

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**

NOTICE OF REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term Expires:</u>
Paul "Joe" Knopinski	President	June 2017
Christine Hethcock	Vice-President	June 2016
Glen Adkins	Treasurer	June 2016
Linda Cox	Assistant Secretary	June 2017
Lisa A. Johnson	Secretary	

DATE: November 10, 2015
TIME: 6:00 P.M.
PLACE: Pelican Lake Ranch Community Info and Sales Center
16502 Beebe Draw Farms Parkway
Platteville, Colorado

I. ADMINISTRATIVE MATTERS

A. Present Disclosures and Potential Conflicts of Interest.

B. Approve Agenda.

C. FIRST READING:

1. _____

D. SECOND READING:

1. _____

E. EMERGENCY READING:

1. _____

II. 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.

- Review and approve Minutes of the October 13, 2015 regular meeting (enclosure - 002).
- Consider approval of payment of claims through the period ending November 10, 2015, as follows (to be distributed):

General Fund	\$
Infrastructure Fund	\$
Amenities Fund	\$ _____
Total Claims:	\$ _____

- Review and accept unaudited financial statements through the period ending October 31, 2015 (to be distributed).
 - Consider approval of a Service Agreement with BioTree, LLC for 2016 tree maintenance services (enclosure – 003).
 - Consider approval of a Service Agreement with Ottertail Environmental, Inc. for 2016 mosquito control services (enclosure – 004).
 - Consider approval of a Service Agreement with Rocky Mountain Wildlife Services, Inc. for 2016 rodent control services (enclosure – 005).
 - Consider approval of a Service Agreement with Peak One Pool and Spa, LLC for 2016 pool maintenance services (enclosure - 006).
 - Consider approval of a Service Agreement with Environmental Designs, Inc. for 2016 landscape maintenance services (enclosure – 007).
 - Ratify approval of Change Order No. 1 to the Flawless Painting, LLC agreement for staining of additional logs in the amount of \$1,950 (enclosure - 008).
 - Consider adoption of Resolution No. 2015-11-01; Resolution Regarding the Retention and Disposal of Public Records and adopting a Public Records Retention Schedule (enclosure - 009).
-

III. PUBLIC COMMENT

A. _____

IV. FINANCIAL MATTERS

A. _____

B. FIRST READING:

1. _____

C. SECOND READING:

1. Consider approval of engagement of L. Paul Goedecke, P.C. to perform the 2015 Audit for an amount not to exceed \$5,000 (enclosure - 010).

2. Acknowledgement of Beebe Draw Farms Metropolitan District No. 2 Resolution No. 2015-11-__, Increasing the water tap fee from \$10,000 to \$12,000 per tap effective March 1, 2016.

3. Conduct Public Hearing (if necessary) to consider Amendment to 2015 Budget and adoption of Resolution to Amend the 2015 Budget and Appropriate Expenditures.

4. Conduct Public Hearing on the proposed 2016 Budget and consider adoption of Resolution to Adopt the 2016 Budget and Appropriate Sums of Money (enclosures – 011 and 012, draft 2016 Budget and resolution).

5. Review and consider approval of acknowledgment of a banking relationship between the Authority, Special District Management Services, Inc. and First Bank (enclosure – 013).

6. Discuss status of developer fees pursuant to Developer Fee and Water Tap Fee Agreement between Beebe Draw Farms Metropolitan District No. 2 and REI Limited Liability Company.
-

D. EMERGENCY READING:

1. _____

V. LEGAL MATTERS

A. _____

B. FIRST READING:

1. _____

C. SECOND READING:

1. Status of Amended Lease with Farmers Reservoir and Irrigation Company (ADJOURN TO EXECUTIVE SESSION IF NECESSARY).
-

2. _____

D. EMERGENCY READING:

1. _____

VI. OPERATIONS & MAINTENANCE

- A. Discuss items requiring action from the Authority Board from the Action Items Status Matrix (enclosure - 014).
-

- B. Status of Fencing at RV Storage Facility.
-

C. FIRST READING:

1. _____

D. SECOND READING:

1. _____

E. EMERGENCY READING:

1. _____

VII. CAPITAL AMENITIES

A. New Maintenance Facility:

1. Status of Maintenance Facility Project.

B. FIRST READING:

1. _____

C. SECOND READING:

1. _____

D. EMERGENCY READING:

1. _____

VIII. INFRASTRUCTURE (Engineer's Report – enclosure - 015)

A. Status of the paving of Lots 153-158 and 168-175.

B. Review and consider approval of a service agreement with Colorado RE for Phase 2 Final Entitlements (enclosure - 016).

C. FIRST READING:

1. _____

D. SECOND READING:

1. _____

E. EMERGENCY READING:

1. _____

IX. OTHER BUSINESS

A. Status of two horizontal well pads to be located at the north end of the subdivision.

1. Status of surface damage and release agreement between REI and Encana.

B. Discuss §32-1-809, C.R.S. reporting requirements and mode of eligible elector notification (posted on the Beebe Draw Farms website and SDA's website last year).

X. ADJOURNMENT: **THE NEXT REGULAR MEETING IS SCHEDULED FOR
DECEMBER 8, 2015**

Informational Enclosure:

- Special District Management Services, Inc. 2016 Fee Memorandum

**MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
BEEBE DRAW FARMS AUTHORITY
HELD
OCTOBER 13, 2015**

A regular 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 13th day of October, 2015, at 6:00 P.M., at the Pelican Lake Ranch Community Info and Sales Center, 16502 Beebe Draw Farms Parkway, Platteville, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Paul "Joe" Knopinski; President, (via speakerphone)
Christine Hethcock
Linda Cox (via speakerphone)

Also In Attendance Were:

Lisa A. Johnson and Divena Mortimeyer (for a portion of the meeting); Special District Management Services, Inc.

Elisabeth Cortese, Esq., McGeady Sisneros, P.C. (via speakerphone)

Doug Tabor and Michael Welch; Beebe Draw Farms Metropolitan District No. 1 Board Members

Kelly Deitman, Halcyon Design, LLC

Eric Wernsman, Resident and Consultant to Halcyon Design, LLC.

Tim McCarthy; Tamarack Consulting, LLC (via speakerphone)

Following discussion, upon motion duly made by President Knopinski, seconded by Director Tabor and, upon vote, unanimously carried the absence of Glen Adkins was excused and the Board acknowledged Doug Tabor serving as an alternate for Beebe Draw Farms Metropolitan District No. 1.

**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 of Directors 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 Hethcock and Knopinski's Disclosure Statements have been filed.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the Authority's regular meeting.

Following discussion, upon motion duly made by President Knopinski, seconded by Director Tabor and, upon vote, unanimously carried, the Agenda was approved as amended.

CONSENT AGENDA

Consent Agenda: The Board considered the following actions:

- Approve Minutes of the September 8, 2015 regular meeting.
- Consider approval of the payment of claims through the period ending October 13, 2015 as follows:

General Fund:	\$ 127,839.43
Infrastructure Fund	\$ 22,897.75
Amenities Fund	\$ <u>104,084.85</u>
Total:	\$ 254,822.03
- Approve unaudited financial statements through the period ending September 30, 2015.
- Ratify approval of proposal from Century Carpet Co. for new carpet in the community center in the amount of \$2,176.50.
- Ratify approval of a Service Agreement with Flawless Painting, LLC for exterior painting at the community center and pool shed in an amount not to exceed \$4,600.
- Ratify approval of Change Order No. 1 with Peak One Pool & Spa, LLC for replacement of pool tile in an amount not to exceed \$4,650.
- Ratify approval of an Award of Contract to PLM Asphalt & Concrete, Inc. for paving of Lots 153-158 and 168-175 in an amount not to exceed \$225,851.83.

Following discussion, upon motion duly made by President Knopinski, seconded by Director Tabor and, upon vote, unanimously carried, the Board approved the consent agenda with the revisions to the September 8, 2015 minutes noted by President Knopinski.

**PUBLIC
COMMENTS**

Public Comments: There were no public comments.

**FINANCIAL
MATTERS**

2016 Draft Budget: The Board acknowledged receipt of the 2016 draft budgets from Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2.

Ms. Mortimeyer presented and the Board reviewed the 2016 draft budget for the Beebe Draw Farms Authority.

The Board also discussed increasing the water tap fee from \$10,000 per tap to \$12,000 per tap effective January 1, 2016. Attorney Cortese will determine if any type of notice is required regarding the increasing of this fee.

The public hearing to consider adoption of the 2016 budget is scheduled for November 10, 2015 at 6 pm.

LEGAL MATTERS

SECOND READING:

Status of Amended Leases with Farmers Reservoir and Irrigation Company ("FRICO"): Attorney Cortese was recently notified that the attorney she was working with regarding the term sheet and amended lease is no longer representing FRICO. Attorney Cortese is now working with the new attorney on the term sheet and amended lease.

**OPERATIONS AND
MAINTENANCE**

Action Items Status: The Board reviewed the action items status matrix, which is attached hereto and incorporated herein by this reference.

Proposals for 2016 Services: The Board reviewed proposals from service providers regarding fees for 2016 services and directed staff to draft service agreements for the needed services and present at the November meeting.

Regarding the proposal from Environmental Design Inc., ("EDI") the Board directed staff to inquire as to whether EDI would hold their cost for a 2 to 3 year period.

2015 Chip Sealing Project: The project has been completed and Empire Management recommends approval of final payment.

Fencing at RV Storage Facility: The Board reviewed Change Order No. 1 to the Split-Rail Fence Co. Service Agreement in the amount of \$2,638.70.

Following discussion, upon motion duly made by Director Tabor, seconded by Director Cox and, upon vote, with Directors Tabor and Cox voting yes and Directors Knopinski and Hethcock supporting, the Board approved Change Order No. 1 to the Split-Rail Fence Co. Service Agreement in the amount of \$2,638.70.

CAPITAL AMENITIES

Status of New Maintenance Facility:

Status of Project: Ms. Deitman updated the Board on the progress made on the new maintenance facility project. She submitted site review to the County five weeks ago but has not yet heard back from them on an approval. Design of the facility is almost complete.

Ms. Deitman then discussed the research completed regarding the installation of solar panels at the new facility. The Board reviewed the information and determined not to pursue at this time. Ms. Deitman commented that the facility is designed to add solar power in the future should the Board choose to do so.

The Request for Qualifications ("RFQ") was published and six contractors have requested RFQ packages. The deadline to submit a response to the RFQ is October 23, 2015 at 3 pm.

Ms. Deitman and Attorney Cortese discussed with the Board changes to the Long-Form Construction Contract that will be utilized for the project.

INFRASTRUCTURE

Paving of Lots 153-158 and 168-175: Director Hethcock reported that the contract with PLM Asphalt and Concrete Inc. is almost finalized. Work is estimated to be complete by the end of October or first week of November 2015.

Planning of Filing 2, Platting of Next Phases:

SECOND READING:

Construction Survey Services and Lidar Services: The Board reviewed proposals from Tamarack Consulting LLC for Construction Survey Services in the amount of \$10,080 and Lidar Services in the amount of \$58,136 related to Filing 2.

Following discussion, upon motion duly made by Director Hethcock, seconded by President Knopinski and, upon vote, with Directors Hethcock and Knopinski voting yes and Directors Tabor and Cox supporting, the Board approved the proposals from Tamarack Consulting LLC for Construction Survey Services in the amount of \$10,080 and Lidar Services in the amount of \$58,136 related to Filing 2.

OTHER BUSINESS

Two Horizontal Well Pads: Director Hethcock updated the Board. A contract has been remitted to Encana and Encana has requested a meeting with Director Hethcock next week to review the terms.

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made, seconded, and upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL OCTOBER 13,
2015 MINUTES OF BEEBE DRAW FARMS AUTHORITY BY THE BOARD
OF DIRECTORS SIGNING BELOW:

