

**BEEBE DRAW FARMS AUTHORITY**  
8390 E. Crescent Pkwy., Suite 300  
Greenwood Village, Colorado 80111  
Tel: 303-779-5710 Fax: 303-779-0348

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

**NOTICE OF REGULAR MEETING AND AGENDA**

**DATE:** March 13, 2024

**TIME:** 6:00 p.m.

**LOCATION:** Hybrid Meeting:  
Facilities and Maintenance Building  
16494 Beebe Draw Farms Parkway  
Platteville, CO 80641  
Or via Microsoft Teams

You can attend the meetings in any of the following ways:

- ACCESS:**
1. To attend via Microsoft Teams Videoconference use the below link:  
[https://teams.microsoft.com/l/meetup-join/19%3ameeting\\_ZjEwN2Q0NmItMDMxYS00ZWRkLWFhODYtOGYyZDc2MGJhNGE0%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%225b9f6fa2-e9dd-42cc-bfd8-f7dd2ed196a6%22%7d](https://teams.microsoft.com/l/meetup-join/19%3ameeting_ZjEwN2Q0NmItMDMxYS00ZWRkLWFhODYtOGYyZDc2MGJhNGE0%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%225b9f6fa2-e9dd-42cc-bfd8-f7dd2ed196a6%22%7d)
  2. To attend via telephone, dial 720-547-5281 and enter the following Conference ID: 209 023 788#

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Sharon Dillon	President	June 2025
Paul “Joe” Knopinski	Vice President	June 2024
Diane Mead	Treasurer	June 2025
William Caldwell	Secretary	June 2024

**I. ADMINISTRATIVE MATTERS**

- A. Call to order and approval of agenda.
- B. Confirm quorum, location of meeting and posting of meeting notices.
- C. Present disclosures of potential conflicts of interest.
- D. Discuss regular meeting schedule for remainder 2024 due to two discussion requirement.

E. FIRST DISCUSSION:

1.

F. SECOND DISCUSSION:

1. Review and approve Minutes of the January 10, 2024 Regular Meeting (enclosure).

**II. PUBLIC COMMENT**

**III. FINANCIAL MATTERS**

A. FIRST DISCUSSION:

1. Review December 31, 2023 Unaudited Financial Statements (enclosure).
2. Review March 2024 Cash Position Schedule (enclosure).
3. Conduct Public Hearing on the proposed amended 2023 Authority Budget (enclosure).
4. Review payment of claims in the amount of \$1,080.06 (enclosure).

B. SECOND DISCUSSION:

1. Review and consider approval of payment of claims in the amount of \$79,264.90 (enclosure).

**IV. OPERATIONS & MAINTENANCE**

A. Update on pillar repairs at Sales and Info. Center.

B. FIRST DISCUSSION

1.

C. SECOND DISCUSSION:

1. Review and consider approval of proposal from Drexel Barrell & Co. for survey and civil engineering services related to Coleman Drainage matter (enclosure).

**V. CAPITAL AMENITIES**

A. Update on Broadband project.

B. Update on Beebe Draw Farms Parkway path project.

C. FIRST DISCUSSION:

1.

D. SECOND DISCUSSION:

1.

## **VI. INFRASTRUCTURE MATTERS**

A. FIRST DISCUSSION:

1.

B. SECOND DISCUSSION:

1. Review and consider acceptance of Cost Verification Report No. 6 prepared by Schedio Group (enclosure).

## **VII. LEGAL MATTERS**

A. FIRST DISCUSSION:

1.

B. SECOND DISCUSSION:

1. Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement and Promissory Note Securing Payment of Same with REI (enclosure).

2. Executive Session pursuant to Section 24-6-402(4)(b), C.R.S., to discuss pending legal matters related to the transfer of land to REI with general counsel.

## **VIII. OTHER BUSINESS**

## **IX. ADJOURNMENT**

**The next regularly scheduled meeting is May 7, 2024 at 6:00 p.m.**

**MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
BEEBE DRAW FARMS AUTHORITY  
HELD  
JANUARY 10, 2024**

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 Wednesday, January 10, 2024, at 6:00 p.m. This meeting was a hybrid meeting held via Microsoft Teams and at the Pelican Lake Ranch Community Info & Sales Center, 16502 Beebe Draw Farms Pkwy. Platteville, CO. The meeting was open to the public.

ATTENDANCE

**Directors In Attendance Were:**

- Sharon Dillon, President
- Paul “Joe” Knopinski, Vice President
- Diane Mead, Treasurer
- William Caldwell, Secretary

**Also In Attendance Were:**

- Lisa Johnson; CliftonLarsonAllen LLP
- Alan Pogue, Esq.; Icenogle Seaver Pogue, P.C.
- Christine Hethcock, Crystal Clark, Linda Black, Carol Satersmoen, Patty Caldwell, Dory Martin, Ed and Mary Jo Farrell, Scott Edgar, Cindy Billinger, Gerry Tschirpke, Judy Tunis, Roy Wandell, Cindy Key, Catrena Rosentreader, Chris Craver and other members of the public.

ADMINISTRATIVE  
MATTERS

**Call to Order and Agenda:** The meeting was called to order at 5:08 p.m. Following discussion, upon a motion duly made by Director Knopinski, seconded by Director Mead and, upon vote, unanimously carried, the Board approved the agenda, as presented.

**Confirm Quorum, Location of Meeting and Posting of Meeting Notice:** The presence of a quorum was confirmed. It was further noted that notice of the time, date and location was duly posted and that no objections to the location or any requests that the meeting place be changed by taxing electors within the District’s boundaries have been received.

**Disclosures of Potential Conflicts of Interest:** The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board and to the Secretary of State. The members of the Board were requested to 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 statute. It was noted by Attorney Pogue that disclosures of potential conflicts of interest were filed with the Secretary of State for all directors, and no additional conflicts were disclosed

at the meeting.

**Board Meetings at Facilities and Maintenance Building 16494 Beebe Draw Farms Parkway Platteville, CO 80651. Resolution No. 2024-01-01 First Amendment to 2024 Meeting Resolution:** Ms. Johnson presented the Resolution to the Board. Following review, upon a motion duly made by Director Knopinski, seconded by Director Caldwell and, upon vote, unanimously carried, the Board approved holding Board meetings at the Facilities and Maintenance Building, 16494 Beebe Draw Farms Parkway Platteville, CO 80651, and adopted Resolution No. 2024-01-01 First Amendment to 2024 Meeting Resolution, as presented.

**Constituent Communications and Requests to Management, Accounting and Legal:** Director Dillon presented the constituents communications and requests to the Board, reminding the attendees that communications to consulting staff from constituents do increase the consulting fees to the Authority. She requested constituents contact her and or Director Caldwell first with any concerns or questions.

**FIRST READING:** None.

**SECOND READING:** None.

**EMERGENCY READING:** None.

**CONSENT AGENDA**

The Board considered the following items and actions:

- Approve Minutes of the November 8, 2023 Regular Meeting
- Ratify approval of payment of claims totaling \$370,850.58
- Acceptance of Cash Position Schedule
- Acknowledge AV Equipment Gift from POA and the Installation of Same

The Board reviewed the Consent Agenda items. Following review, upon motion duly made by Director Knopinski, seconded by Director Dillon and, upon vote, unanimously carried, the Board approved, ratified approval of and/or accepted the Consent Agenda items as presented.

**PUBLIC COMMENT**

Judy Tunis addressed the Board regarding the current lease for use of the Sales and Info Center. She then addressed the Board regarding the land conveyance concern.

Crystal Clark addressed the Board regarding the expense of the potential land conveyance and asked if the insurance for the Authority will be contacted about this and a claim filed. She asked if a community meeting could be held regarding the land conveyance issue.

