
- Mitigate added drainage flows caused by installation of the driveway and secondary garage building on Lot 75.

Regardless of whether the secondary garage building has caused drainage problems on Lot 75, the owner of Lot 76 has reported to the Authority that since the driveway and secondary garage building were installed, drainage flows during heavy rainfalls have negatively affected Lot 76, with water being directed to the Lot 76 fence line.

If these terms are acceptable, I will prepare an agreement setting forth the understanding of the parties. Please contact me with any questions. I look forward to hearing from you.

Sincerely,

ICENOGLE SEAVER POGUE  
A Professional Corporation



Alan D. Pogue

Cc: Board of Directors, Beebe Draw Farms Authority  
Judy Leyshon, Authority Manager



## NON-EXCLUSIVE DRAINAGE EASEMENT

The undersigned owners as joint tenants ("Grantors") of Lot 180, Beebe Draw Farms and Equestrian Center, Filing 1, Phase 5 ("Property") hereby acknowledges receipt from THE BEEBE DRAW FARMS AUTHORITY, a quasi-municipal corporation of the County of Weld, State of Colorado, and hereinafter called "Grantee," of the sum of one thousand, five hundred dollars (\$1,500.00) and other good and valuable consideration, in consideration of which Grantors hereby acknowledges, grants unto said Grantee, its successors and assigns, a non-exclusive drainage easement together with the right, privilege, and authority to grade, regrade and maintain a surface drainage swale as depicted on **Exhibit A**, attached hereto and incorporated herein by reference ("Surface Drainage Swale"), in, on, over, through, along, and across the following portion of Grantors' Property situated in the County of Weld, State of Colorado, and more particularly described as **an area fifty feet (50) feet wide south of and along the entire northern property line (property line shared with lot 179) of the Property** and further depicted on Exhibit A.

Together with the right of ingress and egress over said Property, to survey, grade, regrade, maintain, control and use the Surface Drainage Swale and to remove objects or structures therefrom. The Grantors shall not stockpile dirt on the easement herein granted.

Grantors reserve the right to use said Property for any purpose consistent with the rights and privileges herein granted, provided such use by Grantors will not interfere with or endanger the Grantee's Surface Drainage Swale or the maintenance, repair and regrading thereof, or interfere with use of any of the rights herein granted to Grantee.

With respect to the easements and covenants granted in this Agreement, each party agrees to indemnify, hold harmless and defend the other party, its officers, employees, agents, successors and assigns from any and all liability, loss, damage, expenses (including reasonable attorneys' fees and costs), causes of action, suits, claims or judgments arising from injury to person or damage to property, arising as the result of the existence of this Agreement, including but not limited to the use, maintenance, repair, reconstruction, replacement, operation, destruction or failure of the Improvements; provided, however, that such indemnity shall not extend to and in no event shall either party be liable to the other for any of the following: (a) any negligence or willful misconduct of the other party or agents of the same; or (b) any pre-existing conditions, known by the applicable party.

Grantors warrant that it has full right, title and lawful authority to grant the easement herein, and to make and enforce the promises herein, subject to existing easements, rights-of way, and other matters of record.

The successors in interest to either party shall take subject to the terms of this Agreement, and all easements and covenants contained herein shall run with the land and bind any party holding any interest in either the Grantors Property or Grantee Property. This Agreement may not be



terminated without the prior written consent of the parties and the then-owner(s) of the subject properties, as applicable.

All notices and demands shall be given in writing by certified mail, return receipt requested, with appropriate postage paid, or by personal delivery. All notices and demands so given shall be effective upon receipt by the party to whom notice or demand is being given, except that any notice given by certified mail shall be deemed delivered three (3) days after deposit in the United States mail.

If to Grantors: Jeremy Thompson

\_\_\_\_\_  
\_\_\_\_\_

Kristanne Korsgaard

\_\_\_\_\_  
\_\_\_\_\_

If to Grantee: Beebe Draw Farms Authority

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

All amendments to this Agreement must be in writing and signed by both parties.

Each party shall have all remedies available at law or in equity with respect to any breach hereof, including, without limitation, the right to injunctive or declaratory relief or to compel specific performance under this Agreement.

This Agreement, together with the exhibits, contains the entire agreement of the parties and no prior written or oral agreement has any force or effect or will be binding on the parties to this Agreement. All exhibits to this Agreement are fully incorporated herein as though set forth at length.

If any provision of this Agreement shall be held to be illegal or unenforceable, that provision shall be reformed to the narrowest extent possible so to render that provision enforceable. If such reformation is not possible, that provision shall be deemed stricken from the Agreement, and the remaining portions of the Agreement shall remain in full force and effect.



Nothing in this Agreement shall be deemed or construed to create the relationship of principal and agent or of limited or general partners, joint venturers, or of any other association between the parties.

In the event of any dispute over the interpretation of any provision of this Agreement, the parties acknowledge that this Agreement is the result of negotiations between them. Consequently, the Agreement shall not be construed or interpreted in favor of one party and against the other based on one party having drafted the Agreement. Each party acknowledges it has had an adequate opportunity to have counsel of their choice review this Agreement and, if right to counsel was not invoked, their decision to forgo right to counsel was made voluntarily.

The terms and provisions of this Agreement shall be construed under and governed by the laws of the State of Colorado.

If either Party brings legal action to enforce its rights under this Agreement as against the other, the prevailing party shall be entitled to recover its expenses (including reasonable attorneys' fees and costs) incurred in connection with the action and/or subsequent actions for collection.

Each party executing this Agreement represents and warrants that it is duly authorized to execute this Agreement and perform its obligations hereunder.

This Agreement will be recorded in the real property records of the County of Weld, Colorado.

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all such counterparts shall constitute one and the same instrument. Signature pages may be detached and reattached to physically form one document.

**IN WITNESS WHEREOF**, Grantors and Grantee have executed this Drainage Easement and Covenant Agreement effective as of this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**GRANTORS:**

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

Name: Jeremy Thompson

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

Name: Kristanne Korsgaard



STATE OF COLORADO )

) ss.

COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this \_\_ day of \_\_\_\_\_, 2020, by Jeremy Thompson and Kristanne Korsgaard as joint tenants \_\_\_\_\_.

Witness my hand and official seal.

Notary Public

My commission expires:

[SEAL]

**GRANTEE: BEEBE DRAW FARMS AUTHORITY,**  
a Colorado quasi-municipal corporation

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF COLORADO )

) ss.

COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2020, by \_\_\_\_\_, as \_\_\_\_\_ of The Beebe Draw Farms Authority, a Colorado quasi-municipal corporation.

Witness my hand and official seal.

Notary Public

My commission expires:

[SEAL]