Paul "Joe" Knopinski

Linda Cox

Christine Hethcock

Glen Adkins

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
<u>Community Center Expansion</u>	03/08/11	Linda			X				<p>04/12/11 – Committee will meet on April 14, 2011 at 6 p.m. Four to five residents expressed interest in attending.</p> <p>05/10/11 – Linda Cox gave a report on the outcome of community meeting and presented a memo on the expansion of the community center. The Board asked the committee to share the information with Halcyon Design, LLC.</p> <p>06/3/11 – committee met with Halcyon Design (Kelly) and shared their information. Kelly will contact the committee when the work is complete.</p> <p>07/13/11 – committee meeting scheduled for July 21, 2011 at 7 p.m. Kelly will present 2 designs to the committee.</p> <p>08/04/11 – committee met and will present information to Authority Board in September.</p> <p>08/09/11 – The Board directed the committee to work with Halcyon Design, LLC to prepare a plan with elevations and then schedule a work session to present the information to the community.</p> <p>09/07/11 – Metro District/ POA Fall Pig Roast scheduled for 9/25/11 @ 5:00 pm where a presentation will be given on future Community Center Expansion</p> <p>09/25/11 – Community will preview sketches at Pig Roast.</p> <p>11/04/11 – Linda and Angie will give an update at the November board meeting.</p> <p>11/09/11 – Kelly to provide cost estimate of Phase 1, Phase 2 and full project. D1 will draft a survey to all residents soliciting input on future amenities.</p> <p>02/14/12 – Cost estimates were presented. Committee will prepare an FF&E estimate and report back to BOD. BOD decided to hold a work session in March to solicit</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>feedback from the community.</p> <p>04/18/12 – work session held. Expansion will be included in amenities survey that will be distributed to residents soon.</p> <p>10/09/12 – BOD directed staff to add to the November agenda discussions on the design and construction of a new maintenance facility as the first phase of the expansion of the community center.</p>
<p><u>Rules and Regulations Regarding Amenities</u></p> <ul style="list-style-type: none"> - <u>Enforcement of oil and gas property reclamation</u> - <u>Policy for mail room postings (who is responsible and how long should things remain)</u> - <u>Use of community of center and how to provide access</u> - <u>Rental of community center</u> 	08/14/12	Linda			X				<p>The Board will establish a resident committee to draft the Rules and Regulations. Joe to draft an email soliciting interest from community members and transmit to Liz for distribution.</p> <p>08/04/11 – email drafted and transmitted to residents. Jeff is the contact for interested parties.</p> <p>09/20/11 – Committee will be established in October 2011.</p> <p>12/13/11 – no new report.</p> <p>02/14/12 – no new report. Work in progress.</p> <p>04/18/12 – no new report.</p> <p>06/28/12 – no new report.</p> <p>07/10/12 – no new report.</p> <p>08/17/12 – Mike to establish a committee to create a process to solicit desires of community members and draft rules and regulations related to use of amenities. Include MaryAnn and T. Charles Wilson in review of draft rules.</p> <p>10/09/12 – Mike will schedule a meeting with the committee in the next 30 days.</p> <p>11/7/12 – Mike held meeting on October 25, 2012. He will provide a report at the November board meeting.</p> <p>12/12/12 – Mike will schedule another committee meeting.</p> <p>02/12/13 – Doug will meet with committee members to draft revisions to the current pool rules and will present</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>this information at the March board meeting.</p> <p>04/02/13 - Community meeting held on March 30, 2013 to solicit comments on current pool rules and regulations and suggestions for revisions.</p> <p>04/17/13 - BOD discussed the proposed revisions to the current rules and heard public comments. Doug will incorporate the suggested revisions into the document and present at the next board meeting.</p> <p>06/03/13 - 2013 pool rules have been revised and approved.</p> <p>07/07/15 - Board to appoint a committee to draft rules and regulations regarding Lake Christina.</p> <p>08/04/15 - Linda will solicit interest from the community to participate on a committee to draft rules and regulations related to amenities. Lisa and MaryAnn to provide examples of rules and regulations adopted by other districts or HOAs.</p>
<u>Lease at Milton Lake</u>	08/09/11	Joe Christine Elisabeth			X				<p>Joe, Christine and Jeff met with FRICO to discuss extending the term of the lease etc. They will schedule a follow-up meeting with FRICO to continue the discussions.</p> <p>11/09/11 - MaryAnn to draft an agreement with FRICO.</p> <p>12/13/11 - BOD directed MaryAnn to send FRICO the assignment of the lease to the Authority and ask them to execute and to request a meeting to discuss terms of the lease and expansion of use. BOD also directed staff to solicit proposals from Environmental Consultant.</p> <p>02/07/12 - MaryAnn has spoken with an Environmental consultant. Information that was received was transmitted to the Board. MaryAnn has also drafted the assignment to FRICO and transmitted it to FRICO for review and execution.</p> <p>04/18/12 - Geitner Environmental provided a report to the Board. BOD will review report and discuss further</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>at May meeting.</p> <p>06/14/12 – BOD decided to review the results of the amenities survey to determine desire by community for recreational use on Milton Lake before moving this agenda item forward.</p> <p>07/18/12 – Surveys sent to residents for response.</p> <p>11/7/12 – surveys complete. Boating on Milton Reservoir ranked in the top five most desirable amenities and it also ranked very high with negative votes. Community seems divided on this potential future amenity.</p> <p>06/10/14 – Christine will schedule a meeting with Barry Bowman and Doug Tabor to review the current lease and then schedule a meeting with FRICO.</p> <p>07/08/14 – Christine, Joe, Doug and Barry Bowman have a meeting scheduled with FRICO.</p> <p>8/18/14 – met with FRICO in August. Elisabeth to draft term sheet for renewal of lease and transmit to BOD for review.</p> <p>11/05/14 – draft term sheet completed and routed to BOD for discussion at November board meeting.</p> <p>11/11/14 – BOD discussed term sheet and suggested revisions. Elisabeth will revise accordingly and then send to BOD for final approval.</p> <p>2/4/15 – Elisabeth will incorporate final comments from Christine and then circulate to the Board for final review prior to requesting meeting with FRICO.</p> <p>3/3/15 – Elisabeth will research various documents for horsepower limitations and research the possibility of pontoon boats of @ 20hp.</p> <p>4/7/15 – Elisabeth has transmitted the term sheet to Barry Bowman for review and comment.</p> <p>06/01/15 – Elisabeth is working with Tamarack regarding the legal description of the hunting area to be</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>included in the new lease.</p> <p>07/07/15 - Christine in conjunction with Tamarack Consulting has prepared a map of the area.</p> <p>08/04/15 - Elisabeth to transmit draft agreement to FRICO and request a meeting.</p> <p>08/12/15 - Elisabeth will transmit the draft agreement and cover letter to Christine for final review prior to transmitting to FRICO.</p> <p>09/15/15 - Elisabeth transmitted draft documents to FRICO.</p>
<u>New Maintenance Facility</u>	10/08/13	Kelly Committee			X				<p>BOD approved a proposal from Tamarack Consulting to survey the land needed for the new maintenance facility. Lisa to draft change order. Joe to discuss specifics with Tim and Kelly. MaryAnn to work with Doug on County process. Tim to survey land within 30 days. BOD to review entire proposal at November meeting.</p> <p>11/18/13 - Staff and Doug has located a site within Filing 1 that may be suitable to construct a new maintenance facility. Tamarack is currently surveying the desired site.</p> <p>01/08/14 - Kelly commented at the December 2014 board meeting that the site identified to be acquired is in a good location to meet the needs of a new maintenance facility.</p> <p>01/14/14 - Kelly will prepare color elevations for Option B for February board meeting.</p> <p>02/11/14 - Kelly presented color elevations. BOD discussed funding. Next step is to schedule a community meeting in April.</p> <p>04/02/14 - community meeting is scheduled for April 12, 2014 at 9 am.</p> <p>06/04/14 - Kelly to continue to work with the County on the approval process. MaryAnn to work with Kelly</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>on the design/build concept and statutory requirements.</p> <p>06/10/14 - Kelly to work with MaryAnn on revisions to her proposal.</p> <p>07/08/14 - Kelly, Doug and Elizabeth have a meeting scheduled to discuss the proposal on July 9, 2014.</p> <p>08/18/14 - BOD approved addendum to AIA for design work. NTE \$51,802. \$500,000 limited liability for all but Civil and Structural engineer = \$1,000,000.</p> <p>10/01/14 - Addendum has been executed. Kelly has begun work.</p> <p>11/05/14 - Kelly updated the Board that due to setback requirements, the maintenance facility may not be able to be constructed on the preferred site. Kelly and Doug are working with the County to determine if the equipment and setbacks can be moved. Kelly has also provided two sketches to potentially use the existing community center and Lot 84 in conjunction to build a new community center and maintenance facility on the entire site.</p> <p>2/4/15 - . Kelly and the committee have identified two new sites located in Beebe Draw Farms Metropolitan District No.2 ("District No. 2"). She presented the sites to the Board via Google Earth map. The Board discussed both options. Christine will provide a map of District No. 2 that shows the lot layout in the vicinity of the two options to determine which, if any, option is viable. Map indicating two possible locations circulated to BOD for review prior to February meeting.</p> <p>3/3/15 - Christine sent options for lots to purchase to locate the new maintenance facility on.</p> <p>4/8/15 - BOD negotiated the purchase of Lot 153.</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>Kelly to confirm with the County that the maintenance facility can be constructed on the lot prior to Elisabeth drafting a Sale and Purchase Agreement for the lot.</p> <p>4/14/15 - Kelly received positive verbal feedback from the County regarding the location of the new maintenance facility. Elisabeth will contact Harold McCloud to obtain a verification of value/limited appraisal on the property.</p> <p>06/01/15 - Proposal from Harold McCloud was \$2500. The Board directed Elisabeth to obtain additional proposals.</p> <p>08/04/15 - Elisabeth has requested a proposal from Kennan Reinert for appraisal services. Kelly has prepared a change order in the amount of \$6,000 to cover the additional costs due to design changes (pre-engineered metal building to wood frame design) for the Board to approve at the August meeting.</p> <p>08/12/15 - BOD approved Halcyon Change Order in the amount of \$6,000. Kelly will prepare a first draft of a Request for Qualifications and then transmit to Elisabeth for review.</p> <p>09/02/15 - draft RFQ has been prepared and transmitted to Elisabeth for review.</p> <p>09/15/15 - Kelly submitted site plan review package to Weld County. Elisabeth to provide comments and revisions to RFQ and sample contract to Kelly.</p> <p>10/07/15 - RFQ finalized and published.</p>
<u>Development of 36 Lots Construction</u>	03/11/14	Christine							<p>03/12/14 - Pre-construction meeting was held and the project will begin later this month. Christine to work with Mark to ask Fiore to use access other than Beebe Draw Farms Parkway. Mark to draft summary of project. Lisa to distribute to community and post in mail room.</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>05/07/14 – project is progressing. BOD will consider approval of change order nos. 1 and 2 at the May meeting.</p> <p>06/04/14 – BOD will consider approval of change orders 3-6 at June meeting.</p> <p>06/10/14 – BOD approved CO's 1-6. Project is almost complete.</p> <p>07/08/14 – BOD approved CO #7.</p> <p>8/18/14 – CO's # 7-11 approved.</p> <p>11/05/14 – CO's 12-14 were approved. Mark, Joe and Christine will meet with Fiore and Sons to discuss CO's 15, 17 and 19 and complete a punch walk.</p> <p>11/11/14 – Retainage payment was approved. Project is complete.</p> <p>2/4/15 – additional retainage payment was approved as well as CO # 15 and 16.</p> <p>3/3/15 – Fiore is working on re-locating the oil and gas access road.</p> <p>4/14/15 – Two trees were lost during the re-routing of the access road. The Infrastructure Fund will pay of the replacement of two trees.</p> <p>06/01/15 – Fiore and Sons contract is complete and final payment was made on May 29, 2015. Environmental Design to provide a proposal to repair the soil around the culvert pipe and install erosion control.</p> <p>07/07/15 – EDI proposal was approved for erosion control measures.</p> <p>08/04/15 – EDI completed erosion control work.</p> <p>08/12/15 – REI to re-seed certain lots due to dry utility installation.</p>
<u>RV Storage Improvements</u>	02/10/15	Committee Dan Lisa			X				Committee will gather cost estimates on the proposed RV Storage Improvements and present to the Board at the March meeting.

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>4/8/15 – Committee will provide final cost estimates to the Board at the April meeting.</p> <p>4/14/15 - Committee will provide final cost estimates to the Board at the May meeting</p> <p>07/07/15 - Committee will provide final cost estimates to the Board at the July meeting.</p> <p>08/04/15 – Proposals were reviewed for fencing around expanded RV storage area. Fence Solutions was selected. MaryAnn drafted the service agreement. Lisa is working with Fence Solutions regarding insurance changes.</p> <p>08/12/15 – SDMS to work with D1 board members to summarize project and solicit costs associated with expansion of the RV storage facility to include fencing, grading, and road base. Lisa to provide options for funding of project. Lisa to contact Fence Solutions and communicate that their services will not be needed.</p> <p>09/02/15 – grading to be completed the week of August 31, 2015. Received proposal from Split Rail Fence Co. for the purchase and installation of fencing around expanded area.</p> <p>09/15/15 – grading complete. Fencing contract executed and contractor to work with Gary to schedule installation.</p> <p>10/07/15 – posts are sent in concrete. Split Rail will be out the week of October 5th to install the chain link fabric and barbed wire.</p>
<u>Hunting Lease on Milton Reservoir</u> <u>Hunting Permit from Aristocrat Duck Club</u>	04/14/15	Glen Doug			X				<p>4/14/15 - Elisabeth to work with Tamarack to map the legal description contained in the current lease to verify if it includes the northern portion of Milton Reservoir. The Board will continue to discuss concerns regarding safety should hunting be allowed on this property.</p> <p>07/07/15 - Christine in conjunction with Tamarack Consulting has prepared a map of the area</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>08/04/15 - map has been completed and map is included in draft agreement to FRICO.</p> <p>08/12/15 - Glen with work with Doug and Barry Bowman to draft an email to the community regarding a lottery system to award two hunting permits from Aristocrat Duck Club. Doug emailed Glen the contact information for Barry Bowman.</p> <p>08/17/15 - Glen drafted the email and Lisa distributed to community. Lottery will be held on September 8th.</p> <p>09/15/15 - two community members selected to purchase permits. Mike to communicate to Naomi Flanagan and Barry Bowman.</p>
<u>Two Horizontal Well Pads</u>	04/14/15	Harvey Christine Dufford & Brown			X				<p>04/14/15 - Christine is working with Encana on location and responsibility to maintain site. Taylor to complete view shed options. Dufford and Brown researching historical agreements related to drilling in Filing 1.</p> <p>08/04/15 - Christine is working with Encana to negotiate a service use agreement for fencing and landscaping along with other provisions.</p> <p>08/12/15 - Christine reported that Encana is proceeding with construction of the two well pads. Dufford and Brown provided a draft agreement to Christine and Tamarack for review and inclusion of specific terms related to this project. Harvey, Tamarack Consulting will attend the next meeting to give a presentation to the Board on the sites, landscaping, etc.</p> <p>09/15/15 - Harvey presented view shed plans and discussed what to expect should Encana move forward with the project. Harvey and Christine to continue negotiations with Encana on agreement.</p>
<u>2015 Chip Sealant Project</u>	06/09/15	Dan						X	<p>07/07/15 - BOD approved contract with Empire Management for 2015 Chip Sealant Project Management.</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>08/12/15 - BOD awarded contract to Foothills Paving & Maintenance in an amount not to exceed \$79,818.30. Due to the large discrepancy in the crack sealing bids, the BOD directed staff to communicate to Empire Management that they want to ensure that all of the crack sealing that is necessary is completed (bid includes 2500 LF). BOD committed to fund if additional crack sealing is determined to be needed.</p> <p>09/15/15 - crack sealing complete and chip sealing began on September 9th. Dan communicated to Darrin the inspection expectations.</p> <p>10/07/15 - 2015 Chip Seal project is complete.</p>
<u>Investment Rates</u>	08/11/15	Lisa Divena			X				<p>08/12/15 - BOD reviewed investment rates and determined not to take any action at this time. BOD will revisit when 1) interest rates change or 2) after the first of the year. Also, SDMS to contact FirstBank and ask if they would increase the current interest rate to the Colotrust rate. If not, BOD authorized opening an account at Colotrust and moving funds to their liquid account.</p> <p>08/17/15 - Divena contacted 1stBank regarding request to increase current rate to Colotrust rate or higher.</p> <p>09/15/15 - Divena will revisit with the Board after the 2016 budget has been approved.</p>
<u>Pool Tile Repair</u>	08/11/15	Dan			X				<p>08/12/15 - Linda asked Dan to solicit a proposal from Peak One Pools for pool tile repairs.</p> <p>09/02/15 - proposal from Peak One received. Dan is awaiting one additional proposal.</p> <p>09/15/15 - Change Order with Peak One was approved. Dan communicated this to Peak One and will schedule the work after the pool closing.</p> <p>09/17/15 - Pool tile will be delivered to the pool by September 22nd. Peak One will begin the work the week</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 10/07/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									of September 28 th .
<u>Staining of Community Center and Painting of Pool Shed</u>	08/11/15	Linda			X				08/12/15 - Linda has solicited a bid to stain the community center and paint the pool shed. She will share the information once she receives it. 09/02/15 -Dan received one proposal and forwarded to Linda for review. 09/15/15 - BOD approved an agreement with Flawless Painting. Dan transmitted agreement to the contractor for execution.
<u>Paving of Lots 153-158 and 168-175</u>	08/11/15	Christine Tamarack			X				08/12/15 - Solicitation of bids was published. Bids are due by end of August. BOD will consider award at September meeting. 09/15/15 - contract awarded to PLM Asphalt and Concrete.
<u>New Carpets and Community Center</u>	09/08/15	Linda						X	Linda solicited a proposal for new carpet at community center in the amount of \$2,081.50. Linda or Glen to confirm the proposal includes removal of old carpet. 10/07/15 - carpet installed - project complete.
<u>Budget Items and Future Projects for Consideration</u>		Authority				X			Costs and/or decisions for the following: 1. -Pool Lift to meet ADA requirements - on hold, Authority needs to develop a plan for addressing in future years once major structural changes are made to the pool. -Re-work irrigation system around sport court, not enough gpm to provide sufficient water to trees (were hand-watered all summer) -Landscape and Entryway Monumentation Project - possibly re-visit for 2015 budget.

SERVICE AGREEMENT FOR 2016 TREE CARE

THIS SERVICE AGREEMENT FOR 2016 TREE CARE (“**Agreement**”) is entered into and effective as of the 10th day of November, 2015, by and between **BEEBE DRAW FARMS AUTHORITY**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**Authority**”), and BioTree, LLC, a Colorado Limited Liability Company (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. WHEREAS, pursuant to that certain Authority Establishment Agreement dated April 12, 2011 between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2 (collectively, the “**Districts**”) (the “**Establishment Agreement**”), the Authority shall own, operate, maintain, finance and construct certain public improvements for the benefit of the Districts; and

B. WHEREAS, pursuant to the Establishment Agreement, the Authority is permitted to enter into contracts and agreements affecting the affairs of the Authority; and

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

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

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

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

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

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

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

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

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

1.2 Limitations on Authority.

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

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

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

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

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

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

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

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto with a total contract amount not to exceed \$8,190.00, unless otherwise approved in advance by the Authority through a written change order in form substantially as attached hereto as **Exhibit D** ("Change Order").