Linda Black addressed the Board regarding the insurance option mentioned by Ms. Clark. She encouraged the Authority Board and Mr. Edgar to provide the community with a timeline on when this issue will be addressed and resolved.

Carol Satersmoen addressed the Board regarding the current state of the Authority website and asked if updates could be made. She also asked about the beavers at Lake Christina. She suggested the Board consider preparing a Wildlife Management Policy.

FINANCIAL  
MATTERS

**FIRST READING:** None.

**SECOND READING:**

**Fee Committee Recommendations for 2024 Fees. Resolution No. 2024-01-02 to Adopt 2024 Fee Schedule:** Ms. Clark presented the recommendations for fee changes in 2024 to the Board. Following review, upon a motion duly made by Director Dillon, seconded by Director Knopinski and, upon vote, unanimously carried, the Board adopted the Resolution No. 2024-01-02 to Adopt 2024 Fee Schedule, as presented.

**EMERGENCY READING:** None.

OPERATIONS AND  
MAINTENANCE

**FIRST READING:**

**Proposals for 2024 Road Maintenance:** The Board discussed the proposals from T Case for road maintenance in the amount of \$31,425. No action was taken.

**SECOND READING:** None.

**EMERGENCY READING:**

**Proposals from Big Horn Buildings LLC and Fossil Creek Builders to Repair Pillars at Sales and Info. Center Facility:** Ms. Johnson presented the proposals to the Board. Director Caldwell provided additional information on the proposals and his agreement with this being considered as an emergency reading as this issue is considered a safety concern at the Sales and Info. Center.

Following review, upon a motion duly made by Director Dillon, seconded by Director Caldwell and, upon vote, unanimously carried, the Board approved the proposal from Big Horn Buildings LLC to repair pillars at Sales and Info. Center Facility and directed legal counsel to draft an agreement.

CAPITAL AMENITIES

**Broadband Project:** Mr. Farrell provided an update on the project to the Board, noting that Hilltop Broadband continues to wait for the application window to open again for grant funds. It was noted that certification of need has been completed.

**FIRST READING:** None.

**SECOND READING:** None.

**EMERGENCY READING:**

**Change Order No. 1 to the Construction Contract with Fossil Creek Builders to Install 2 New Culverts:** Ms. Johnson presented the reason for adding this as an emergency reading due to the timing of the next Board meeting in relation to the completion of the path project. It was noted that waiting until March could cause the project to not be completed on time and therefore increase the overall cost. Mr. Caldwell summarized the change order and the need to install the two new culverts.

Following discussion, upon a motion duly made by Director Dillon, seconded by Director Caldwell and, upon vote, unanimously carried, the Board approved the Change Order No. 1 to the Construction Contract with Fossil Creek Builders to install 2 new culverts.

INFRASTRUCTURE MATTERS

**Filing No. 2:** Ms. Hethcock provided an update for the Board, noting that Filing No. 2 was submitted to Weld County staff for review a few weeks ago.

**FIRST READING:**

**Cost Verification Report No. 4 Prepared by Schedio Group:** The Board reviewed the Cost Verification Report No. 4 prepared by Schedio Group. No action was taken.

**Cost Verification Report No. 5 prepared by Schedio Group:** The Board reviewed the Cost Verification Report No. 5 prepared by Schedio Group. No action was taken.

**SECOND READING:**

**Cost Verification Report No. 3 prepared by Schedio Group:** Following review, upon a motion duly made by Director Knopinski, seconded by Director Mead and, upon vote, unanimously carried, the Board accepted the Cost Verification Report No. 3 prepared by Schedio Group.

**EMERGENCY READING:** None.

**LEGAL MATTERS**

**Authority Establishment Agreement (AEA) Regarding Items Requiring Action to be Discussed at Two Meetings:** Attorney Pogue discussed the language in the AEA related to the requirement that all matters that require approval from the Board require discussion at two meetings prior to taking action with the exception of the pledge agreements. Attorney Pogue and Ms. Johnson discussed this matter in detail and suggest a few options for Board consideration:

1. Every matter requiring action by the Board would need to be discussed at two meetings prior to action other than items deemed to be an emergency. The suggestion would be that the Board would meet twice monthly to accomplish this.
2. The Board could prepare a list of matters that do not require discussion at two meetings and those matters can be approved via a consent agenda.
3. An amendment to the AEA could be prepared to more clearly define the two-meeting discussion rule requirement.

Director Knopinski provided comments on what he feels the intent of this requirement was at the time the AEA was approved.

Director Dillon commented that she is not in favor of not adhering to the terms of the AEA. She would agree to an amendment to the AEA but if the Board is going to amend the AEA then she has other items in the AEA that she would like to see amended. She would be willing to review a list of items that might be exempt from the requirement.

Director Caldwell provided his comments in that he does not feel that waiting two months to hire a contractor to do time sensitive work is reasonable.

**FIRST READING:** None.

**SECOND READING:**

**Amended and Restated Improvement Acquisition, Advance, and Reimbursement Agreement and Promissory Note Securing Payment of Same with REI:** Attorney Pogue presented the agreement to the Board. Following review, upon a motion duly made by Director Knopinski, seconded by Director Mead and, upon vote, with Directors Knopinski and Mead voting yes, the Board approved the Amended and Restated Improvement Acquisition, Advance, and Reimbursement Agreement and Promissory Note securing payment of same with REI. Directors Caldwell and Dillon were opposed. The Board members discussed the concerns that Directors Caldwell and Dillon have with the agreement. Director Knopinski will work with Attorney Pogue to address the concerns shared by Directors Caldwell and Dillon regarding



the agreement.

**EMERGENCY READING:** None.

OTHER BUSINESS

None.

ADJOURNMENT

There being no further business to come before the Board at this time, Director Dillon adjourned the meeting at 7:45 p.m.

Respectfully submitted,

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

BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1

FINANCIAL STATEMENTS

**DECEMBER 31, 2023**

**Beebe Draw Farms Metro District No. 1**  
**Balance Sheet - Governmental Funds**  
**December 31, 2023**

	<u>General</u>	<u>Special Revenue</u>	<u>Total</u>
<b>Assets</b>			
Checking Account	\$ 9,343.10	\$ -	\$ 9,343.10
Colotrust	139,320.37	-	139,320.37
Colotrust - CTF	-	15,397.51	15,397.51
Receivable from County Treasurer	982.80	-	982.80
Property Tax Receivable	408,339.00	-	408,339.00
Due from Authority	15,813.00	-	15,813.00
Prepaid Insurance	3,840.00	-	3,840.00
<b>Total Assets</b>	<u>\$ 577,638.27</u>	<u>\$ 15,397.51</u>	<u>\$ 593,035.78</u>
<b>Liabilities</b>			
Accounts Payable	\$ 4,790.85	\$ -	\$ 4,790.85
Due to Authority	170,371.13	-	170,371.13
<b>Total Liabilities</b>	<u>175,161.98</u>	<u>-</u>	<u>175,161.98</u>
<b>Deferred Inflows of Resources</b>			
Deferred Property Tax	408,339.00	-	408,339.00
<b>Total Deferred Inflows of Resources</b>	<u>408,339.00</u>	<u>-</u>	<u>408,339.00</u>
<b>Fund Balances</b>	<u>(5,862.71)</u>	<u>15,397.51</u>	<u>9,534.80</u>
<b>Liabilities and Fund Balances</b>	<u>\$ 577,638.27</u>	<u>\$ 15,397.51</u>	<u>\$ 593,035.78</u>

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

**Beebe Draw Farms Metro District No. 1**  
**General Fund Statement of Revenues, Expenditures and Changes in**  
**Fund Balances - Budget and Actual**  
**For the Period Ending December 31, 2023**

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Property taxes	\$ 314,287.00	\$ 311,536.18	\$ 2,750.82
Specific ownership taxes	18,857.00	13,365.65	5,491.35
Interest income	1,500.00	15,086.08	(13,586.08)
Total Revenue	<u>334,644.00</u>	<u>339,987.91</u>	<u>(5,343.91)</u>
Expenditures			
Accounting	11,500.00	22,640.57	(11,140.57)
County Treasurer's fee	4,714.00	4,675.42	38.58
Directors' fees	1,000.00	2,300.00	(1,300.00)
Insurance	4,000.00	3,830.89	169.11
District management	12,500.00	11,123.18	1,376.82
Legal	7,500.00	10,439.42	(2,939.42)
Miscellaneous	1,500.00	-	1,500.00
Payroll taxes	61.00	261.75	(200.75)
Election	15,000.00	33,626.38	(18,626.38)
Contingency	1,745.00	-	1,745.00
Transfer to Authority - General Fund O&M	216,476.00	214,578.36	1,897.64
Transfer to Authority - Amenities Fund (2019 D2 - Included lots)	2,712.00	2,688.56	23.44
Transfer to Authority - Amenities Fund (2011 boundary lots)	26,243.00	26,013.26	229.74
Transfer to Authority - Infrastructure Fund (2019 D2 Included lots)	10,849.00	10,754.22	94.78
Fiber Optics Admin	-	4,275.75	(4,275.75)
Total Expenditures	<u>315,800.00</u>	<u>347,207.76</u>	<u>(31,407.76)</u>
Net Change in Fund Balances	18,844.00	(7,219.85)	26,063.85
Fund Balance - Beginning	1,358.00	1,357.14	0.86
Fund Balance - Ending	<u>\$ 20,202.00</u>	<u>\$ (5,862.71)</u>	<u>\$ 26,064.71</u>

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

## SUPPLEMENTARY INFORMATION

**Beebe Draw Farms Metro District No. 1**  
**Special Revenue Fund Statement of Revenues, Expenditures and Changes in**  
**Fund Balances - Budget and Actual**  
**For the Period Ending December 31, 2023**

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Conservation Trust Fund proceeds	\$ 2,000.00	\$ 2,263.83	\$ (263.83)
Interest income	250.00	671.72	(421.72)
Total Revenue	<u>2,250.00</u>	<u>2,935.55</u>	<u>(685.55)</u>
Net Change in Fund Balances	2,250.00	2,935.55	(685.55)
Fund Balance - Beginning	12,462.00	12,461.96	0.04
Fund Balance - Ending	<u>\$ 14,712.00</u>	<u>\$ 15,397.51</u>	<u>\$ (685.51)</u>

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**Beebe Draw Farms Metropolitan District No. 1**  
**Schedule of Cash Position**  
**December 31, 2023**  
**Updated as of February 15th, 2024**

	<b>General Fund</b>	<b>Conservation Trust Fund</b>
<b><u>1st Bank</u></b>		
Balance as of 12/31/23	\$ 9,343.10	\$ -
Subsequent activities:		
01/30/24 Bill.com payables	(1,487.50)	-
Anticipated Activities:		
<i>Anticipated CLA December Acct &amp; Mangment</i>	(3,527.75)	-
<i>Anticipated Transfer from ColoTrust</i>	7,000.00	-
<b>Anticipated Balance</b>	<b>\$ 11,327.85</b>	<b>\$ -</b>
<b><u>ColoTrust x4001</u></b>		
Balance as of 12/31/23	\$ 139,320.37	\$ -
Subsequent activities:		
01/10/24 Ptax Received	982.80	-
01/31/24 Net Invest Income	622.81	-
Anticipated Activities:		
<i>Anticipated Transfer to 1st Bank</i>	(7,000.00)	-
<b>Anticipated Balance</b>	<b>\$ 133,925.98</b>	<b>\$ -</b>
<b><u>ColoTrust x4002</u></b>		
Balance as of 12/31/23	-	\$ 15,397.51
Subsequent activities:		
01/31/24 Net Invest Income	-	68.49
<b>Anticipated Balance</b>	<b>\$ -</b>	<b>\$ 15,466.00</b>
<b>Total Anticipated Balances</b>	<b>\$ 145,253.83</b>	<b>\$ 15,466.00</b>

**Yield information (12/31/23):**

ColoTrust - 5.2408%

**BEEBE DRAW FARMS METROPOLITAN DISTRICT NO. 1**  
**Property Taxes Reconciliation**  
**2023**  
**(unaudited)**

	Current Year							Prior Year				
	Property Taxes	Delinquent Taxes, Rebates and Abatements	Specific Ownership Taxes	Interest	Treasurer's Fees	Due to County	Net Amount Received	% of Total Property Taxes Received		Total Cash Received	% of Total Property Taxes Received	
								Monthly	Y-T-D		Monthly	Y-T-D
January	\$ 3,990.87	\$ -	\$ 1,083.77	\$ -	\$ (59.86)	\$ -	\$ 5,014.78	1.27%	1.27%	10,255.69	3.33%	3.33%
February	101,973.59	-	980.63	-	(1,529.60)	-	101,424.62	32.45%	33.72%	100,506.63	37.18%	40.51%
March	11,498.00	-	1,180.96	5.44	(172.56)	-	12,511.84	3.66%	37.37%	7,290.61	2.21%	42.72%
April	70,861.33	-	1,005.62	-	(1,062.93)	-	70,804.02	22.55%	59.92%	44,093.64	16.05%	58.77%
May	28,705.83	-	1,102.73	-	(430.59)	-	29,377.97	9.13%	69.05%	18,388.19	6.40%	65.17%
June	91,693.62	-	1,161.09	57.30	(1,376.27)	-	91,535.74	29.18%	98.23%	87,642.52	32.38%	97.55%
July	1,698.74	-	1,120.11	37.00	(26.04)	-	2,829.81	0.54%	98.77%	4,229.47	1.09%	98.64%
August	-	187.80	1,347.07	6.11	(2.91)	-	1,538.07	0.06%	98.83%	4,102.24	0.83%	99.47%
September	926.40	-	1,201.43	25.81	(14.29)	-	2,139.35	0.29%	99.12%	1,444.27	0.00%	99.47%
October	-	-	1,152.12	-	-	-	1,152.12	0.00%	99.12%	2,903.61	0.53%	100.00%
November	-	-	1,071.90	-	-	-	1,071.90	0.00%	99.12%	1,312.47	0.00%	100.00%
December	-	-	958.22	24.95	(0.37)	-	982.80	0.00%	99.12%	1,141.17	0.00%	100.00%
<b>Total</b>	<b>\$ 311,348.38</b>	<b>\$ 187.80</b>	<b>\$ 13,365.65</b>	<b>\$ 156.61</b>	<b>\$ (4,675.42)</b>	<b>\$ -</b>	<b>\$ 320,383.02</b>	<b>99.12%</b>	<b>99.12%</b>	<b>\$ 283,310.51</b>	<b>100.00%</b>	<b>100.00%</b>

	Assessed Valuation	Mill Levy	Taxes Levied	% of Levied	Property Taxes Collected	% Collected to Amount Levied
<b>Property Tax</b>						
General Fund	\$ 7,857,180	40.000	\$ 314,287	100.00%	\$ 311,536.18	99.12%
Total	\$ 7,857,180	40.000	\$ 314,287	100.00%	\$ 311,536.18	99.12%
<b>Specific Ownership Tax</b>						
General Fund			\$ 18,857	100.00%	\$ 13,365.65	70.88%
Total			\$ 18,857	100.00%	\$ 13,365.65	70.88%
<b>Treasurer's Fees</b>						
General Fund			\$ 4,714	100.00%	\$ 4,675.42	99.18%
Total			\$ 4,714	100.00%	\$ 4,675.42	99.18%