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

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

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

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on **December 31, 2016**. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

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

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

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

IV. INDEMNIFICATION AND INSURANCE

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

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

(a) Liability Insurance Coverage.

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

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

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

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

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

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

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

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

V. MISCELLANEOUS

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

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

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

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

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

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

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

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

To Authority:	Beebe Draw Farms Authority 141 Union Boulevard, Suite 150 Lakewood, Colorado 80228 Phone: (303) 987-0835 Fax: (303) 987-2032 Email: ljohnson@sdmsi.com Attn: Lisa Johnson
With a Copy To:	McGeady Sisneros, P.C. 450 E. 17 th Avenue, Suite 400 Denver, Colorado 80203 Phone: (303) 592-4380 Fax: (303) 592-4385 Email: mmcgeady@mcgeadysisneros.com Attn: MaryAnn M. McGeady
To Consultant:	BioTree, LLC 2606 Weld County Road 12 Erie, Colorado 80516 Phone: (720) 203-3072 Fax: (303) 828-4420 Email: steve@biotreeeco.com Attn: Steve Barnett

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

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

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

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and

regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

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

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

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

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

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

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

Consultant:
BioTree, LLC

By: _____
Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of _____.

Witness my hand and official seal.

My commission expires: _____

Notary Public

Authority:
BEEBE DRAW FARMS AUTHORITY

By: _____
President

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of November, 2015, by _____, as _____ of Beebe Draw Farms Authority.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A
SCOPE OF SERVICES

2016 Tree Care Program

ITEM	DESCRIPTION	UNIT COST	QTY	LINE TOTAL
Insect Control	April: Systemic insect injection to control aphids, beetles, and mites on trees that are prone to infestations	\$17.00	170	\$2,890.00
Tree Feeding	May / June: Organic micro nutrient fertilization on all 230 trees	\$2,100.00	1	\$2,100.00
Fungus Control	June / July: Anti-fungal treatments on all 100+ pine trees. A follow-up treatment may be necessary only on the trees that need it	\$1,000.00	1	\$1,000.00
Fungus Control	Anti-fungal treatment follow-up: in 2015 we treated an additional 25 trees for a total of \$300.00 on the follow-up treatment	\$300.00	1	\$300.00
Tree Feeding	August / September: Organic micro nutrient fertilization and winterizer on all 230 trees	\$1,900.00	1	\$1,900.00

TOTAL: \$8,190.00

**EXHIBIT B
COMPENSATION**

2016 Tree Care Program

ITEM	DESCRIPTION	UNIT COST	QTY	LINE TOTAL
Insect Control	April: Systemic insect injection to control aphids, beetles, and mites on trees that are prone to infestations	\$17.00	170	\$2,890.00
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Fungus Control	Anti-fungal treatment follow-up: in 2015 we treated an additional 25 trees for a total of \$300.00 on the follow-up treatment	\$300.00	1	\$300.00
Tree Feeding	August / September: Organic micro nutrient fertilization and winterizer on all 230 trees	\$1,900.00	1	\$1,900.00

TOTAL: \$8,190.00

EXHIBIT C
CERTIFICATION OF CONSULTANT

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

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

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

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

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

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

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

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

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

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

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

EXHIBIT D

FORM OF CHANGE ORDER

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

CHANGE IN SCOPE OF SERVICES (describe):
--

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

APPROVED:	APPROVED:
By: _____	By: _____
Authority	Consultant

SERVICE AGREEMENT FOR MOSQUITO CONTROL SERVICES

THIS SERVICE AGREEMENT FOR MOSQUITO CONTROL SERVICES (“**Agreement**”) is entered into and effective as of the 10th day of November, 2015, by and between **BEEBE DRAW FARMS AUTHORITY**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**Authority**”), and **OTTERTAIL ENVIRONMENTAL, INC.**, a Colorado corporation (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. WHEREAS, pursuant to that certain Authority Establishment Agreement dated April 12, 2011 between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2 (collectively, the “**Districts**”) (the “**Establishment Agreement**”), the Authority shall own, operate, maintain, finance and construct certain public improvements for the benefit of the Districts; and

B. WHEREAS, pursuant to the Establishment Agreement, the Authority is permitted to enter into contracts and agreements affecting the affairs of the Authority; and

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

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

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

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

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

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

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

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

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

1.2 Limitations on Authority.

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

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

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

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

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

1.6 Work Product. “**Work Product**” shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain reproducible copies of any test results and logs which it obtains and shall make them available for the Authority’s use, and shall provide such copies to the Authority upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the Authority. If requested by the Authority, Consultant shall execute and deliver such documents as shall be necessary in the Authority’s sole discretion, to assign, transfer and convey all rights in the Work Product to the Authority or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the Authority its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the Authority immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto with a total contract amount not to exceed \$11,725.00 annually, unless otherwise approved in advance by the Authority through a written change order in form substantially as attached hereto as **Exhibit D** (“**Change Order**”).

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

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

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

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on **December 31, 2016**. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

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

Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Authority at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

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

IV. INDEMNIFICATION AND INSURANCE

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

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

(a) Liability Insurance Coverage.

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

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the Authority, which policy shall include, without limitation, the Authority as an additional insured, a waiver of subrogation endorsement in favor of the Authority, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the Authority, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the Authority; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

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

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

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

(c) Effect of Approval or Acceptance of Insurance. Authority acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

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

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

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

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

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

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

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

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

To Authority: Beebe Draw Farms Authority
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
Phone: (303) 987-0835
Fax: (303) 987-2032
Email: ljohnson@sdmsi.com
Attn: Lisa Johnson

With a Copy To: McGeady Sisneros, P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Phone: (303) 592-4380
Fax: (303) 592-4385
Email: mmcgeady@mcgeadysisneros.com
Attn: MaryAnn M. McGeady

To Consultant: Ottertail Environmental, Inc.
10200 W 44th Ave, Suite 210
Wheat Ridge, Colorado 80033
Phone: (303) 858-8350
Fax: (866) 935-5250
Email: jcox@ottertail.onmicrosoft.com
Attn: Joe Cox

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

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

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

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and

regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

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

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

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

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

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

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

Consultant:

OTTERTAIL ENVIRONMENTAL, INC.

By: _____

Its: _____

STATE OF COLORADO

)

) ss.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of OtterTail Environmental, Inc.

Witness my hand and official seal.

My commission expires: _____

Notary Public

Authority:

BEEBE DRAW FARMS AUTHORITY

By: _____

President

STATE OF COLORADO

)

) ss.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of Beebe Draw Farms Authority.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A
SCOPE OF SERVICES

4.0 OTTERTAIL'S SCOPE OF WORK

4.1 LARVAL CONTROL SERVICES

As requested, we will conduct larval surveillance and control within the appropriate breeding sites within the project boundary identified on the map provided. Identified sites will be checked on a routine basis for all breeding areas at a frequency that will assure continuous control of the habitats, many on a weekly basis. Larval treatment quality control will be provided by performing spot-post-checks of previously treated areas after treatment.

All control materials used will be appropriate U.S. EPA registered products, applied at approved application rates, and will be subject to approval for use by Pelican Lake Ranch. After OtterTail has received the notice to proceed, we will begin the larval surveillance and control program at beginning of the next mosquito season and continue those services until the end of the mosquito season, but no later than September 30th of each year.

3.2 ADULT MOSQUITO CONTROL SERVICES

OtterTail will also conduct seasonal adult surveillance via CDC light traps in representative harborage habitats within the project area. All traps will be operated, as needed, from the beginning of each mosquito until the end of each mosquito season, but no later than September 30th of each year. After each trap night, OtterTail will collect and count all trapped mosquitoes. Population traps may be used to trigger adult control services and adult population results will be recorded and included in any routine reports. Samples may be submitted to CDPHE for virus testing.

Adult control may be performed, with prior Pelican Lake Ranch request and approval, within the contract area by performing harborage/barrier adulticide applications or general ULV adulticide applications. Any adulticide applications would be performed by using EPA registered products at approved application rates. Adulticiding services are at an additional cost.

4.2 WORK PRODUCTS

Any and all maps, reports, spreadsheets, databases, geographical information system (GIS) files, newsletters and other hard copy or electronic documents generated by OtterTail for this project shall be the property of Pelican Lake Ranch, who shall have sole and complete discretion regarding their use and distribution.

EXHIBIT B
COMPENSATION

5.0 OTTERTAIL'S COSTS

5.1 2016 COSTS AND CONTRACT NOTICE TO PROCEED

Costs for the above scope of work for 2016 will be at the following not to exceed costs:

\$11,725.

If necessary, aduaticiding services would be conducted at an additional **\$80** per linear mile (or **\$350** minimum charge per application, whichever is greater).

All of the above costs include all labor, control materials, field equipment, and transportation costs. Your return (email and scan, or mail) of this page of this proposal with your signature below can serve as our contract to proceed with the work.

If you have any questions, or require any additional information, please contact Joe Cox at 303-858-8350 or at jcox@ottertail.us. We are looking forward to assisting you and appreciate this opportunity to provide a proposal for the required services.

Sincerely,



Ed Fleming

ACCEPTED:

FOR: **OtterTail Environmental, Inc.**

BY:  Date: 9-4-2015
Ed Fleming, President

FOR: **Special District Management Services, Inc / Beebe Draw Farms Authority**

BY: _____ Date: _____
Authorized Signature

5.2 2017 COSTS AND CONTRACT NOTICE TO PROCEED OPTION

If interested, OtterTail would be willing to enter into a 2017 contract for the same fee as 2016. We feel we can pass on the savings of not preparing annual proposals on to you. Costs for the scope of work identified in the September 4, 2015 proposal will be at the following not to exceed costs:

\$11,725.

If necessary, adulticiding services would be conducted at an additional **\$80** per linear mile (or **\$350** minimum charge per application, whichever is greater).

All of the above costs include all labor, control materials, field equipment, and transportation costs. Your return (email and scan, or mail) of this page of this proposal with your signature below can serve as our contract to proceed with the work.

ACCEPTED:

FOR: **OtterTail Environmental, Inc.**

BY: Ed Fleming Date: 9-4-2015
Ed Fleming, President

FOR: **Special District Management Services, Inc / Beebe Draw Farms Authority**

BY: _____ Date: _____
Authorized Signature

5.3 2018 COSTS AND CONTRACT NOTICE TO PROCEED OPTION

If interested, OtterTail would be willing to enter into a 2018 contract for the same fee as 2016. We feel we can pass on the savings of not preparing annual proposals on to you. Costs for the scope of work identified in the September 4, 2015 proposal will be at the following not to exceed costs:

\$11,725.

If necessary, aduaticiding services would be conducted at an additional **\$80** per linear mile (or **\$350** minimum charge per application, whichever is greater).

All of the above costs include all labor, control materials, field equipment, and transportation costs. Your return (email and scan, or mail) of this page of this proposal with your signature below can serve as our contract to proceed with the work.

ACCEPTED:

FOR: **OtterTail Environmental, Inc.**

BY: Ed Fleming Date: 9-4-2015
Ed Fleming, President

FOR: **Special District Management Services, Inc / Beebe Draw Farms Authority**

BY: _____ Date: _____
Authorized Signature

EXHIBIT C
CERTIFICATION OF CONSULTANT

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

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

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

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

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

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

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

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

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

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

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

EXHIBIT D

FORM OF CHANGE ORDER

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

CHANGE IN SCOPE OF SERVICES (describe):
--

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

APPROVED:	APPROVED:
By: _____	By: _____
Authority	Consultant

SERVICE AGREEMENT FOR 2016 RODENT AND WILDLIFE CONTROL

THIS SERVICE AGREEMENT FOR **2016 RODENT AND WILDLIFE CONTROL** (“**Agreement**”) is entered into and effective as of the 10th day of November, 2015, by and between **BEEBE DRAW FARMS AUTHORITY**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**Authority**”), and **ROCKY MOUNTAIN WILDLIFE SERVICES, INC.**, a Colorado corporation (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. WHEREAS, pursuant to that certain Authority Establishment Agreement dated April 12, 2011 between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2 (collectively, the “**Districts**”) (the “**Establishment Agreement**”), the Authority shall own, operate, maintain, finance and construct certain public improvements for the benefit of the Districts; and

B. WHEREAS, pursuant to the Establishment Agreement, the Authority is permitted to enter into contracts and agreements affecting the affairs of the Authority; and

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

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

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

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

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

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

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

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

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

1.2 Limitations on Authority.

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

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

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

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

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

1.6 Work Product. “**Work Product**” shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain reproducible copies of any test results and logs which it obtains and shall make them available for the Authority’s use, and shall provide such copies to the Authority upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the Authority. If requested by the Authority, Consultant shall execute and deliver such documents as shall be necessary in the Authority’s sole discretion, to assign, transfer and convey all rights in the Work Product to the Authority or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the Authority its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the Authority immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto with a total contract amount not to exceed \$4,000.00, unless otherwise approved in advance by the Authority through a written change order in form substantially as attached hereto as **Exhibit D** (“**Change Order**”).

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

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

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

III. TERM AND TERMINATION

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

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

Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Authority at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

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

IV. INDEMNIFICATION AND INSURANCE

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

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

(a) Liability Insurance Coverage.

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

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the Authority, which policy shall include, without limitation, the Authority as an additional insured, a waiver of subrogation endorsement in favor of the Authority, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the Authority, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the Authority; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

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

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

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

(c) Effect of Approval or Acceptance of Insurance. Authority acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

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

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

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

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

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

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

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

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

To Authority: Beebe Draw Farms Authority
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
Phone: (303) 987-0835
Fax: (303) 987-2032
Email: ljohnson@sdmsi.com
Attn: Lisa Johnson

With a Copy To: McGeady Sisneros, P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Phone: (303) 592-4380
Fax: (303) 592-4385
Email: mmcgeady@mcgeadysisneros.com
Attn: MaryAnn M. McGeady

To Consultant: Rocky Mountain Wildlife Services, Inc.
P.O. Box 550
Windsor, Colorado 80550
Phone: (970) 674-1619
Fax: (970) 674-3382
Email: rmwildlife@skybeam.com
Attn: Brett Boddicker

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

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

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

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and

regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

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

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

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

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

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

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

Consultant:

ROCKY MOUNTAIN WILDLIFE SERVICES, INC.

By: _____

Its: _____

STATE OF COLORADO

)

) ss.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this _____ day of _____, 2015, by _____, as _____ of Rocky Mountain Wildlife Services, Inc.

Witness my hand and official seal.

My commission expires: _____

Notary Public

Authority:

BEEBE DRAW FARMS AUTHORITY

By: _____

President

STATE OF COLORADO

)

) ss.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this _____ day of November, 2015, by _____, as _____ of Beebe Draw Farms Authority.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A
SCOPE OF SERVICES

**Pest Control Services**

Prairie dog control
Meadow vole and ground squirrel control
Coyote, beaver and muskrat control
Rattlesnake control

Brett Boddicker

PO Box 550
Windsor CO 80550
Phone: 970-674-1619
Fax: 970-674-3383
E-mail: rmwildlife@skybeam.com

Wildlife Management Consulting

Trapper training programs
Predator calling programs
Animal damage control
Wildlife management planning

Rodent and Wildlife Control for 2016

September 29, 2015

General rodent control: With the very low level of rodent activity at Pelican Lakes Ranch this fall, I would not expect the area to need any general treatment in 2016.