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



**BEEBE DRAW FARMS AUTHORITY  
GENERAL FUND  
2024 BUDGET  
WITH 2022 ACTUAL AND 2023 ESTIMATED  
For the Years Ended and Ending December 31,**

	ORIGINAL BUDGET 2023	AMENDED BUDGET 2023
BEGINNING FUND BALANCES	\$ 354,007	\$ 412,826
<b>REVENUES</b>		
Interest income	9,200	11,803
Pool Fees	18,000	14,030
Developer Rent	1,800	-
Reimbursed expenditures	-	358
Other revenue	732	10,287
Intergovernmental Revenue - District 1	216,476	214,578
Intergovernmental Revenue - District 2	251,416	229,780
Total revenues	497,624	480,836
Total funds available	851,631	893,662
<b>EXPENDITURES</b>		
General and administrative		
Accounting	40,000	74,537
Auditing	6,000	6,061
Community admin assistant	3,000	-
Directors' fees	3,300	2,584
Insurance	30,000	32,951
District management	42,000	73,782
Legal	30,000	30,032
Legal - oil & gas	5,000	-
Miscellaneous	2,800	10,257
Banking fees	400	-
Training	4,000	-
Payroll Fees	3,500	2,953
Payroll taxes	5,000	4,505
Property Management Wages	-	42,736
Fiber Optics - Legal	-	9,667
Fiber Optics - Admin	-	13,317
Operations and maintenance		
Physical Facilities	95,600	56,160
Aquatic Facilities	31,700	30,219
Parks and Open Space	20,200	13,966
Roads, Trails, and Ditches	24,500	20,950
O&M - Other Expenses	7,000	18,814
Capital R&R Contingency	25,000	25,000
Capital Replacement	31,000	5,838
Total expenditures	410,000	474,330
<b>TRANSFERS OUT</b>		
Total expenditures and transfers out requiring appropriation	410,000	474,330
ENDING FUND BALANCES	\$ 441,631	\$ 419,332

No assurance provided. See summary of significant assumptions.

**Beebe Draw Farms Authority**  
**Claims Paid**  
**February 13th, 2024 through March 6th, 2024**

<b>Process Date</b>	<b>Vendor</b>	<b>Invoice Number</b>	<b>Payment Method</b>	<b>Amount</b>
3/1/2024	Special Markets Insurance Consultants, Inc	170757	BILL Check	\$ 235.00
3/5/2024	REI, LLC	200703-44349 DEC23	BILL Check	325.02
3/5/2024	REI, LLC	200703-44349 JAN24	BILL Check	520.04
			<b>Grand Total</b>	<b>\$ 1,080.06</b>

**Beebe Draw Farms Authority**  
**Claims paid**  
**January 5th, 2024 through February 13th, 2024**

<b>Process Date</b>	<b>Vendor</b>	<b>Invoice Number</b>	<b>Payment Method</b>	<b>Amount</b>
1/15/2024	Central Weld County	006003-01 DEC23	Other	\$ 23.12
1/15/2024	Central Weld County	006060-01 DEC23	Other	23.12
1/15/2024	Central Weld County	006075-01 DEC23	Other	25.82
1/18/2024	Central Weld County	006004-01 DEC23	Other	23.12
1/18/2024	Central Weld County	006053-01 DEC23	Other	23.12
1/18/2024	Special Markets Insurance Consultants, Inc	170757	Other	235.00
1/22/2024	Xcel Energy	858859555	Other	105.62
1/22/2024	Xcel Energy	858894014	Other	162.06
1/25/2024	CenturyLink	CenturyLink DEC23	Other	135.29
1/25/2024	United Power	UnitedPowerDEC23	Other	28.35
1/31/2024	Bilt Sign Service, Inc.	29244	BILL Check	2,604.00
1/31/2024	Bilt Sign Service, Inc.	29194	BILL Check	2,979.00
1/31/2024	Bilt Sign Service, Inc.	29245	BILL Check	5,077.00
1/31/2024	Diversified Underground, Inc	28952	BILL EFT	642.00
1/31/2024	Drexel, Barrell & Co.	27130	BILL Check	3,120.00
1/31/2024	Icenogle Seaver Pogue, PC	24807	BILL EFT	1,397.80
1/31/2024	Ram Waste Systems Inc	7473279V327	BILL Check	84.73
1/31/2024	Schedio Group LLC	200703-2409	BILL EFT	864.00
1/31/2024	Warehouse Supply	53724	Vendor Direct Virtual Card	52.94
2/2/2024	Fossil Creek Builders	Pay App 23008-1.2	Other	61,658.81
<b>Grand Total</b>				<b>\$ 79,264.90</b>

February 2, 2024

**BEEBE DRAW FARMS**

Weld County, Colorado

**Attn: Lisa Johnson**

**Transmitted via email: [Lisa.Johnson@claconnect.com](mailto:Lisa.Johnson@claconnect.com)**

**RE: Proposal for Lot 74, 75 & 76 drainage improvements**

Lisa,

Thank you for the opportunity to provide this proposal for Civil Engineering & Surveying Services for the proposed drainage improvements that are need at Lots 74, 75 and 76 in the Beebe Draw Farms Subdivision, near Platteville, Colorado.

It is our understanding that a garage structure and added driveway on Lot 75 (16489 South Fairbanks Dr.) has created additional runoff and created new drainage patterns that have negatively affected the downstream property owner on Lot 76. In addition, some other grading issues between Lot 74 and 75 has created areas of ponding/erosion and general runoff issues that require remedy. A new driveway culvert for Lot 75 is anticipated to be installed to help with the issues.

The first step in this corrective process would be to obtain accurate topography of the area in question. In addition to ground elevation shots and picking up existing features, our surveyor will also attempt to find any known property corners such that property lines/Right of Way can be added to the base mapping. Once the field survey completed and the base mapping provided, then the areas can be evaluated and a proposed design can be completed by our engineers. This proposal includes a site visit by the engineer to see the site and potentially meet with the homeowners to discuss the problems.

Final deliverables would include a Grading/Drainage/Erosion Control Plan of the area and a plan and profile drawing of any new culverts/storm pipes. It is expected that some utilities may be within the proposed area of grading and therefore a private utility locator will be used during the survey phase to mark and identify all known underground lines. This information will then be accurately surveyed in the field and added to the base mapping and subsequently, reflected in the final design to ensure that there are no crossing conflicts. This will also provide the Contractor an overall idea of where underground lines are present such that they will not be disturbed during grading operations.

The scope of the work to be provided in this proposal has been broken down into the various tasks required for the surveying and engineering design. Additionally, an engineer's probable cost of construction will be completed for all work and materials needed for the project. This will include calculating earthwork cut and fill amounts in addition to all other "soft" costs such as construction staking.

The table on the following page shows the breakdown of each task (service) to be provided and the associated fee for each task. We will provide the offered services for the fixed-fee listed, billed on a percentage of completion basis (provided that the scope of services does not change). Reimbursables, such as printing costs/mylars/etc., are not included in the fee but will be kept to a minimum by utilizing electronic submittals whenever possible.

<b>SURVEYING</b>	<b>Fee</b>
<b>Topographic Survey</b> <ul style="list-style-type: none"> <li>Field Topography Survey &amp; Design Mapping of project area (1' contours &amp; existing features &amp; lot/ROW lines added to drawing)</li> </ul>	\$3,480
TOTAL SURVEYING FEE:	\$3,480
<b>CIVIL ENGINEERING</b>	<b>Fee</b>
<ul style="list-style-type: none"> <li>Site Visit</li> <li>Construction Plans (Grading/Drainage/Erosion Control)</li> <li>Construction Cost Estimate &amp; Quantity Takeoffs</li> </ul>	\$360 \$5,760 \$330
TOTAL ENGINEERING FEE:	\$6,450
<b>TOTAL FEE:</b>	<b>\$9,930</b>

We have utilized the following assumptions in preparation of this proposal:

1. It is assumed that no drainage analysis, report or study is required.
2. Preparation of As-Built Plans are NOT included with this proposal.
3. Drexel, Barrell & Co. offers no geotechnical services; therefore, any driveway/roadway sections to be removed or cut/patched shall be reconstructed according to the existing section.
4. The survey work will take approximately 3-4 weeks to complete from the time of authorization to begin. The engineering design can be expected to take an additional 1-3 weeks beyond that time to complete the final drawings but will depend on current work loads.

Drexel Barrell's 2024 Fee Schedule and standard Terms and Conditions are attached and made a part of this proposal. In order to authorize us to being work, I will need your signature below. Thank you again for the opportunity to present this proposal and we look forward to working with you on this project.

Accepted:

**Drexel, Barrell & Co.**

A handwritten signature in black ink, appearing to read "Cameron W. Knapp". The signature is stylized and written over a horizontal line.

**Cameron W. Knapp, P.E.**

Project Manager

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

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

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



1376 Miners Drive, Suite 107 • Lafayette, CO 80026 • 303.442.4338 • 303.442.4373 fax  
 101 Sahwatch Street, Suite 100 • Colorado Springs, CO 80903 • 719-260-0887

## DREXEL, BARRELL & CO. **FEE SCHEDULE** Effective January 1, 2024

**I. PERSONNEL:**

<u>CATEGORY</u>	<u>HOURLY RATE</u>	<u>CATEGORY</u>	<u>HOURLY RATE</u>
<b>General:</b>		<b>Surveying:</b>	
Managing Principal	\$200	Office Surveyor / Analyst	\$130-150
Principal	\$190	Field Surveyor*	\$125-135
Associate	\$180-200		
<b>Engineering:</b>		<b>Administration:</b>	
Project Engineer / Manager	\$140-170	Controller	\$130
Design Engineer	\$115-135	Administrative	\$80
<b>CAD:</b>		<b>Construction Inspection:</b>	
Technician	\$110-120	Construction Inspector	\$115-135
<b>Miscellaneous:</b>		*1-person crew: \$65/hr charge for ea. extra crew member	
Expert Witness Duties	\$320		

- II. **SUB-CONSULTANTS:** Unless agreed otherwise in the Professional Services Agreement, Drexel Barrell adds a 10% markup to invoices from sub-consultants to cover administrative and project management expenses.
- III. **MILEAGE:** Unless agreed otherwise in the Professional Services Agreement, Drexel Barrell charges for all project related mileage at the rate of \$0.75 / mile.
- IV. **TRAVEL TIME:** Unless agreed otherwise in the Professional Services Agreement, Drexel Barrell charges for travel time to and from the project site.
- V. **REPROGRAPHICS:** Reprographics provided by outside printing companies will be charged at Drexel Barrell's cost plus 10%.
- VI. **FIELD SUPPLIES:** Unless otherwise stated in the Professional Services Agreement, standard survey supplies (stakes, pin caps, etc.) are included in the negotiated fee. Drexel Barrell charges an additional \$100.00 per monument and \$200.00 for monument boxes when the project requires.
- VII. **DELIVERY SERVICES:** Drexel Barrell will add a 10% mark-up to all messenger and overnight delivery service fees.
- VIII. **OUT-OF-TOWN EXPENSES:** On projects requiring overnight lodging, Drexel Barrell charges a per diem rate for meals, lodging, and related expenses. The per diem rate will be Drexel Barrell's costs plus 10%.
- IX. **RATE REVISIONS:** Drexel Barrell adjusts this Fee Schedule annually on January 1. Projects extending beyond December 31 of each year shall be subject to the new Fee Schedule.



**Drexel, Barrell & Co.**  
**TERMS AND CONDITIONS**

**1. SERVICES**

1.1. Client desires to retain Drexel to provide Client with certain Services (as defined below) with respect to the Client's project on the Project Site as described in the Scope of Work.

**2. DEFINITIONS**

2.1. "**Scope of Work**" shall mean the proposed work described on the attached Professional Services Agreement and any Proposal, which collectively specify the Services, the scope thereof, and the applicable fees for the Services.

2.2. "**Services**" shall mean the work to be performed by Drexel on the Client's project, subject to the terms of this Agreement, as specified in the Scope of Work. Drexel shall have no responsibility to perform any Services other than those specifically set forth as the Scope of Work.

**3. CHARGES, PAYMENT AND TAXES**

3.1. **Fees for Services.** Unless otherwise expressly stated in the Professional Services Agreement, Services shall be provided on a time and materials ("T&M") basis at Drexel's Fee Schedule rates current when the Services are performed. The Fee Schedule may be modified at the commencement of each calendar year and, as modified, shall be effective thereafter. If the parties agree that the T&M basis is Not to Exceed ("NTE") a sum certain, that shall be stated in the Professional Services Agreement and shall be deemed the maximum amount to be paid by Client on a T&M basis. If the Services are to be provided on a Fixed Fee basis, said Fixed Fee is the amount that shall be paid by Client for the Services provided in the Scope of Work, which Fixed Fee shall be billed and paid monthly based upon Drexel's estimate of the percentage of the work completed. If the Scope of Work is modified, Drexel shall provide the Services for new or additional work on a T&M basis not subject to the NTE or Fixed Fee unless a written change order modifying the NTE or Fixed fee for the modified Scope of Work is signed by the parties.

3.2. **Reimbursable Expenses.** Client shall reimburse Drexel for reasonable travel, communications, equipment rental, consultant's fees, disposal fees, reproduction, delivery and express shipping fees, subcontractor fees and expenses and other out-of-pocket expenses incurred in conjunction with the Services. All such reimbursables shall be billed at 1.10 times the direct out-of-pocket expense. Unless stated to the contrary in the Professional Services Agreement, Drexel shall be paid for all reimbursables in addition to any sum set forth as the NTE or Fixed Fee. Drexel's estimate of reimbursables in the Professional Services Agreement is an estimate only, and the actual reimbursables may be higher or lower.

3.3. **Invoicing and Payment.** Drexel shall invoice Client monthly, unless otherwise agreed in the Professional Services Agreement. Payment of all invoiced amounts shall be due within 45 days from the last day of the month for which Services were rendered (the "Grace Period"); for example, payment for work performed in September would be due by November 14. Client agrees to pay interest at the rate of 1.5% per month, compounded monthly, on any amount not timely received by Drexel, and interest shall accrue commencing with the first day of the Grace Period until the amount is paid in full. If any amount payable by Client remains unpaid after the Grace Period, in addition to other remedies available to it, Drexel shall be entitled, but not obligated, without terminating this Agreement to cease all Services until paid in full, which cessation shall extend all time-related obligations of Drexel. If the Client relies on payment or proceeds from a third party to pay Drexel and Client does not pay Drexel's invoice within 60 days of invoice date, Drexel may communicate directly with such third party to secure payment. If Client fails to pay Drexel timely, Drexel shall be entitled to recover its attorney fees and costs, as well as any employee costs in pursuing collection. Drexel will charge employee costs incurred in pursuing collection to the Client at our normal hourly billing rates.