Prairie dog control: There are currently 300 to 500 active prairie dog burrows in 3-4 colonies around Beebe Draw and this should not grow much over the winter. These should be fumigated in the spring of 2016, at a cost of \$2000.00, or less.

Snake control: No expense is expected for 2016 though an unusual amount of rattlesnake activity can come randomly and unexpectedly. You might consider setting aside \$2000.00 in contingent funds for snake control efforts.

Brett Boddicker
Rocky Mountain Wildlife Services, Inc.

EXHIBIT B
COMPENSATION

EXHIBIT C
CERTIFICATION OF CONSULTANT

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

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

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

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

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

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

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

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

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

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

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

EXHIBIT D

FORM OF CHANGE ORDER

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

CHANGE IN SCOPE OF SERVICES (describe):
--

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

APPROVED:	APPROVED:
By: _____	By: _____
Authority	Consultant

SERVICE AGREEMENT FOR 2016 POOL MAINTENANCE

THIS SERVICE AGREEMENT FOR 2016 POOL MAINTENANCE (“**Agreement**”) is entered into and effective as of the 10th day of November, 2015, by and between **BEEBE DRAW FARMS AUTHORITY**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**Authority**”), and **PEAK ONE POOL & SPA, LLC**, a Colorado limited liability company (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. WHEREAS, pursuant to that certain Authority Establishment Agreement dated April 12, 2011 between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2 (collectively, the “**Districts**”) (the “**Establishment Agreement**”), the Authority shall own, operate, maintain, finance and construct certain public improvements for the benefit of the Districts; and

B. WHEREAS, pursuant to the Establishment Agreement, the Authority is permitted to enter into contracts and agreements affecting the affairs of the Authority; and

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

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

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

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

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

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

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

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

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

1.2 Limitations on Authority.

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

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

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

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

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

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

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

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto with a total contract amount not to exceed \$3,250.00, unless otherwise approved in advance by the Authority through a written change order in form substantially as attached hereto as **Exhibit D** ("Change Order").

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

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

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

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on **December 31, 2016**. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

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

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

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

IV. INDEMNIFICATION AND INSURANCE

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

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

(a) Liability Insurance Coverage.

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

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

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

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

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

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

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

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

V. MISCELLANEOUS

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

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

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

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

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

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

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

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

To Authority: Beebe Draw Farms Authority
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
Phone: (303) 987-0835
Fax: (303) 987-2032
Email: ljohnson@sdmsi.com
Attn: Lisa Johnson

With a Copy To: McGeady Sisneros, P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Phone: (303) 592-4380
Fax: (303) 592-4385
Email: mmcgeady@mcgeadysisneros.com
Attn: MaryAnn M. McGeady

To Consultant: Peak One Pool & Spa, LLC
1840 Commerce Street, Unit H
Boulder, Colorado 80301
Phone: (303) 939-8125
Mobile: (970) 418-0767
Email: peakonepoolandspa@gmail.com
Attn: Ted Hengstenberg

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

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

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

5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and

regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

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

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

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

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

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

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

Consultant:

PEAK ONE POOL & SPA, LLC

By: _____

Its: _____

STATE OF COLORADO

)

) ss.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of Peak One Pool & Spa, LLC.

Witness my hand and official seal.

My commission expires: _____

Notary Public

Authority:

BEEBE DRAW FARMS AUTHORITY

By: _____

President

STATE OF COLORADO

)

) ss.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of Beebe Draw Farms Authority.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A SCOPE OF SERVICES

Maintenance visit pricing and frequency

To open pool, balance and adjust water, start-up and test pool equipment, clean pool, coordinate chemical purchase, train staff, install fountain and open bathrooms

To close pool, blow out lines and winterize system, winterize bathrooms

Pool service per visit (recommend 1 x weekly)

Pool service shall include the following:

Testing water for proper balance using Taylor Test Kit and Langelier Saturation Index

- Addition of required chemicals to maintain proper water balance to health code standards
- Check water temperature on each visit and adjust temperature if necessary

Remove visible dirt and debris for water and equipment

- Skim water surface to remove floating debris
- Backwash or clean filter(s) as necessary
- Scrub and clean tile line as needed
- Vacuum and brush pool as needed
- Clean skimmer basket(s) and pump basket(s) each visit
- Hose off copingstones as needed

Check safety equipment on each visit

Add water as required to maintain proper levels

Check for proper operation of equipment including pump(s), heater(s), filter(s), chemical feeder(s), and plumbing

Water Temperature

Pool water temperature will be maintained at _____ Degrees

Spa water temperature will be maintained at _____ Degrees

Services not provided

Repairs to fences, decking, gates and/or doors, buildings, storage sheds, furniture, or locks

Landscaping, weeding, pruning, planting & cutting, or watering of planters, bushes, or trees

Cleaning of pool deck area other than already specified in this contract, or of deck furniture, emptying of trash cans in pool area unless already specified in this contract.

Regulating pool usage: i.e., life guarding, maximum bather load, security, etc.

EXHIBIT B COMPENSATION

Maintenance visit pricing and frequency

To open pool, balance and adjust water, start-up and test pool equipment, clean pool, coordinate chemical purchase, train staff, install fountain and open bathrooms	\$750.00
To close pool, blow out lines and winterize system, winterize bathrooms	\$750.00
Pool service per visit (recommend 1 x weekly)	\$125.00

Additional costs

Chemicals, supplies, and repairs are extra costs and will be billed at our current rates.

- **Chemicals and supplies** will be delivered as needed. (Note: Every pool / spa is different and the amount of chemicals needed for proper maintenance varies greatly between pools / spas. Chemical rates can change throughout the season; we are continuously monitoring our pricing to supply you with the best product at the best price available.)
- **Acceptance of this contract** approves any needed minor repairs (under \$150.00) to be completed as needed. All major repairs (over \$150.00) will be presented in the form of an estimate for approval before any work is started. Our current labor rate for repairs is \$85.00 per hour.
- **Additional charges** for excessive debris due to parties, misuse, or weather.
 - If at any time, during a regular service visit, cleaning requires Peak One Pool and Spa to be onsite for more than 60 minutes, additional time will be charged at our current labor rate of \$85.00 per hour in 15 minute increments.

EXHIBIT C
CERTIFICATION OF CONSULTANT

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

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

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

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

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

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

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

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

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

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

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

EXHIBIT D

FORM OF CHANGE ORDER

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

CHANGE IN SCOPE OF SERVICES (describe):
--

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

APPROVED:	APPROVED:
By: _____	By: _____
Authority	Consultant

SERVICE AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES

THIS SERVICE AGREEMENT FOR LANDSCAPE MAINTENANCE SERVICES (“**Agreement**”) is entered into and effective as of the 10th day of November, 2015, by and between **BEEBE DRAW FARMS AUTHORITY**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**Authority**”), and **ENVIRONMENTAL DESIGNS, INC.**, a Colorado corporation (the “**Consultant**”) (each a “**Party**” and, collectively, the “**Parties**”).

RECITALS

A. WHEREAS, pursuant to that certain Authority Establishment Agreement dated April 12, 2011 between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2 (collectively, the “**Districts**”) (the “**Establishment Agreement**”), the Authority shall own, operate, maintain, finance and construct certain public improvements for the benefit of the Districts; and

B. WHEREAS, pursuant to the Establishment Agreement, the Authority is permitted to enter into contracts and agreements affecting the affairs of the Authority; and

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

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

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

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

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

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

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

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

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

1.2 Limitations on Authority.

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

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

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

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

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

1.6 Work Product. “**Work Product**” shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including, but not limited to, all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain reproducible copies of any test results and logs which it obtains and shall make them available for the Authority’s use, and shall provide such copies to the Authority upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the Authority. If requested by the Authority, Consultant shall execute and deliver such documents as shall be necessary in the Authority’s sole discretion, to assign, transfer and convey all rights in the Work Product to the Authority or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the Authority its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the Authority immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto with a total contract amount not to exceed \$12,600.00 per year unless otherwise approved in advance by the Authority through a written change order in form substantially as attached hereto as **Exhibit D** (“**Change Order**”).

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

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

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

III. TERM AND TERMINATION

3.1 Term. The term of this Agreement shall begin on the date set forth above, and shall expire on **December 31, 2016**. Extensions of this Agreement must be pursuant to a Change Order executed by both Parties.

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

Agreement for convenience or for cause, in whole or in part, by written notice of termination given to the Authority at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

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

IV. INDEMNIFICATION AND INSURANCE

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

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

(a) Liability Insurance Coverage.

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

(ii) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the Authority, which policy shall include, without limitation, the Authority as an additional insured, a waiver of subrogation endorsement in favor of the Authority, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the Authority, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant's indemnification agreements in favor of the Authority; Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

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

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

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

(c) Effect of Approval or Acceptance of Insurance. Authority acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

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

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

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

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

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

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

To Authority: Beebe Draw Farms Authority
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
Phone: (303) 987-0835
Fax: (303) 987-2032
Email: ljohnson@sdmsi.com
Attn: Lisa Johnson

With a Copy To: McGeady Sisneros, P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Phone: (303) 592-4380
Fax: (303) 592-4385
Email: mmcgeady@mcgeadysisneros.com
Attn: MaryAnn M. McGeady

To Consultant: Environmental Designs, Inc.
12511 E 112th Avenue
Henderson, Colorado 80640
Phone: (303) 287-9113
Fax: (303) 287-0340
Email: jgregory@environmentaldesigns.net
Attn: JR Gregory

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

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5.11 Compliance with Law. This Agreement is intended to be performed in accordance with and only to the extent permitted by all applicable laws, ordinances, rules, and

regulations of the jurisdiction in which the Agreement is performed. The Consultant declares it has complied and will comply with all federal, state and local laws regarding business permits, certificates and licenses required to perform the Services.

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

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[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

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

Consultant:
ENVIRONMENTAL DESIGNS, INC.

By: _____
Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of Environmental Designs, Inc.

Witness my hand and official seal.

My commission expires: _____

Notary Public

Authority:
BEEBE DRAW FARMS AUTHORITY

By: _____
President

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of Beebe Draw Farms Authority.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A SCOPE OF SERVICES

WEEKLY SERVICES

- 1) Weekly Services shall be performed one time weekly except in April and October, which will be mowed twice per month, or as needed.
- 2) All turf areas shall be trimmed by mechanical means in those areas inaccessible to mowers so as to present a well-groomed appearance.
- 3) Edging services will be performed along all concrete walks and shall be scheduled one time monthly during the mowing season.
- 4) At the time of mowing, all turf, shrub, rock, and garden areas shall be policed for the removal of loose trash and debris.
- 5) Grass clippings will be blown from walks, porches, and curb lines.

B) FERTILIZATION

- 1) Three fertilizations are included under this agreement. Typically, these applications shall include Iron and a slow release Nitrogen.

C) AERATION

- 1) One core aeration is included under this agreement. Additional aerations can be performed upon request and shall be billed upon completion.

D) SEASONAL CLEAN-UPS

- 1) One Spring Season Clean-up and one Fall Season Clean-up are included under this agreement.

E) TREE AND SHRUB CARE

- 1) Pruning and shaping shall be done in early summer. Nuisance growth shall be done as needed throughout the length of the contract, including plant overgrowth on sidewalks and street visibility problems.
- 2) This Agreement includes minor pruning to correct damages and removal of dead or dying branches and limbs of all shrubs and trees under 15' in height.
- 3) Large tree trimming and removal or major tree and shrub shaping and pruning are available upon request at an additional cost.

F) SPRINKLER SYSTEM MAINTENANCE AND CONTROL

- 1) In the event of a non-operable condition, caused by other than the mowing operations, sprinkler system repairs will be made as necessary and billed as follows:
sprinkler system repairs are \$59.00 per hour plus materials and machine if required. This includes raising and lowering heads, clearing of plugged lines, replacement of broken or missing heads (due to other than the Contractor), redesign work, additions, valve locating, clock or toning or tracing wire(s) and anything that requires digging or excavation.

Winterization and spring activation of sprinkler system is included in this Agreement. Necessary repairs will be billed at \$59.00 per man-hour plus materials.

Contractor provides 24-hour emergency service. There is a two hour minimum, at \$59.00 per hour, for any emergency call.

- 2) Sprinkler system checks and adjustments will be completed as necessary to ensure proper operations.
- 3) Included in sprinkler check is clearing plugged nozzles, sprinkler

pattern adjustments and seasonal clock adjustments.

- 4) These checks will not include necessary parts, redesign, digging or excavation.
- 5) Any damages, as the result of contractors work will be repaired promptly, by the Contractor at no charge to Client.

G) CHEMICAL CONTROL PLAN

- 1) The Contractor shall provide a pre-emergent weed control to all beds, if needed, one time per year.
- 2) Two broadleaf weed applications in turf beds are included under this agreement.
- 3) Paved areas will be sprayed for weeds, where needed, up to three times per year.
- 4) The Contractor shall provide a post-emergent herbicide as needed to all beds, during the growing season.
- 5) The Contractor shall be selective in the chemical controls used so as to ensure against an improper application that may cause further damage to turf, trees, or shrubs.
- 6) The Contractor shall provide for the complete safety of the user(s), the public, residents, and their properties.
- 7) The Contractor shall meet all Colorado State and Environmental Protection Agency (EPA) licensing requirements.
- 8) **Commercial Applicators are licensed by the Colorado Department of Agriculture.**

ADDITIONAL SERVICES INCLUDED UNDER THIS AGREEMENT

Aeration Round 1 – Mobilization per Trip

Aeration Round 2 – Mobilization per Trip

Fertilization Round 1 – ATV

Fertilization Round 2 – ATV

Fertilization Round 3 – ATV

Deep Root Fertilizing – Shrubs

Winter Services – Mobilization: Winter Services are included under this agreement and shall consist of weekly policing of the property for removal of loose trash & debris and weekly monitoring of dog stations if included in this agreement.

EXHIBIT B COMPENSATION

Contract payment terms will be the following:

1/1/16 thru 12/31/17: \$25,200 equal to \$1,050.00 monthly

1/1/18 thru 12/31/18: \$12,975 equal to \$1,081.25 monthly

EXHIBIT C
CERTIFICATION OF CONSULTANT

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

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

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

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

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

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

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

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

(b) Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice the subcontractor does not stop employing or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

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

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

EXHIBIT D

FORM OF CHANGE ORDER

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

CHANGE IN SCOPE OF SERVICES (describe):
--

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

APPROVED:	APPROVED:
By: _____	By: _____
Authority	Consultant

FORM OF CHANGE ORDER

Change Order No: 01-2015	Date Issued: 10/16/15
Name of Agreement: Community Center Exterior Painting	
Date of Agreement: 9/8/2015	Authority: Beebe Draw Farms Authority
Other Party/Parties: Flawless Painting, LLC	

CHANGE IN SCOPE OF SERVICES (describe):

Staining of additional logs at community entrance and pool area.

CHANGE IN AGREEMENT PRICE:

Original Price:

\$4,600.00

Increase of this Change Order:

\$1,950.00

Price with all Approved Change Orders:

\$6,550.00

CHANGE IN TERM OF AGREEMENT:

Original Term:

satisfactory completion of services

New Term:

satisfactory completion of services

Agreement Time with all Approved Change Orders:

APPROVED:

By:

[Signature]
Authority

APPROVED:

By:

FLAWLESS PAINTING LLC
MILOS GARRALA 303.827.1671
Consultant

RESOLUTION NO. 2015-11-01

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BEEBE DRAW FARMS AUTHORITY
REGARDING THE RETENTION AND DISPOSAL OF PUBLIC RECORDS AND
ADOPTING A PUBLIC RECORDS RETENTION SCHEDULE**

A. Beebe Draw Farms Authority (the “**Authority**”) is a quasi-municipal corporation and political subdivision of the State of Colorado.