3.4. **Taxes and Governmental Fees.** The agreed-upon compensation set forth in the Professional Services Agreement does not include any applicable taxes or fees levied or charged by any governmental entity. If Drexel is required to pay any federal, state, or local taxes or fees based on or in connection with its performance of the Services under this Agreement (other than taxes based on Drexel's income), such taxes and fees shall be billed to and paid by Client as a reimbursable expense pursuant to the provisions of Paragraph 3.2 above.

3.5. **Retainer.** If Client has provided to Drexel a Retainer, said Retainer shall be applied to amounts due under the final invoice submitted by Drexel upon completion of its Services; provided, however, that if Client fails to timely pay an earlier invoice, Drexel may apply any or all of the Retainer to pay such invoice and Client shall immediately replenish the Retainer. The Retainer may be applied by Drexel to satisfy, in whole or in part, any default of Client. If the Retainer is in an amount in excess of amounts remaining due from Client, Drexel shall refund such excess to Client within 30 days following completion of mailing its final invoice.

3.6. **Accuracy of Invoices.** Client agrees that invoices from Drexel to Client are correct, conclusive, and binding on Client unless Client, within 30 days from the date of the invoice, notifies Drexel in writing of alleged inaccuracies, discrepancies, or errors in the invoice.

3.7. **Fee Adjustment Due to Cessation of Work.** If Client requests Drexel to suspend or cease performance of the work or Drexel ceases its performance as provided under the terms of this Agreement, Client agrees to pay additional fees and expenses resulting from such suspension of work on a T&M basis as a modification to the Scope of Work.

3.8. **Rate Revisions.** Drexel adjusts its Fee Schedule annually on January 1. Fees on projects extending beyond January 1 of a year shall be subject to the new Fee Schedule.

**4. PROJECT**

4.1. **Access to Project Site.** Client agrees to cooperate in every way requested by Drexel to expedite the commencement and completion of its Scope of Work. Client agrees to provide Drexel access to the Project Site and to make available any records, documents, deeds or other items requested by Drexel for the reasonable performance of the work. If the Client does not own some or all of the real property within the Project Site, Client shall upon request provide to Drexel written authorization from the owner of such property to perform the work described in the Scope of Work. If Drexel is prevented from timely accessing the Project Site or commencing its work for any reason outside the control of Drexel, Client shall be responsible for all general conditions and other delay damages incurred by Drexel.

4.2. **Right of Entry.** Client grants Drexel, its agents, employees, consultants, contractors and subcontractors the right to enter the Project Site for the purpose of studying, researching, sampling and testing as necessary to perform the Services.

**5. TERM AND TERMINATION**

5.1. **Term.** This Agreement shall commence on the date the Professional Services Agreement is signed by Drexel (the "Commencement Date") and continue until the Services are completed and full payment has been received.

5.2. **Termination for Breach.** Either party may terminate this Agreement if the other party is in material breach of this Agreement and has not cured such breach within 15 days of written notice specifying the breach. Consent to extend the cure period for a non-monetary breach shall not be unreasonably withheld, so long as the breaching party has commenced efforts to cure during the 15-day notice period and pursues cure of the breach in good faith.

5.3. **Suspension and Termination for Cause.** Drexel may suspend its Services or terminate this Agreement upon 15 days written notice to Client if:

5.3.1. Client fails to pay an invoice within 30 days of the date of the invoice;

5.3.2. Client should become insolvent or have a receiver appointed over any of its assets;

5.3.3. Proceedings are instituted by or against Client for winding up, reorganization, or bankruptcy;

5.3.4. Client makes an assignment for benefit of its creditors;

5.3.5. Client, a governmental entity, or other cause beyond control of Drexel causes the work to be discontinued for a period in excess of 90 days; or

5.3.6. Due to matters beyond the control of Drexel, the work described in the Scope of Work has not been completed by the end of the second year from the Commencement Date.

**5.4. Effect of Termination.** The parties' rights and obligations shall survive termination of this Agreement. Termination of this Agreement shall not limit either party from pursuing any other remedies available to it, including injunctive relief. Termination shall not relieve Client of its obligation to pay: (a) all charges that accrued prior to such termination, (b) all charges incurred by Drexel after such termination in connection with the withdrawal of equipment and personnel from the Project Site, and (c) unless the termination results from Drexel's breach, Drexel shall be entitled to recover its lost profits and overhead as if it had completed its Services.

## 6. WARRANTY, REMEDY AND LIMITATION OF LIABILITY

**6.1. Warranty.** Drexel warrants that the Services shall be performed consistent with generally accepted standards of care of professional engineers and surveyors in the locality of the Project Site. Client must report any deficiencies in the Services to Drexel in writing within 60 days of completion of the Services in order to receive the warranty remedy set forth in this Section. THE WARRANTY HEREIN IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

**6.2. Limitation of Liability/Exclusive Remedy.** For any claim against Drexel (whether it is for breach of warranty, for tort, for breach of contract, or otherwise), Drexel shall not be liable for any indirect, incidental, special or consequential damages, or damages for loss of profits, revenue, delay or use incurred by the Client or any third party. The risks have been allocated such that the Client agrees to the fullest extent permitted by law that Drexel's maximum liability to Client for any warranty claims, damages, or breaches arising out of this Agreement and the provision of its Services shall, at Drexel's choice, be one of the following: (a) Drexel's re-performance of the Services, (b) the fees paid to Drexel under this Agreement, or (c) \$50,000.

**6.3. Indemnification.** To the fullest extent permitted by law, Client shall indemnify, defend and hold Drexel harmless from and against any and all demands, suits, causes of action, judgments, expenses, attorneys' fees and losses arising out of or in connection with bodily injury (including death) to persons or damage to property resulting from conditions at the Project Site, the inaccuracy of data or information supplied by Client, and the acts or omissions of Client, its agents or employees.

**6.4. Estimates.** Drexel makes no representation or warranty concerning the estimated quantities, land areas, or probable costs made in connection with surveys, maps, plans, specifications, reports or drawings, other than that all such quantities, areas, and costs are estimates only. Certified land areas will only be provided when requested in writing and at additional charge to Client.

## 7. GENERAL

**7.1. Governmental Approvals.** If set forth in the Scope of Work, Drexel agrees to assist and advise client in seeking the necessary governmental approvals for the project. Unless stated to the contrary in the Professional Services Agreement, Drexel shall be paid for its work in seeking such approvals on a T&M basis in addition to any sum set forth as the NTE or Fixed Fee. Drexel makes no warranties or representations regarding the likelihood of obtaining or timing of governmental approvals. Unless set forth to the contrary in the Professional Services Agreement, Drexel shall have no responsibility for assisting in submitting more than two sets of documents seeking governmental approval.

**7.2. Documents.** Drexel shall have the right to retain the originals of all documents, including but not limited to reports, surveys, plans, drawings, specifications, boring logs, field notes, laboratory test data, calculations or estimates prepared by Drexel in performing the Services (the "Documents") all of which shall remain the property of Drexel and may be used by Drexel without Client's consent. Client agrees not to use or rely on any Documents other than in connection with the Project without Drexel's prior written consent. Any such use of or reliance on the Documents without Drexel's permission is at Client's sole risk, and to the fullest extent permitted by law Client shall indemnify, defend and hold Drexel harmless from any and all Claims arising from such unauthorized use. Upon request and payment of the fees and costs involved and provided Client is not then in breach of this Agreement; Drexel shall provide copies of the Documents to Client for use in connection with the Project (in paper or Adobe PDF format only). All, alterable electronic documents (e.g., AutoCAD drawings, models, spreadsheets, word processing documents) are Drexel's instruments of service and intellectual property. Drexel is under no obligation to provide AutoCAD or other alterable electronic documents or data to the Client, their successors, assigns, agents, or third parties.