B. The Authority recognizes a need for a comprehensive records retention policy and schedule for the Authority’s non-permanent records and the retention of those records that have long-term administrative, fiscal and historical value including, but not limited to those described in Section 24-80-101, C.R.S., as may be amended from time to time (“**Records**”).

C. Under the authority granted by Part 1, Article 80, Title 24, C.R.S, the Colorado State Archives, Division of the Department of Personnel, has created a records retention schedule for Colorado special districts, as may be amended from time to time, for use by special districts, which sets forth a timeline for retaining the Records (“**Retention Schedule**”).

D. The Authority desires to set forth in this Resolution the policy with regard to the retention of the Records of the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Beebe Draw Farms Authority, Weld County, Colorado:

1. The Authority hereby adopts the Retention Schedule, as the Authority’s minimum standard for the retention of the Records.

2. The Official Custodian as defined and designated by the Authority’s Resolution Regarding Colorado Open Records Act Requests, as such resolution may be amended from time to time, shall also maintain a copy of the Retention Schedule on file for review and distribution, as necessary.

3. The Official Custodian is hereby authorized to retain the Records in accordance with the Retention Schedule.

4. No Records may be destroyed pursuant to the Retention Schedule, so long as such Records pertain to any pending legal case, claim, action or audit involving the Authority or if the Authority’s general counsel determines such Records should be retained for other purposes. Further, if the Official Custodian is unsure whether any Records should be destroyed, the Official Custodian may contact the Authority’s general counsel for advice, prior to destruction of said Records.

5. Records of the Authority shall be destroyed using secure methods of destruction.

RESOLUTION ADOPTED AND APPROVED on November 10, 2015.

BEEBE DRAW FARMS AUTHORITY

By: _____
President

Attest:

Secretary

L. PAUL GOEDECKE P.C.

CERTIFIED PUBLIC ACCOUNTANTS

950 WADSWORTH BLVD.
SUITE 204
LAKEWOOD, COLORADO 80214
TELEPHONE (303) 232 2866
FAX (303) 232-9452
lpacpa@qwestoffice.net

October 7, 2015

Board of Directors
Beebe Draw Farms Authority

c/o: Special District Management Services, Inc.
141 Union Blvd., Suite 150
Lakewood, CO 80228

We are pleased to confirm our understanding of the services we are to provide Beebe Draw Farms Authority for the year ended December 31, 2015. We will audit the financial statements of the governmental activities, the business-type activities (if applicable), each major fund and the aggregate remaining fund information, which collectively comprise Beebe Draw Farms Authority's basic financial statements, as of and for the year ended December 31, 2015.

Audit Objective

The objective of our audit is the expression of an opinion as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the first paragraph when considered in relation to the financial statements taken as a whole. Our audit will be conducted in accordance with U.S. generally accepted auditing standards and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the financial statements is other than unqualified, we will fully discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for making all financial records and related information available to us. We understand that you will provide us with such information required for our audit and that you are responsible for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you.

That responsibility includes the establishment and maintenance of adequate records and effective internal control over financial reporting, the selection and application of accounting principles, and the safeguarding of assets. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud could have a material effect on the financial statements. You are also responsible for informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform you of any material errors that come to our attention, and we will inform you of any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to matters that might arise during any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will also require certain written representations from you about the financial statements and related matters.

Audit Procedures—Compliance

Identifying and ensuring that Beebe Draw Farms Authority complies with laws, regulations, contracts, and agreements is the responsibility of management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Beebe Draw Farms Authority's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Audit Procedures—Internal Control

In planning and performing our audits, we will consider the internal control sufficient to plan the audit in order to determine the nature, timing, and extent of our auditing procedures for the purpose of expressing our opinion on Beebe Draw Farms Authority's financial statements.

An audit is not designed to provide assurance on internal control or to identify reportable conditions. However, we will inform the governing body or audit committee of any matters involving internal control and its operation that we consider to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control that, in our judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements.

Audit Administration, Fees, and Other

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, typing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed \$5,000.00. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

L. Paul Goedecke, P.C. certifies that as of the date of this letter, it does not knowingly employ or contract with an illegal alien who will perform work under this agreement and that we will participate in the E-Verify Program or Department Program (as defined in Sections 8-17.5-101(3.3) and (3.7), C.R.S.) in order to confirm the employment eligibility of all employees who are newly hired to perform work under this agreement. If we fail to comply with any provision of C.R.S. 8-17.5-102 (2) the District may terminate this agreement for breach of contract, and we shall be liable for actual and consequential damages to the District. We shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to C.R.S. 8-117-102(5).

If and only to the extent this engagement constitutes a "sole source government contract" within the meaning of Article XXVIII of the constitution of the State of Colorado, then the provisions of Sections 15 through 17 of Article XXVIII ("Amendment 54") are hereby incorporated into this letter agreement, and we shall comply with the provisions of Amendment 54. If any provision or provisions of Amendment 54 are held to be unconstitutional or otherwise invalid by a court of competent jurisdiction in a non-appealable action, have been repealed retroactively or otherwise do not apply to this letter agreement, such provision or provisions shall no longer be incorporated herein and we shall have no obligations under such provision or provisions.

We appreciate the opportunity to be of service to Beebe Draw Farms Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Respectfully,

L. Paul Goedecke P.C.

L. Paul Goedecke P.C.

RESPONSE:

This letter correctly sets forth the understanding of Beebe Draw Farms Authority.

By: _____

Title: _____

Date: _____

BEEBE DRAW FARMS AUTHORITY
GENERAL FUND
2016 Preliminary Budget
with 2014 Actual, 2015 Adopted, 2015 Estimated

	2014 Actual	01/15 - 10/15 YTD Actual	2015 Adopted Budget	2015 Estimated	2016 Preliminary Capital R&R **	2016 Preliminary Discretionary Fund **	2016 Preliminary O&M Reserve Fund **	2016 Preliminary O&M Budget
150100 BEGINNING FUND BALANCE	477,770	493,149	495,346	493,149	125,604	57,350	290,000	-
REVENUE								
152500 Fishing Permits	10	10	10	10				10
153000 Developer Rent	1,421	1,501	1,500	1,501				1,543
153400 Lake Christina Rental Fee	-	-	-					
153500 Pool Fees	3,859	4,125	4,000	4,125				4,000
154000 RV Parking Fees	1,988	1,850	2,000	1,850				2,000
Community Center Rental Fee	-	-	-	-				
154500 Tap Fees	-	-	-					
156000 Interest	792	363	500	500				500
156510 O&M Reserve Fund	-	-	-					
156512 Discretionary Fund	-	-	-					
156514 Cap. Rep. & Repl. Res. Fund	-	-	-					
157500 Other Income	2,653	3,444	-	4,000				5,000
157510 Oil and Gas Other Revenue	1,905	504	-	550				500
158004 Exclusion Cost Reimbursements	-	-	-					
159500 Transfer From Dist. No. 1	87,719	-	99,770	99,770				69,322
159502 Transfer from District 2	349,012	-	387,922	387,922				360,247
159505 Trans. for O&M	-	487,692	-					
159510 Cons. Trust Transfer	-	-	-					
159520 Transfer from Infrastructure	53,355	-	-					
159530 Transfer from Amenities	43,339	30,000	30,000	30,000			30,000	
159700 Loan Repayment	-	-	-					
CY accruals for fund balance reservations	-	-	-		50,149	22,277	-	
Total Revenue	546,053	529,487	525,702	530,228	50,149	22,277	30,000	443,122
Total Funds Available	1,023,823	1,022,637	1,021,048	1,023,377	175,754	79,627	320,000	443,122

BEEBE DRAW FARMS AUTHORITY
GENERAL FUND
2016 Preliminary Budget
with 2014 Actual, 2015 Adopted, 2015 Estimated

2014	01/15 - 10/15	2015	2015	2016	2016	2016	2016
Actual	YTD Actual	Adopted Budget	Estimated	Preliminary Capital R&R **	Preliminary Discretionary Fund **	Preliminary O&M Reserve Fund **	Preliminary O&M Budget

EXPENDITURES**O&M - General and Administrative**

161400	Accounting	23,972	23,775	23,000	28,422				25,000
161500	Audit Fees	5,763	6,311	8,500	6,311				6,000
162000	Director's Fees	3,900	3,600	4,800	4,800				4,800
162500	Payroll Taxes	4,785	4,046	367	4,500				5,110
164800	Miscellaneous	6,742	5,071	5,000	5,500				5,000
167000	Insurance and Bonds	13,193	14,030	14,500	14,030				16,033
167500	Legal Services	44,576	25,744	35,000	34,270				35,000
167510	Legal services - Oil and gas	4,382	3,604	10,000	10,000				10,000
167900	Statutory Compliance	50	-	-	-				-
168000	Management	31,335	26,958	45,000	38,000				40,000
168020	Project Management	10,164	5,337	14,000	8,000				10,000
168030	Property Manager	42,368	-	-	-				-
168040	Seasonal Help	9,163	-	-	-				-
168050	Property Mgmt Wages	-	32,989	55,000	49,484				52,000
168100	Engineering	-	19,425	7,000	20,000				12,000
	Admin staff	-	-	-	-				10,000

Total General and Administrative	200,393	170,889	222,167	223,317	-	-	-	230,943
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BEEBE DRAW FARMS AUTHORITY
GENERAL FUND
2016 Preliminary Budget
with 2014 Actual, 2015 Adopted, 2015 Estimated

2014 Actual	01/15 - 10/15 YTD Actual	2015 Adopted Budget	2015 Estimated	2016 Preliminary Capital R&R **	2016 Preliminary Discretionary Fund **	2016 Preliminary O&M Reserve Fund **	2016 Preliminary O&M Budget
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O&M - Physical Facilities

171100	Community Center/Gatehouse	3,897	3,666	7,000	10,000				5,000
171200	Equestrian Facility	-	233	3,000	500				1,500
171300	Ground Lease	2,500	2,500	2,500	2,500				2,500
171400	Nature Preserve	475	-	2,500	2,000				5,000
171500	RV Storage	-	-	1,000	-				1,500
171700	Sport Court	326	-	1,500	500				1,500
171900	Utilities	24,182	15,816	23,000	23,000				24,000
Total Physical Facilities		31,380	22,215	40,500	38,500	-	-	-	41,000

O&M - Aquatic Facilities

172200	Community Pool	15,868	25,361	19,500	26,000				19,500
172300	Floating Docks	-	-	5,000	-				5,000
154600	Reservoir Lease Rev.	(38,633)	(39,666)	(39,600)	(39,666)				(40,765)
168400	Reservoir Lease	42,926	44,074	44,000	44,074				45,298
172400	Lake Christina/Fish Stocking	9,000	-	7,500	7,500				7,500
172500	Marina	-	-	500	-				500
173600	Reservoir/Marina	-	245	-	245				500
172700	Pool and tile repair	9,996	1,976	-	5,000				-
172800	Lake Christina Mntc/Habitat	-	-	2,000	-				25,000
Total Aquatic Facilities		39,157	31,989	38,900	43,153	-	-	-	62,533

BEEBE DRAW FARMS AUTHORITY
GENERAL FUND
2016 Preliminary Budget
with 2014 Actual, 2015 Adopted, 2015 Estimated

2014 Actual	01/15 - 10/15 YTD Actual	2015 Adopted Budget	2015 Estimated	2016 Preliminary Capital R&R **	2016 Preliminary Discretionary Fund **	2016 Preliminary O&M Reserve Fund **	2016 Preliminary O&M Budget
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O&M - Parks and Open Space

173500	Park/Recreation Facilities	313	-	1,000	-				1,000
173510	Landscaping Improvements	-	-	5,000	5,000				7,500
173700	Signage	-	184	500	500				500
174610	Play Equipment	-	-	1,000	-				2,500
174700	Cross County Riding Course	-	-	1,000	-				1,000
174800	Landscape Maintenance	15,831	17,742	18,500	24,000				21,000
174900	Mosquito Control	10,650	10,650	10,000	10,650				11,725
175100	Open Space Maintenance	-	-	1,000	-				1,000
175300	Rodent Control	21,493	491	3,100	600				6,500
175400	Weed and Insect Control	5,014	28	7,500	1,000				2,000
	Community Garden	-	-	-	-				-
175500	Tree Maintenance	4,815	7,895	9,500	9,500				9,500
Total Parks and Open Space		58,114	36,990	58,100	51,250	-	-	-	64,225

BEEBE DRAW FARMS AUTHORITY

GENERAL FUND
2016 Preliminary Budget
with 2014 Actual, 2015 Adopted, 2015 Estimated

2014 Actual	01/15 - 10/15 YTD Actual	2015 Adopted Budget	2015 Estimated	2016 Preliminary Capital R&R **	2016 Preliminary Discretionary Fund **	2016 Preliminary O&M Reserve Fund **	2016 Preliminary O&M Budget
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O&M - Roads, Trails and Ditches

176200	Riding/Walking Trails	-	-	750	-				750
176210	Nature Trail at Lake Christina	-	-	5,000	-				1,500
176300	Road Maintenance - Dirt	-	-	500	-				500
176400	Road Maintenance - Paved	3,648	1,223	8,000	1,223	-			8,000
177200	Signage	115	-	200	-				200
Total Roads, Trails and Ditches		3,763	1,223	14,450	1,223	-	-	-	10,950

O&M - Other Expenses

166000	Other Repairs/Maintenance	9,479	11,279	5,000	15,000				10,000
166200	Public Relations	-	-	2,500	-				2,500
166900	Vehicle/Equipment	10,652	31,870	28,000	32,000				8,000
169000	Capital Repl. and Res.	80,197	87,861	115,000	96,000	47,500			-
169100	Discretionary Funds	1,117	9,025	85,351	28,000		-		

BEEBE DRAW FARMS AUTHORITY
GENERAL FUND
2016 Preliminary Budget
with 2014 Actual, 2015 Adopted, 2015 Estimated

		2014 Actual	01/15 - 10/15 YTD Actual	2015 Adopted Budget	2015 Estimated	2016 Preliminary Capital R&R **	2016 Preliminary Discretionary Fund **	2016 Preliminary O&M Reserve Fund **	2016 Preliminary O&M Budget
179501	Capital R&R Contingency	-	-	-		25,000			
179502	Discretionary Fund Contingency	-	-	-			79,627		
	Total Other Expenses	101,445	140,036	235,851	171,000	72,500	79,627	-	20,500
	Total O&M Expenditures	434,251	403,341	609,968	528,443	72,500	79,627	-	430,151
179010	Trans. to Infrastructure Fund	77,138	-	-	-	-	-	-	-
179020	Trans. to Amenities Fund	19,285	-	-	-	-	-	-	-
169800	Emergency Reserve	-	-	12,281	-	-	-	-	12,905
	Other Transfers & Expenditures	96,423	-	12,281	-	-	-	-	12,971
	Total Expenditures Requiring Appropriation	530,674	403,341	622,249	528,443	72,500	79,627	-	443,122
	O&M Reserve Fund - Restricted	-	290,000	290,000	290,000	-	-	-	-
	Capital Repair & Replacement Reserve Fund -	-	169,239	108,800	125,604	-	-	-	-
	Discretionary Fund - Restricted	-	63,448	-	57,350	-	-	-	-
	Undesignated	-	-	-	21,979	-	-	-	-
	ENDING FUND BALANCE	493,149	619,295	398,800	494,934	103,254	(0)	320,000	-

** - See attached Fund Balance analysis for details relating to beginning and ending estimated balances.

BEEBE DRAW FARMS AUTHORITY

INFRASTRUCTURE PROJECTS FUND

2016 Preliminary Budget

with 2014 Actual, 2015 Adopted, 2015 Estimated

	2014 Actual	01/15 - 10/15 YTD Actual	2015 Adopted Budget	2015 Estimated	2016 Preliminary Budget
350100 BEGINNING FUND BALANCE	4,677,666	4,551,801	4,135,856	4,551,801	5,327,316
REVENUE					
356000 Interest	6,932	3,832	-	4,500	-
357000 Water Tap Fees	10,000	100,000	-	80,000	120,000
359600 Transfer from General Fund	77,138	-	-	-	-
359610 Transfer from Dist. No. 1	173,594	30,833	159,394	30,833	40,904
359620 Transfer from Dist. No. 2	959,548	880,182	941,281	880,182	660,007
Total Revenue	1,227,212	1,014,847	1,100,675	995,515	820,911
Total Funds Available	5,904,878	5,566,648	5,236,531	5,547,316	6,148,227
EXPENDITURES					
376800 Infrastructure	1,197,692	108,233	450,000	110,000	1,280,000
377000 Engineering/Planning	98,292	82,784	250,000	110,000	400,000
377200 Street Signage	3,738	-	5,000	-	10,000
379000 Transfer to General Fund	53,355	-	-	-	-
379500 Contingency	-	-	4,531,531	-	4,458,227
Total Infrastructure	1,353,076	191,017	5,236,531	220,000	6,148,227
Total Expenditures Requiring Appropriation	1,353,076	191,017	5,236,531	220,000	6,148,227
ENDING FUND BALANCE	4,551,801	5,375,631	-	5,327,316	-

NOTE: In 2016, the Authority is planning on constructing infrastructure for 32 lots in filing no. 2 at a total estimated cost of \$1,280,000. Funding for the project will come from the Infrastructure Fund.

BEEBE DRAW FARMS AUTHORITY

AMENITIES PROJECT FUND

2016 Preliminary Budget

with 2014 Actual, 2015 Adopted, 2015 Estimated

	2014 Actual	01/15 - 10/15 YTD Actual	2015 Adopted Budget	2015 Estimated	2016 Preliminary Budget
450100 BEGINNING FUND BALANCE	1,187,518	1,359,805	1,252,380	1,359,805	1,172,685
REVENUE					
456000 Interest	1,861	1,157	-	1,500	-
459600 Transfer from General Fund	19,285	-	-	-	-
459610 Transfer from Dist. No. 1	43,399	7,708	39,849	7,708	10,226
459620 Transfer from Dist. No. 2	239,887	220,045	235,320	220,045	165,002
Total Revenue	304,431	228,911	275,169	229,253	175,228
Total Funds Available	1,491,949	1,588,716	1,527,549	1,589,058	1,347,913
EXPENDITURES					
472110 Community Center-Land	60,558	-	-	-	-
472120 Community Center-Legal	17,354	876	-	1,000	-
472130 Community Center-Architecture	-	-	-	6,000	-
472140 Community Center-Engineering	-	-	-	-	65,000
473500 Maintenance Facility Construction	-	1,325	650,000	172,100	650,000
473510 Maintenance Facility - Land	-	96,227	-	96,227	-
473520 Maintenance Facility - Legal	8,122	4,746	15,000	5,000	-
473540 Maintenance Facility - Architecture	2,772	60,046	55,000	106,046	-
479000 Transfer to General Fund	43,339	30,000	-	30,000	30,000
479500 Contingency	-	-	807,549	-	602,913
Total Amenities	132,144	193,219	1,527,549	416,373	1,347,913
Total Expenditures	132,144	193,219	1,527,549	416,373	1,347,913
Total Expenditures Requiring Appropriation	132,144	193,219	1,527,549	416,373	1,347,913
ENDING FUND BALANCE	1,359,805	1,395,497	-	1,172,685	-

NOTE: In 2016, the Authority is planning on completing the maintenance facility on 16498 Stoneleigh Road South. Funding for the project will come from the Amenities Fund.

**Beebe Draw Authority
Revenue Allocation
Projected 2016 Budget**

For 2016 Budget				
<u>District No. 1</u>				
Total Available	132,140			
<u>District No. 2</u>				
Total Available	1,245,994			
Grand Total	<u>1,378,134</u>			
Total O&M Expenditures requiring appropriation	443,056			
Capital R&R accrual for 2016	50,149			
Discretionary accrual for 2016	22,277	72,426.01		
Less: Other anticipated revenue	(13,553)			
Total Expenditures requiring funding	<u>501,929</u>			
O&M Available Funds				<i>D1/D2 Portion of Cap R&R and Disc. Funding</i>
District 1 portion to cover O&M, Cap R&R, and Discretionary	81,010	16.319 mills	0.161377	11,687.87
District 2 portion to cover O&M, Cap R&R, and Discretionary	420,985	16.319 mills	0.838623	60,738.14
Allocation of funds for O&M, Cap R&R and Discretionary	<u>501,995</u>			72,426.01
District 1 available funds	51,130			
District 2 available funds	825,009			
Total Available for Distribution between Infrastructure and Amenities	<u>876,139</u>			
District 1 - infrastructure contribution	40,904			
District 2 - infrastructure contribution	660,007			
Infrastructure Distribution (80%)	<u>700,911</u>			
District 1 - amenities contribution	10,226			
District 2 - amenities contribution	165,002			
Amenities Distribution (20%)	<u>175,228</u>			

CAPITAL RESERVE AND REPLACEMENT ANALYSIS
BEEBE DRAW FARMS METROPOLITAN DISTRICTS
The Authority

NOTE: This document was provided by Director Christine Hethcock during the 2012 budget process; it details how much the District should

	Road Reserve Fund	Other Reserve Fund	
BEGINNING FUNDS AVAILABLE	125,000.00	-	Trf frm D#2 Reserve Fund during Compliance Period
<i>O & M - Physical facilities</i>			
Equestrian facility	-	500.00	Paint BBQ, Shelter maint.
Ground Lease for arenas	-	-	
Nature preserve	-	3,112.58	Facilities R & R per RS Wells Schedule
Sport court	-	1,673.56	Every 5 year patching & surfacing
Community center/gatehouse	-	1,195.39	Every 5 year capital R&R
RV Storage	-	500.00	Regrade/R&R every 5 yrs
Subtotal Physical Facilities	-	6,981.53	
<i>O & M -Aquatic features</i>			
Milton Res. Lease with FRICO	-	-	
Floating docks	-	1,254.53	Replace every 10 yrs
Lake Christina (fish stocking/maint)	-	1,838.86	Dredge every 5 yrs
Marina	-	4,975.19	Dredging & R &R
Community pool	-	3,472.22	Resurface every 5 yrs & R &R
Subtotal Aquatic features	-	11,540.81	
<i>O & M - Parks and Open space</i>			
Multi purpose field	-	-	
General Landscape maintenance	-	-	
Play equipment	-	4,390.86	Replace Equip every 10 yrs
Open space maintenance	-	-	
Mosquito control	-	-	
Weed Control	-	-	
Rodent control	-	-	
Cross country riding course	-	500.00	R & R every 5 yrs jumps
Subtotal Parks & Open Space	-	4,890.86	
<i>O & M - Roads, trails and ditches</i>			
Riding and walking trails	-	1,666.67	Every 3 yr. resurface nature trail
Road Maintenance- Paved R&R	17,066.67		\$256K every 15 yrs
Road maintenance - Dirt	-	-	Prop Mngr maintains
Footbridges	-	377.53	Every 5 yrs replace
Subtotal Roads, Trails, & Ditches	17,066.67	2,044.19	
<i>O & M - Other current expenses</i>			
Other repairs/maintenance			
Vehicle/tractors/mowers	-	2,500.00	R & R equipment
Public Relations			
Subtotal Other O & M	-	2,500.00	
Total Operations & Maintenance (O & M)	17,066.67	27,957.39	45,024 2012 and forward yearly reserve funding**

Notes: Road Reserves are based on Empire Management Study dated 8/9/10

Other reserves are based on analysis prepared by RS Wells amended to include only infrastructure and amenities in place today.

As infrastructure & amenities are added, their impact will be added to the Capital Reserves. The AEA

has agreed to add \$200/lot/year to the Road reserves as lots are fully developed. The impact of new amenities will be determined

as part of the process of evaluating amenities to be built. The base default budget and the Capital Reserve and Replacement

budgets will be increased as new infrastructure or amenities are added plus a CPI adjustment

** - Base number; does not include annual CPI increase.

**Beebe Draw Farms Authority
Ending Fund Balances
2016 Budget**

	<u>Capital Reserve and Replacement</u>	<u>Discretionary Fund</u>	<u>O&M Reserve Fund</u>
Beginning Balances - 2011	125,000.00	20,000.00	200,000.00
Accruals - 2012			
Annual accrual of \$43,524 *	43,524.00	-	-
Annual accrual of \$20,000	-	20,000.00	-
Expenses - 2012			
Security One - pool card purchase	(8,814.00)	-	-
Rodent control expense	-	(9,150.00)	-
Revenues - 2012			
Estimated unused funding	-	-	-
Ending Balances - 2012	<u>159,710.00</u>	<u>30,850.00</u>	<u>200,000.00</u>
Accruals - 2013			
Annual accrual of \$44,291 *	44,290.89	-	-
Annual accrual of \$20,419 **	-	20,419.00	-
Estimated Expenses - 2013			
Tree replacement (Mingivar contract)	-	(7,500.00)	-
Revenues - 2013			
Transfer from Amenities Fund	-	-	30,000.00
Ending Balance - 2013	<u>204,000.89</u>	<u>43,769.00</u>	<u>230,000.00</u>
Accruals - 2014			
Annual accrual of \$45,897 *	45,896.88	-	-
Annual accrual of \$20,796 **	-	20,796.00	-
Estimated Expenses - 2014			
Pool furniture expense	(5,730.68)	-	-
Phase I of the chip seal project (A1 Chipseal)	(65,615.00)	-	-
Chip seal project (Empire Management)	(4,581.14)	-	-
Sign replacement	(4,269.00)	-	-
Defibrillator purchase (\$1,800-682.61=\$1,117.39)	-	(1,117.39)	-
Revenues - 2014			
Transfer from Amenities Fund	-	-	30,000.00
Ending Balance - 2014	<u>169,701.95</u>	<u>63,447.61</u>	<u>260,000.00</u>
Accruals - 2015			
Corrected annual accrual of \$48,794 *	48,794.29	-	-
One-time adjustment to Cap R&R accrual for incorrect calculation in prior years	3,108.19	-	-
Corrected annual accrual of \$21,372 **	-	21,674.79	-
One-time adjustment to Discretionary accrual for incorrect calculation in prior years	-	227.78	-
Transfer from Amenities Fund	-	-	30,000.00
Estimated Expenses - 2015			
Painting	(10,000.00)	-	-
New trees	-	-	-
Phase II of the chip seal project	(86,000.00)	-	-
RV park project	-	(28,000.00)	-
Capital R&R annual contingency	-	-	-
Discretionary fund contingency	-	-	-
Estimated Ending Balance - 2015	<u>125,604.43</u>	<u>57,350.18</u>	<u>290,000.00</u>
Accruals - 2016			
Corrected annual accrual of \$50,149.31 *	50,149.31	-	-
Corrected annual accrual of \$21,372 **	-	22,276.70	-
Transfer from Amenities Fund	-	-	30,000.00
Estimated Expenses - 2016			
New truck	(27,500.00)	-	-
Benches and tables near pavilion	(10,000.00)	-	-
New trees	(10,000.00)	-	-
Capital R&R annual contingency	(25,000.00)	-	-
Discretionary fund contingency	-	(79,626.88)	-
Estimated Ending Balance - 2016	<u>103,253.74</u>	<u>0.00</u>	<u>320,000.00</u>

NOTES:

* - Based on reserve analysis provided by Christine Hethcock (see Reserve Analysis tab). Subject to a CPI increase annually.

** - Per AEA, subject to a CPI increase annually.

RESOLUTION NO. 2015 - 11 - __

A RESOLUTION OF THE BOARD OF DIRECTORS
OF THE BEEBE DRAW FARMS AUTHORITY
TO ADOPT THE 2016 BUDGET AND APPROPRIATE SUMS OF MONEY

WHEREAS, the Board of Directors of the Beebe Draw Farms Authority ("Authority") has appointed the Authority Accountant to prepare and submit a proposed 2016 budget to the Board at the proper time; and

WHEREAS, the Authority Accountant has submitted a proposed budget to this Board on or before October 15, 2015, for its consideration; and

WHEREAS, upon due and proper notice, published or posted in accordance with the law, said proposed budget was open for inspection by the public at a designated place, a public hearing was held on November 10, 2015, and interested electors were given the opportunity to file or register any objections to said proposed budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, reserve transfers and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution ("TABOR") and other laws or obligations which are applicable to or binding upon the Authority; and

WHEREAS, whatever increases may have been made in the expenditures, like increases were added to the revenues so that the budget remains in balance, as required by law.

WHEREAS, the Board of Directors of the Authority has made provisions therein for revenues in an amount equal to or greater than the total proposed expenditures as set forth in said budget; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of the Authority.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Beebe Draw Farms Authority:

1. That the budget as submitted, amended, and summarized by fund, hereby is approved and adopted as the budget of the Beebe Draw Farms Authority for the 2016 fiscal year.
2. That the budget, as hereby approved and adopted, shall be certified by the Secretary of the Authority to all appropriate agencies and is made a part of the public records of the Authority.

3. That the sums set forth as the total expenditures of each fund in the budget attached hereto as **EXHIBIT A** and incorporated herein by reference are hereby appropriated from the revenues of each fund, within each fund, for the purposes stated.

ADOPTED this 10th day of November, 2015.

Secretary

(SEAL)

EXHIBIT A
(Budget)

I, Lisa A. Johnson, hereby certify that I am the duly appointed Secretary of the Beebe Draw Farms Authority, and that the foregoing is a true and correct copy of the budget for the budget year 2016, duly adopted at a meeting of the Board of Directors of the Beebe Draw Farms Authority held on November 10, 2015.

By: _____
Secretary



FIRSTBANK

10403 WEST COLFAX AVENUE LAKEWOOD, COLORADO 80215 303-232-2000

Entity Name Beebe Draw Farms Authority

Tax Identification Number [REDACTED]

The undersigned individual certifies the following:

The Board of Beebe Draw Farms Authority has entered into a contract with Special District Management Services, Inc. for accounting and management services.

The Board has approved and intends for Special District Management Services, Inc. to initiate and maintain a banking relationship with FirstBank, including opening accounts and arranging other bank services on behalf of the district. The following individuals have been authorized by the Board to act as signers on the FirstBank accounts as evidenced by the minutes of the most recent board meeting. The meeting minutes are attached.

Name	Title
<u>Paul Joseph Knopinski</u>	<u>President</u>
<u>Christine Hethcock</u>	<u>Vice President</u>
<u>Glen Adkins</u>	<u>Treasurer</u>
<u>Linda Cox</u>	<u>Assistant Secretary</u>
<u></u>	<u></u>

The board has granted authority to Special District Management Services, Inc. to request and execute signer changes for all accounts on behalf of the district. In the event that all account signers change at one time, Special District Management Services, Inc. will provide FirstBank with meeting minutes reflecting this action. As the minutes are not approved until the following board meeting, the minutes obtained initially and with subsequent changes will be in draft form.