**7.3. Subcontracting.** Drexel shall be authorized to subcontract any of the Services, but such subcontracting shall not relieve Drexel of any of the responsibilities or obligations under this Agreement. The fees and expenses of such subcontractors shall be deemed reimbursables. Subject to the limitations set forth in Article 6 above, Drexel shall be and will remain responsible to Client for the neglect of any subcontractor's officers, agents, and employees.

**7.4. Force Majeure.** Drexel shall not be responsible for damages or delay in performance caused by events beyond the control of Drexel, including, without limitation, acts of God, strikes, lockouts, accidents, the actions of governmental entities, terrorist activities, failures of Client or others to provide timely information to Drexel, or otherwise.

**7.5. Third-Party Beneficiary.** Client and Drexel agree that there are no express, intended, or implied third-party beneficiaries to this Agreement, and this Agreement may only be enforced by the Client and Drexel.

**7.6. Relationship between the Parties.** Drexel is an entity independent from Client and is in direct control of its direction and timing of actions. This Agreement does not establish a joint venture, agency or partnership between the parties, nor does it create an employer-employee relationship. Each party shall be solely responsible for payment of all compensation owed to its employees, as well as employment-related taxes. Drexel is not responsible for the performance of work by third parties (other than Drexel subcontractors) including, without limitation, construction contractors.

## 8. MISCELLANEOUS

**8.1. Governing Law.** The laws of the State of Colorado shall govern this Agreement, and all matters arising out of or relating to this Agreement.

**8.2. Jurisdiction.** Any legal action or proceeding relating to this Agreement shall be adjudicated in the District Court, Boulder County, State of Colorado, or the United States District Court for the District of Colorado, except that any action involving perfection or foreclosure of a mechanic's lien shall be adjudicated in the District Court for the county in which the Project Site is located. Drexel and Client agree to submit to the jurisdiction of, and agree that venue is proper in, the aforesaid courts in any such legal action or proceeding. Client and Drexel agree to waive any right to a jury trial.

**8.3. Notice.** All notices, including notices of address change, required or permitted to be sent hereunder shall be in writing and shall be deemed to have been given when mailed by first-class mail to the address for the party listed in the Scope of Work.

**8.4. Severability.** If any provision of this Agreement is held to be invalid or unenforceable, the remaining provisions of this Agreement shall remain in full force.

**8.5. Waiver.** The waiver by either party of any default or breach of this Agreement shall not constitute a waiver of any other or subsequent default or breach. Except for actions for nonpayment, no action, regardless of form, arising out of this Agreement may be brought by either party more than one year after the cause of action has accrued. A claim by the Client that Drexel failed properly or timely to complete its work shall be deemed to have accrued on the date Drexel substantially completed its Services.

**8.6. Successors and Assigns.** This Agreement shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns. Neither party may assign its interest herein without the prior written consent of the other party, which consent shall not be unreasonably withheld. Notwithstanding the above, no assignment shall operate to relieve the assignor of its obligations hereunder.

**8.7. Entire Agreement.** This Agreement constitutes the complete agreement between the parties and supersedes all previous and contemporaneous agreements, proposals, or representations, written or oral, concerning the subject matter of this Agreement. This Agreement may not be modified or amended except in writing signed by a Principal of Drexel and a representative of the Client. No other act, document, usage, or custom shall be deemed to amend or modify this Agreement. It is expressly agreed that any request or proposal by Client shall be superseded by the terms of this Agreement.

**BEEBE DRAW FARMS AUTHORITY**

**ENGINEER'S REPORT AND VERIFICATION OF COSTS**

**ASSOCIATED WITH PUBLIC IMPROVEMENTS**

PREPARED BY:

SCHEDIO GROUP LLC  
809 14<sup>TH</sup> STREET, SUITE A  
GOLDEN, COLORADO 80401

LICENSED PROFESSIONAL ENGINEER:

TIMOTHY A. MCCARTHY  
STATE OF COLORADO  
LICENSE NO.: 44349

DATE PREPARED: February 5, 2024

CLIENT NO.: 200703

PROJECT: Pelican Lake Ranch Filing No. 2

Engineer's Report and Verification of Costs No. 6

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## ENGINEER'S REPORT

### INTRODUCTION

Schedio Group LLC ("Schedio Group") entered into a Professional Services Agreement ("PSA") with Beebe Draw Farms Authority ("Authority") on December 5, 2020. This *Engineer's Report and Verification of Costs Associated with Public Improvements* ("Report") is the 6th deliverable associated with the PSA.

Schedio Group has reviewed the *Amended and Restated Consolidated Service Plan for Beebe Draw Farms Metropolitan District No. 1* ("District 1") and *Beebe Draw Farms Metropolitan District No. 2* ("District 2", collectively the "Districts") – *Weld County, Colorado* ("Service Plan"), prepared by McGeady Sisneros, P.C., and approved March 16, 2011. Per the Service Plan, the Service Area consists of approximately 4,000 acres of land. The Districts shall have the power and authority to provide for the operation and maintenance of the Public Improvements and the design, construction, acquisition, finance and operation and maintenance of the Additional Public Improvements within and without the boundaries of the Districts. The estimated costs of the Infrastructure are approximately \$26,125,208 in 2009 dollars and, adjusted for inflation, are approximately \$36,000,000.

Schedio Group has also reviewed the *Beebe Draw Farms Authority Establishment Agreement – By and Between Beebe Draw Farms Metropolitan District No. 1 And Beebe Draw Farms Metropolitan District No. 2*, Effective April 12, 2011 ("Agreement"). Per the Agreement:

Recital L. Each District has agreed, and the Service Plan provides, that the Authority will own, operate, maintain, finance, and construct the Public Improvements benefiting both of the Districts, and that the Districts will contribute to the costs of construction, operation, and maintenance of such Public Improvements.

The purpose of this Report is to verify the costs associated with the design of Public Improvements and recommend a payment amount from the Authority to Vendors, and subsequently, a reimbursement by the Authority to REI LLC ("Developer"). This Report does not consider interest.

### SUMMARY OF FINDINGS

To date, Schedio Group has reviewed soft and indirect costs totaling \$360,621.25. Of the \$360,621.25 reviewed, Schedio Group has verified \$327,525.05 as Capital Costs associated with the design of Public Improvements.

Per *Schedio Group – Engineer's Report and Verification of Costs No. 5 – Beebe Draw Farms Authority* ("ERV5"), dated December 21, 2023, Schedio Group had reviewed soft and indirect costs totaling \$350,617.25. Of the \$350,617.25 reviewed, Schedio Group had verified \$317,867.54 as Capital Costs associated with the design of Public Improvements.

Regarding this Report, Schedio Group reviewed soft and indirect costs totaling \$10,004.00 in costs associated with the design of improvements. Of the \$10,004.00 reviewed, Schedio Group verified \$9,657.52 as Capital Costs associated with the design of Public Improvements.

As a result, Schedio Group recommends that Beebe Draw Farms Authority make payments to Vendors totaling **\$9,430.00** and the Authority reimburse the Developer **\$227.52**. See *Figure 1 – Summary of Verified Soft Costs Segregated by Service Plan Category* and *Exhibit A – Summary of Costs Reviewed*.