The Board further certifies that any prior banking relationships established between Special District Management Services, Inc. on behalf of or in conjunction with the district and FirstBank have been authorized by the Board of Directors.

<u>Christine Hethcock</u>	<u>[Signature]</u>
Printed Name	Signature
<u>V.P.</u>	<u>9/8/15</u>
Title	Date

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
<u>Community Center Expansion</u>	03/08/11	Linda			X				<p>04/12/11 – Committee will meet on April 14, 2011 at 6 p.m. Four to five residents expressed interest in attending.</p> <p>05/10/11 – Linda Cox gave a report on the outcome of community meeting and presented a memo on the expansion of the community center. The Board asked the committee to share the information with Halcyon Design, LLC.</p> <p>06/3/11 – committee met with Halcyon Design (Kelly) and shared their information. Kelly will contact the committee when the work is complete.</p> <p>07/13/11 – committee meeting scheduled for July 21, 2011 at 7 p.m. Kelly will present 2 designs to the committee.</p> <p>08/04/11 – committee met and will present information to Authority Board in September.</p> <p>08/09/11 – The Board directed the committee to work with Halcyon Design, LLC to prepare a plan with elevations and then schedule a work session to present the information to the community.</p> <p>09/07/11 – Metro District/ POA Fall Pig Roast scheduled for 9/25/11 @ 5:00 pm where a presentation will be given on future Community Center Expansion</p> <p>09/25/11 – Community will preview sketches at Pig Roast.</p> <p>11/04/11 – Linda and Angie will give an update at the November board meeting.</p> <p>11/09/11 – Kelly to provide cost estimate of Phase 1, Phase 2 and full project. D1 will draft a survey to all residents soliciting input on future amenities.</p> <p>02/14/12 – Cost estimates were presented. Committee will prepare an FF&E estimate and report back to BOD. BOD decided to hold a work session in March to solicit</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>feedback from the community.</p> <p>04/18/12 – work session held. Expansion will be included in amenities survey that will be distributed to residents soon.</p> <p>10/09/12 – BOD directed staff to add to the November agenda discussions on the design and construction of a new maintenance facility as the first phase of the expansion of the community center.</p>
<p><u>Rules and Regulations Regarding Amenities</u></p> <ul style="list-style-type: none"> - <u>Enforcement of oil and gas property reclamation</u> - <u>Policy for mail room postings (who is responsible and how long should things remain)</u> - <u>Use of community of center and how to provide access</u> - <u>Rental of community center</u> 	08/14/12	Linda			X				<p>The Board will establish a resident committee to draft the Rules and Regulations. Joe to draft an email soliciting interest from community members and transmit to Liz for distribution.</p> <p>08/04/11 – email drafted and transmitted to residents. Jeff is the contact for interested parties.</p> <p>09/20/11 – Committee will be established in October 2011.</p> <p>12/13/11 – no new report.</p> <p>02/14/12 – no new report. Work in progress.</p> <p>04/18/12 – no new report.</p> <p>06/28/12 – no new report.</p> <p>07/10/12 – no new report.</p> <p>08/17/12 – Mike to establish a committee to create a process to solicit desires of community members and draft rules and regulations related to use of amenities. Include MaryAnn and T. Charles Wilson in review of draft rules.</p> <p>10/09/12 – Mike will schedule a meeting with the committee in the next 30 days.</p> <p>11/7/12 – Mike held meeting on October 25, 2012. He will provide a report at the November board meeting.</p> <p>12/12/12 – Mike will schedule another committee meeting.</p> <p>02/12/13 – Doug will meet with committee members to draft revisions to the current pool rules and will present</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>this information at the March board meeting.</p> <p>04/02/13 - Community meeting held on March 30, 2013 to solicit comments on current pool rules and regulations and suggestions for revisions.</p> <p>04/17/13 - BOD discussed the proposed revisions to the current rules and heard public comments. Doug will incorporate the suggested revisions into the document and present at the next board meeting.</p> <p>06/03/13 - 2013 pool rules have been revised and approved.</p> <p>07/07/15 - Board to appoint a committee to draft rules and regulations regarding Lake Christina.</p> <p>08/04/15 - Linda will solicit interest from the community to participate on a committee to draft rules and regulations related to amenities. Lisa and MaryAnn to provide examples of rules and regulations adopted by other districts or HOAs.</p>
<u>Lease at Milton Lake</u>	08/09/11	Joe Christine Elisabeth			X				<p>Joe, Christine and Jeff met with FRICO to discuss extending the term of the lease etc. They will schedule a follow-up meeting with FRICO to continue the discussions.</p> <p>11/09/11 - MaryAnn to draft an agreement with FRICO.</p> <p>12/13/11 - BOD directed MaryAnn to send FRICO the assignment of the lease to the Authority and ask them to execute and to request a meeting to discuss terms of the lease and expansion of use. BOD also directed staff to solicit proposals from Environmental Consultant.</p> <p>02/07/12 - MaryAnn has spoken with an Environmental consultant. Information that was received was transmitted to the Board. MaryAnn has also drafted the assignment to FRICO and transmitted it to FRICO for review and execution.</p> <p>04/18/12 - Geitner Environmental provided a report to the Board. BOD will review report and discuss further</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>at May meeting.</p> <p>06/14/12 – BOD decided to review the results of the amenities survey to determine desire by community for recreational use on Milton Lake before moving this agenda item forward.</p> <p>07/18/12 – Surveys sent to residents for response.</p> <p>11/7/12 – surveys complete. Boating on Milton Reservoir ranked in the top five most desirable amenities and it also ranked very high with negative votes. Community seems divided on this potential future amenity.</p> <p>06/10/14 – Christine will schedule a meeting with Barry Bowman and Doug Tabor to review the current lease and then schedule a meeting with FRICO.</p> <p>07/08/14 – Christine, Joe, Doug and Barry Bowman have a meeting scheduled with FRICO.</p> <p>8/18/14 – met with FRICO in August. Elisabeth to draft term sheet for renewal of lease and transmit to BOD for review.</p> <p>11/05/14 – draft term sheet completed and routed to BOD for discussion at November board meeting.</p> <p>11/11/14 – BOD discussed term sheet and suggested revisions. Elisabeth will revise accordingly and then send to BOD for final approval.</p> <p>2/4/15 – Elisabeth will incorporate final comments from Christine and then circulate to the Board for final review prior to requesting meeting with FRICO.</p> <p>3/3/15 – Elisabeth will research various documents for horsepower limitations and research the possibility of pontoon boats of @ 20hp.</p> <p>4/7/15 – Elisabeth has transmitted the term sheet to Barry Bowman for review and comment.</p> <p>06/01/15 – Elisabeth is working with Tamarack regarding the legal description of the hunting area to be</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>included in the new lease.</p> <p>07/07/15 – Christine in conjunction with Tamarack Consulting has prepared a map of the area.</p> <p>08/04/15 – Elisabeth to transmit draft agreement to FRICO and request a meeting.</p> <p>08/12/15 – Elisabeth will transmit the draft agreement and cover letter to Christine for final review prior to transmitting to FRICO.</p> <p>09/15/15 – Elisabeth transmitted draft documents to FRICO.</p>
<u>New Maintenance Facility</u>	10/08/13	Kelly Committee			X				<p>BOD approved a proposal from Tamarack Consulting to survey the land needed for the new maintenance facility. Lisa to draft change order. Joe to discuss specifics with Tim and Kelly. MaryAnn to work with Doug on County process. Tim to survey land within 30 days. BOD to review entire proposal at November meeting.</p> <p>11/18/13 – Staff and Doug has located a site within Filing 1 that may be suitable to construct a new maintenance facility. Tamarack is currently surveying the desired site.</p> <p>01/08/14 – Kelly commented at the December 2014 board meeting that the site identified to be acquired is in a good location to meet the needs of a new maintenance facility.</p> <p>01/14/14 – Kelly will prepare color elevations for Option B for February board meeting.</p> <p>02/11/14 – Kelly presented color elevations. BOD discussed funding. Next step is to schedule a community meeting in April.</p> <p>04/02/14 – community meeting is scheduled for April 12, 2014 at 9 am.</p> <p>06/04/14 – Kelly to continue to work with the County on the approval process. MaryAnn to work with Kelly</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>on the design/build concept and statutory requirements.</p> <p>06/10/14 - Kelly to work with MaryAnn on revisions to her proposal.</p> <p>07/08/14 - Kelly, Doug and Elizabeth have a meeting scheduled to discuss the proposal on July 9, 2014.</p> <p>08/18/14 - BOD approved addendum to AIA for design work. NTE \$51,802. \$500,000 limited liability for all but Civil and Structural engineer = \$1,000,000.</p> <p>10/01/14 - Addendum has been executed. Kelly has begun work.</p> <p>11/05/14 - Kelly updated the Board that due to setback requirements, the maintenance facility may not be able to be constructed on the preferred site. Kelly and Doug are working with the County to determine if the equipment and setbacks can be moved. Kelly has also provided two sketches to potentially use the existing community center and Lot 84 in conjunction to build a new community center and maintenance facility on the entire site.</p> <p>2/4/15 - . Kelly and the committee have identified two new sites located in Beebe Draw Farms Metropolitan District No.2 ("District No. 2"). She presented the sites to the Board via Google Earth map. The Board discussed both options. Christine will provide a map of District No. 2 that shows the lot layout in the vicinity of the two options to determine which, if any, option is viable. Map indicating two possible locations circulated to BOD for review prior to February meeting.</p> <p>3/3/15 - Christine sent options for lots to purchase to locate the new maintenance facility on.</p> <p>4/8/15 - BOD negotiated the purchase of Lot 153.</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>Kelly to confirm with the County that the maintenance facility can be constructed on the lot prior to Elisabeth drafting a Sale and Purchase Agreement for the lot.</p> <p>4/14/15 – Kelly received positive verbal feedback from the County regarding the location of the new maintenance facility. Elisabeth will contact Harold McCloud to obtain a verification of value/limited appraisal on the property.</p> <p>06/01/15 – Proposal from Harold McCloud was \$2500. The Board directed Elisabeth to obtain additional proposals.</p> <p>08/04/15 – Elisabeth has requested a proposal from Kennan Reinert for appraisal services. Kelly has prepared a change order in the amount of \$6,000 to cover the additional costs due to design changes (pre-engineered metal building to wood frame design) for the Board to approve at the August meeting.</p> <p>08/12/15 – BOD approved Halcyon Change Order in the amount of \$6,000. Kelly will prepare a first draft of a Request for Qualifications and then transmit to Elisabeth for review.</p> <p>09/02/15 – draft RFQ has been prepared and transmitted to Elisabeth for review.</p> <p>09/15/15 – Kelly submitted site plan review package to Weld County. Elisabeth to provide comments and revisions to RFQ and sample contract to Kelly.</p> <p>10/07/15 – RFQ finalized and published.</p> <p>10/23/15 – RFQ responses received. Kelly provided summary of responders to BOD.</p>
<u>Development of 36 Lots Construction</u>	03/11/14	Christine							<p>03/12/14 - Pre-construction meeting was held and the project will begin later this month. Christine to work with Mark to ask Fiore to use access other than Beebe Draw Farms Parkway. Mark to draft summary of</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>project. Lisa to distribute to community and post in mail room.</p> <p>05/07/14 – project is progressing. BOD will consider approval of change order nos. 1 and 2 at the May meeting.</p> <p>06/04/14 – BOD will consider approval of change orders 3-6 at June meeting.</p> <p>06/10/14 – BOD approved CO's 1-6. Project is almost complete.</p> <p>07/08/14 – BOD approved CO #7.</p> <p>8/18/14 – CO's # 7-11 approved.</p> <p>11/05/14 – CO's 12-14 were approved. Mark, Joe and Christine will meet with Fiore and Sons to discuss CO's 15, 17 and 19 and complete a punch walk.</p> <p>11/11/14 – Retainage payment was approved. Project is complete.</p> <p>2/4/15 – additional retainage payment was approved as well as CO # 15 and 16.</p> <p>3/3/15 – Fiore is working on re-locating the oil and gas access road.</p> <p>4/14/15 – Two trees were lost during the re-routing of the access road. The Infrastructure Fund will pay of the replacement of two trees.</p> <p>06/01/15 – Fiore and Sons contract is complete and final payment was made on May 29, 2015. Environmental Design to provide a proposal to repair the soil around the culvert pipe and install erosion control.</p> <p>07/07/15 – EDI proposal was approved for erosion control measures.</p> <p>08/04/15 – EDI completed erosion control work.</p> <p>08/12/15 – REI to re-seed certain lots due to dry utility installation.</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
<u>RV Storage Improvements</u>	02/10/15	Committee Dan Lisa			X				<p>Committee will gather cost estimates on the proposed RV Storage Improvements and present to the Board at the March meeting.</p> <p>4/8/15 – Committee will provide final cost estimates to the Board at the April meeting.</p> <p>4/14/15 - Committee will provide final cost estimates to the Board at the May meeting</p> <p>07/07/15 - Committee will provide final cost estimates to the Board at the July meeting.</p> <p>08/04/15 – Proposals were reviewed for fencing around expanded RV storage area. Fence Solutions was selected. MaryAnn drafted the service agreement. Lisa is working with Fence Solutions regarding insurance changes.</p> <p>08/12/15 – SDMS to work with D1 board members to summarize project and solicit costs associated with expansion of the RV storage facility to include fencing, grading, and road base. Lisa to provide options for funding of project. Lisa to contact Fence Solutions and communicate that their services will not be needed.</p> <p>09/02/15 – grading to be completed the week of August 31, 2015. Received proposal from Split Rail Fence Co. for the purchase and installation of fencing around expanded area.</p> <p>09/15/15 – grading complete. Fencing contract executed and contractor to work with Gary to schedule installation.</p> <p>10/07/15 – posts are sent in concrete. Split Rail will be out the week of October 5th to install the chain link fabric and barbed wire.</p>
<u>Two Horizontal Well Pads</u>	04/14/15	Harvey Christine Dufford & Brown			X				<p>04/14/15 – Christine is working with Encana on location and responsibility to maintain site. Taylor to complete view shed options. Dufford and Brown researching historical agreements related to drilling in</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									<p>Filing 1.</p> <p>08/04/15 - Christine is working with Encana to negotiate a service use agreement for fencing and landscaping along with other provisions.</p> <p>08/12/15 - Christine reported that Encana is proceeding with construction of the two well pads. Dufford and Brown provided a draft agreement to Christine and Tamarack for review and inclusion of specific terms related to this project. Harvey, Tamarack Consulting will attend the next meeting to give a presentation to the Board on the sites, landscaping, etc.</p> <p>09/15/15 - Harvey presented view shed plans and discussed what to expect should Encana move forward with the project. Harvey and Christine to continue negotiations with Encana on agreement.</p> <p>10/30/15 - Christine provided draft surface use agreement and she is working with Encana to finalize.</p>
<u>Investment Rates</u>	08/11/15	Lisa Divena			X				<p>08/12/15 - BOD reviewed investment rates and determined not to take any action at this time. BOD will revisit when 1) interest rates change or 2) after the first of the year. Also, SDMS to contact FirstBank and ask if they would increase the current interest rate to the Colotrust rate. If not, BOD authorized opening an account at Colotrust and moving funds to their liquid account.</p> <p>08/17/15 -Divena contacted 1stBank regarding request to increase current rate to Colotrust rate or higher.</p> <p>09/15/15 - Divena will revisit with the Board after the 2016 budget has been approved.</p>
<u>Pool Tile Repair</u>	08/11/15	Dan						X	<p>08/12/15 - Linda asked Dan to solicit a proposal from Peak One Pools for pool tile repairs.</p> <p>09/02/15 - proposal from Peak One received. Dan is awaiting one additional proposal.</p>

Beebe Draw Farms MD Nos. 1 & 2 and Authority Action Items Status Matrix (Updated 11/04/15)

Action Items	Date of Meeting	Assigned To	Priority	Not Started	In Process	Reoccurring	Follow up Required	Complete	Notes
									09/15/15 – Change Order with Peak One was approved. Dan communicated this to Peak One and will schedule the work after the pool closing. 09/17/15 – Pool tile will be delivered to the pool by September 22 nd . Peak One will begin the work the week of September 28 th . 10/30/15 – project complete.
<u>Staining of Community Center and Painting of Pool Shed</u>	08/11/15	Linda			X				08/12/15 – Linda has solicited a bid to stain the community center and paint the pool shed. She will share the information once she receives it. 09/02/15 – Dan received one proposal and forwarded to Linda for review. 09/15/15 – BOD approved an agreement with Flawless Painting. Dan transmitted agreement to the contractor for execution. 10/30/15 – CO 1 approved for additional work.
<u>Paving of Lots 153-158 and 168-175</u>	08/11/15	Christine Tamarack			X				08/12/15 – Solicitation of bids was published. Bids are due by end of August. BOD will consider award at September meeting. 09/15/15 – contract awarded to PLM Asphalt and Concrete.
<u>Budget Items and Future Projects for Consideration</u>		Authority				X			Costs and/or decisions for the following: 1. -Pool Lift to meet ADA requirements – on hold, Authority needs to develop a plan for addressing in future years once major structural changes are made to the pool. -Re-work irrigation system around sport court, not enough gpm to provide sufficient water to trees (were hand-watered all summer) -Landscape and Entryway Monumentation Project – possibly re-visit for 2015 budget.



ENGINEER'S REPORT

PROJECT: Beebe Draw Farms Authority

MEETING DATE: November 10, 2015

LOCATION: Pelican Lake Ranch Community Info & Sales Center

PURPOSE: Status Update

In an effort to increase communication between the Engineer, Developer and Board of Directors, we have prepared the following Engineer's Report. An updated report will be sent to the Authority Manager on a monthly basis for review at each board meeting.

Accomplished Since October 13, 2015 Board Meeting:

- Coordinated with PLM Asphalt and Concrete, Foresberg Engerman (surety agent) and McGeady Sisneros on the payment and performance bonds for the Stoneleigh Road Asphalt Project.
- Received performance and payment bonds from PLM and coordinated execution and delivery of fully-executed contract with PLM and the Beebe Draw Farms Authority team.
- Provided survey, construction staking, project management, construction management/supervision of entire asphalt project through completion of paving on Stoneleigh Road Asphalt Project.
- Organized and coordinated 3rd party testing of the Stoneleigh Road Asphalt Project.
- Received CD of digitized documents from the Clerk to the Board of Weld County.
- Revised preliminary timeline of documents and project history.
- Reviewed all on-site Planning Department files on this project.
- Prepared summary of documents as it relates to the issue of minimum lot size for Filing 2.
- Correspondence with Michelle Martin, Planning Department Manager, regarding Filing 2 project regarding questions and documents.
- Created binders and master list/index for all documents received from the Clerk and Recorder, Planning Department (to date) and Clerk to the Board of County Commissioners.
- Completed aerial topography, started utility locating for Filing 2.
- Set aerial panel markers, verified survey with existing monument control points and matched aerial topography with ground points.
- Marv Brown met with Linda Cox and Asphalt Specialties request regarding Weld County's construction on CR 39 and contacted the County's contractor regarding keeping their materials in their right-of-way.
- Correspondence with Weld County Health Department regarding septic systems and lot size.
- Met with Steve Hanson to share information on Filing 2 and determine next steps including Filing 2 lot layout.
- Completed and transmitted updated maintenance map.
- Weekly reports on new permitted and spudded permits completed and transmitted (weekly).
- Photographed the equestrian facilities and corresponded with Weld County regarding permitting for same.

Additional Notes:

- Continued research on lot size, septic systems, water/CBT shares, list of entities related to the Filing 2 project and reasons the project was unsuccessful previously.
- Continued review/verification of reliability of on-hand documents and collection of necessary documentation.
- Continued work on determining use and allotment for water wells.

Challenges:

- Working to compile a complete picture of this project from beginning to present, including all owners, consultants and other interested parties and collection and organization of all pertinent documents.
- Cul-de-sacs on north and south side of Stoneleigh Road were not originally constructed to the approved design radius. The shorter design radius would not allow for fire truck access.
- The existing road conditions were not constructed to approved design drawings and standards.

Challenges Overcome:

- Continued progress with the collection of documents and digitization and organization of same.
- Provided new alignment of edge of cul-de-sacs and worked with PLM to prepare subgrade, and pave extended widths of cul-de-sacs to allow for the full design radius to be constructed.
- Negotiated with PLM to get additional road base and revise the needs of the project based on the actual site conditions with minimal increase to the total bid price.

Upcoming Goals:

- Obtain pay application, any change orders, complete punch-list and finalize Stoneleigh Road Asphalt Project.
- Obtain, organize and share documents from all planning cases with Steve Hanson for Filing 2.
- Receive processed aerial topography, receive completed utility locating information and complete related field/office survey for Filing 2.
- Creation of revised base map with topo and location of water wells, oil and gas wells, existing lines and other structures for next meeting with Steve Hanson for use with lot and road layout.
- Determine if area in Section 15 can be added to the proposed Filing 2 area in Section 17 and, if not, what the client's options are.
- Identify which oil and gas companies have facilities in the Filing 2 proposed area.
- Identify neighbors (and obtain their contact information) for future meetings.
- Complete maintenance maps (pending comments from Doug Tabor).
- Work on permitting issues at the equestrian facilities.
- Creation of updated boundary maps for Beebe Draw Farms Metropolitan District Nos. 1 and 2 (pending collection of all necessary information).

Please feel free to call or e-mail with questions.

Sincerely,

Tamarack Consulting LLC

Collin Koranda, P.E.

**SERVICE AGREEMENT FOR
PELICAN LAKES PHASE 2 – FINAL ENTITLEMENTS**

THIS SERVICE AGREEMENT FOR **Pelican Lakes Phase 2 – Final Entitlements** (“Agreement”) is entered into and effective as of the 10th day of November, 2015, by and between **BEEBE DRAW FARMS AUTHORITY**, an authority and separate legal entity duly created pursuant to Section 29-1-203, Colorado Revised Statutes (“C.R.S.”) (the “Authority”), and **COLORADO RE** a Limited Liability Company (the “Consultant”) (each a “Party” and, collectively, the “Parties”).

RECITALS

WHEREAS, pursuant to that certain Authority Establishment Agreement dated April 12, 2011 between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2 (collectively, the “Districts”) (the “Establishment Agreement”), the Authority shall own, operate, maintain, finance and construct certain public improvements for the benefit of the Districts; and

WHEREAS, pursuant to the Establishment Agreement, the Authority is permitted to enter into contracts and agreements affecting the affairs of the Authority; and

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

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

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

I. CONSULTANT DUTIES AND AUTHORITY

1.1 Duties of Consultant. The Consultant shall:

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

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

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

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

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

1.2 Limitations on Authority.

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

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

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

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

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

1.6 Work Product. “Work Product” shall consist of all written materials maintained by the Consultant in connection with performance of this Agreement, including but not limited to all test results, logs, surveys, maps, plans, drawings, specifications, reports, PDF formatted electronic files and other documents, in whatever form. The Consultant shall maintain reproducible copies of any test results and logs which it obtains and shall make them available for the Authority’s use, and shall provide such copies to the Authority upon request at reasonable commercial printing rates. Consultant agrees all right, title and interest in the Work Product is and shall remain the property of the Authority. If requested by the Authority, Consultant shall execute and deliver such documents as shall be necessary in the Authority’s sole discretion, to assign, transfer and convey all rights in the Work Product to the Authority or its assignee. If Consultant fails to execute any documents required under this Section 1.6, then Consultant hereby irrevocably appoints the Authority its attorney-in-fact for the purpose of executing any required transfers of ownership or interests and any other documents necessary to effectuate this Section 1.6. Further, all Work Product, whether in paper or electronic form, reproductions thereof, or any information or instruments derived therefrom, shall be provided to the Authority immediately upon termination of this Agreement.

II. COMPENSATION

2.1 Compensation. The Consultant shall be paid as set forth in **Exhibit B** attached hereto, unless otherwise approved in advance by the Authority through a written change order in form substantially as attached hereto as **Exhibit D** (“Change Order”).

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

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

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

III. TERM AND TERMINATION

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

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

given to the Authority at least thirty (30) days prior to the effective date of such termination. Any termination notice provided pursuant to this Section 3.2 shall specify the extent of termination and the effective date of the same.

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

IV. INDEMNIFICATION AND INSURANCE

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

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

(a) Liability Insurance Coverage.

(i) Commercial General Liability Insurance. A Commercial General Liability Insurance Policy written on an occurrence basis, in form and substance reasonably acceptable to the Authority, which policy shall include, without limitation, the Authority as an additional insured, a waiver of subrogation endorsement in favor of the Authority, cross liability and severability of interest endorsements, endorsements providing that the coverage afforded by the insurance policy or policies is primary and non-contributing with any other insurance maintained by or available to the Authority, and appropriate language providing the following coverages: Premises and Operations Liability; Personal Injury Liability; Broad Form Property Damage Liability; Contractual Liability supporting the Consultant’s indemnification agreements in favor of the Authority;

Completed Operations and Products Liability; and Independent Contractor's Protective Liability. The Commercial General Liability Insurance Policy must be written with a combined single limit of liability of not less than \$1,000,000 for each occurrence of bodily injury and/or property damage and an annual aggregate of liability of not less than \$2,000,000 for bodily injury and/or property damage, and an annual aggregate of liability of not less than \$2,000,000 for Completed Operations and Products Liability.

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

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

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

(c) Effect of Approval or Acceptance of Insurance. Authority acceptance and/or approval of any or all of the insurances required hereunder does not and shall not be construed to relieve Consultant from any obligations, responsibilities or liabilities under this Agreement.

V. MISCELLANEOUS

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

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

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

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

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

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

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

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

To Authority:	Beebe Draw Farms Authority
	141 Union Boulevard, Suite 150
	Lakewood, Colorado 80228
	Phone: (303) 987-0835
	Fax: (303) 987-2032
	Email: ljohnson@sdmsi.com
	Attn: Lisa Johnson

With a Copy To:

McGeady Sisneros, P.C.
450 E. 17th Avenue, Suite 400
Denver, Colorado 80203
Phone: (303) 592-4380
Fax: (303) 592-4385
Email: mmcgeady@mcgeadysisneros.com
Attn: MaryAnn M. McGeady

To Consultant:

Colorado RE
1700 Peregrine Court
Broomfield, CO 80020
Phone: (720) 226-4397
Email: steve.hanson@coloradore.com
Attn: Steve Hanson

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

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

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

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

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

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

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

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

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO SERVICE AGREEMENT]

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

Consultant:

Colorado RE

By: _____

Its: _____

STATE OF COLORADO)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of _____.

Witness my hand and official seal.

My commission expires: _____

Notary Public

Authority:

BEEBE DRAW FARMS AUTHORITY

By: _____

President

STATE OF COLORADO)
) ss.
COUNTY OF)

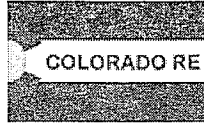
The foregoing instrument was acknowledged before me this ____ day of _____, 2015, by _____, as _____ of the Beebe Draw Farms Authority.

Witness my hand and official seal.

My commission expires: _____

Notary Public

EXHIBIT A
SCOPE OF SERVICES



Real Estate Solutions

SCOPE OF SERVICES

Date: 10/14/15

PROJECT

Pelican Lakes Phase 2 – Final Entitlements

SCOPE – Owner Representation

Provide owner representation for the Pelican Lakes Phase 2, as directed and authorized by Client to achieve entitlement approval.

Services as may be requested by client:

1. Evaluation of previous submittals to ascertain the course of action and program.
2. Meet with affected stake holders and Board of County Commissioners (BOCC) prior to submittal of plans to define critical issues to be addressed.
3. Assist in the evaluation and selection of consultants and team players.
4. Manage the approval process and scope of services of other team members with emphasis on specific scope of services, budgets and schedules.
5. Be lead contact as project manager for entitlements.

FEES

Hourly rate \$100.00

No added costs for mileage, in house printing, phone and normal business expenses.

Outside services billed to COLORADO RE at the direction of the Client, will be invoiced to the Client at cost plus 12%.

OTHER SERVICES (not included)

Construction Project Management

Real Estate Sales

COLORADO-RE

1700 Peregrine Court, Broomfield, CO 80020 - 720-226-4397 - www.colorado-re.com

EXHIBIT B
COMPENSATION



Real Estate Solutions

SCOPE OF SERVICES

Date: 10/14/15

PROJECT

Pelican Lakes Phase 2 – Final Entitlements

SCOPE – Owner Representation

Provide owner representation for the Pelican Lakes Phase 2, as directed and authorized by Client to achieve entitlement approval.

Services as may be requested by client:

1. Evaluation of previous submittals to ascertain the course of action and program.
2. Meet with affected stake holders and Board of County Commissioners (BOCC) prior to submittal of plans to define critical issues to be addressed.
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Hourly rate \$100.00

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OTHER SERVICES (not included)

Construction Project Management

Real Estate Sales

COLORADO-RE

1700 Peregrine Court, Broomfield, CO 80020 - 720-226-4397 - www.colorado-re.com

EXHIBIT C
CERTIFICATION OF CONSULTANT

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

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

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

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

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

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

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

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

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

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

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

EXHIBIT D
FORM OF CHANGE ORDER

Change Order No:	Date Issued:
Name of Agreement:	
Date of Agreement:	Authority:
Other Party/Parties:	

CHANGE IN SCOPE OF SERVICES (describe):
--

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

APPROVED:	APPROVED:
By: _____	By: _____
Authority	Consultant



141 Union Boulevard, Suite 150
Lakewood, CO 80228-1898
303-987-0835 • Fax: 303-987-2032

MEMORANDUM

TO: Board of Directors

FROM: Deborah D. McCoy
President

DATE: September 1, 2015

RE: Notice of 2016 Rate Increase

In accordance with the Management Agreement ("Agreement") between the District and Special District Management Services, Inc. ("SDMS"), at the time of the annual renewal of the Agreement, the hourly rate described in Article III for management services shall increase by the CPI (2.7%) per hour. Our current rates are \$130.00 per hour for management, administration and accounting. Field services are \$65 per hour and Utility Billing is \$60.00 per hour. We are limiting the increase to 1.5% rather than the full 2.7%. The new rates will be \$132.00/hr. and Field Services will be \$66.00/hr. At this time, no change will be made to the utility billing services rate of \$60.00 per hour.

We know this increase comes during challenging economic times but hope you will understand that, in order to keep up with the changes in technology and new laws and rules implemented by our legislature, it is necessary to increase our rates so that we may continue to provide the best and most efficient management services you expect from SDMS.