	TOT AMT VER VER NOS 1 - 6	TOT PREV AMT VER VER NOS 1 - 5	TOT CUR AMT VER VER NO 6
<b>SOFT AND INDIRECT COSTS</b>			
OPERATIONS & MAINTANENCE	\$ -	\$ -	\$ -
CAPITAL			
Streets	\$ 312,453.83	\$ 302,910.07	\$ 9,543.76
Water	\$ -	\$ -	\$ -
Sanitary Sewer	\$ -	\$ -	\$ -
Parks and Recreation	\$ 15,071.23	\$ 14,957.47	\$ 113.76
<b>TOTAL SOFT AND INDIRECT COSTS --&gt;</b>	<b>\$ 327,525.05</b>	<b>\$ 317,867.54</b>	<b>\$ 9,657.52</b>
<b>HARD COSTS</b>			
OPERATIONS & MAINTANENCE	\$ -	\$ -	\$ -
CAPITAL			
Streets	\$ -	\$ -	\$ -
Water	\$ -	\$ -	\$ -
Sanitary Sewer	\$ -	\$ -	\$ -
Parks and Recreation	\$ -	\$ -	\$ -
<b>TOTAL HARD COSTS --&gt;</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>SOFT AND INDIRECT + HARD COSTS</b>			
OPERATIONS & MAINTANENCE	\$ -	\$ -	\$ -
CAPITAL			
Streets	\$ 312,453.83	\$ 302,910.07	\$ 9,543.76
Water	\$ -	\$ -	\$ -
Sanitary Sewer	\$ -	\$ -	\$ -
Parks and Recreation	\$ 15,071.23	\$ 14,957.47	\$ 113.76
<b>TOTAL SOFT AND INDIRECT + HARD COSTS --&gt;</b>	<b>\$ 327,525.05</b>	<b>\$ 317,867.54</b>	<b>\$ 9,657.52</b>
<b>TOTAL OPERATIONS &amp; MAINTANENCE COSTS --&gt;</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL PUBLIC COSTS --&gt;</b>	<b>\$ 327,525.05</b>	<b>\$ 317,867.54</b>	<b>\$ 9,657.52</b>

*Figure 1 - Summary of Verified Soft Costs Segregated by Service Plan Category*

### DETERMINATION OF PUBLIC PRORATION PERCENTAGE

*Figure 2 – Determination of Public Proration Percentage* below summarizes the public and private areas within the District 2 Boundary. The ratio of Total Public Area to Total Area yields a Public Proration Percentage that can be applied to select costs with both public and private components. Areas were taken directly from or derived from the *Pelican Lake Ranch Filing No. 2 Final Plat – Revision B* (“Filing 2 Plat”). The Public Proration Percentage was calculated and applied as deemed appropriate by Schedio Group. Schedio Group reserves the right to adjust the Public Proration Percentage when the Filing 2 Plat is recorded. See *Exhibit A – Summary of Costs Reviewed* for application of the Public Proration Percentage.

PARCELS	PUBLIC / PRIVATE	PLAT NOTES	TOT AREA (AC)	TOT AREA (SF)	TOT PRI AREA (SF)	% PRI	TOT PUB AREA (SF)	% PUB
<b>PELICAN LAKE RANCH FILING NO. 2 FINAL PLAT</b>								
		<b>TOTAL AREA --&gt;</b>	<b>848.065</b>	<b>36,941,839</b>				
<b>LOTS</b>	PRIVATE	284 RESIDENTIAL LOTS	511.839	22,295,802	22,295,802	100.00%	0	0.00%
<b>TRACTS</b>	PUBLIC	A - T	266.458	11,606,988	0	0.00%	11,606,988	100.00%
<b>ROW</b>	PUBLIC		69.767	3,039,049	0	0.00%	3,039,049	100.00%
				<b>TOTAL PRIVATE --&gt;</b>	<b>22,295,802</b>	<b>60.35%</b>		
				<b>TOTAL PUBLIC --&gt;</b>			<b>14,646,037</b>	<b>39.65%</b>

*Figure 2 - Determination of Public Proration Percentage*

**VERIFICATION OF COSTS**

Schedio Group reviewed Soft and Indirect Costs associated with the design of Public Improvements and found the associated costs to be reasonable when compared to similar projects, during similar timeframes in similar locales.

**VERIFICATION OF PAYMENTS**

Schedio Group reviewed Developer payments totaling \$574.00 of which \$227.52 was verified as being associated with the design of Public Improvements.

**VERIFICATION OF CONSTRUCTION**

Schedio Group did not perform a site visit as no Hard Costs were submitted for review.

**SPECIAL CIRCUMSTANCES AND NOTABLE METHODOLOGIES**

None.

## ENGINEER’S VERIFICATION

Timothy A. McCarthy, P.E. / Schedio Group LLC (the “Independent Consulting Engineer”) states as follows:

The Independent Consulting Engineer is an engineer duly qualified and licensed in the State of Colorado with experience in the design, construction, and verification of Public Improvements of similar type and function as those described in the attached Engineer’s Report dated February 5, 2024.

The Independent Consulting Engineer has reviewed provided construction and legal documents related to the Public Improvements under consideration to state the conclusions set forth in this Engineer’s Verification.

The Independent Consulting Engineer finds and determines that Soft and Indirect Costs associated with the design and construction of Public Improvements billed between December 13, 2023 (date of Delich Associates Invoice No. 2258-3) and January 2, 2024 (date of Terra Forma Solutions Invoice No. 950) are reasonably valued at \$9,657.52.

In the opinion of the Independent Consulting Engineer, the above stated value for Soft and Indirect Costs associated with the Design of the Public Improvements is reasonable and consistent with costs of similar improvements constructed for similar purposes during similar timeframes in similar locales.

Therefore, Schedio Group LLC, as the Independent Consulting Engineer, hereby recommends that Beebe Draw Farms Authority (BBDFFA) pay Vendors **\$9,430.00** and reimburse REI LLC **\$227.52**.

	PUBLIC AMOUNT	BBDFFA --> VENDORS	BBDFFA --> REI LLC
Delich Associates	\$ 9,430.00	\$ 9,430.00	\$ -
Terra Forma Solutions	\$ 227.52	\$ -	\$ 227.52
	<b>\$ 9,657.52</b>	<b>\$ 9,430.00</b>	<b>\$ 227.52</b>



February 5, 2024

\_\_\_\_\_  
**Timothy A. McCarthy, P.E. | Colorado License No. 44349**



## **EXHIBIT A**

### **SUMMARY OF COSTS REVIEWED**



## **EXHIBIT B**

### **SUMMARY OF DOCUMENTS REVIEWED**

## **SUMMARY OF DOCUMENTS REVIEWED**

### **SERVICE PLANS**

- Amended and Restated Consolidated Service Plan for Beebe Draw Farms Metropolitan District No. 1 And Beebe Draw Farms Metropolitan District No. 2 – Weld County, Colorado, prepared by McGeady Sisneros, P.C., approved March 16, 2011

### **DISTRICT AGREEMENTS**

- Beebe Draw Farms Authority Establishment Agreement by and between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2, Effective April 12, 2011
- First Amendment to Authority Establishment Agreement by and between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2, to the Beebe Draw Farms Authority, dated December 11, 2012
- Addendum for the Beebe Draw Farms Authority Establishment Agreement by and between Beebe Draw Farms Metropolitan District No. 1 and Beebe Draw Farms Metropolitan District No. 2, executed April 12, 2011

### **LAND SURVEY DRAWINGS**

- Pelican Lake Ranch Filing No. 2, prepared by Acklam, Inc., last revised March 1, 2023 (Not Recorded)

### **CIVIL ENGINEERING DRAWINGS**

- None

### **CONSTRUCTION DRAWINGS**

- None

### **VENDOR CONTRACTS**

- Acklam, Inc., Professional Services Agreement with Beebe Draw Farms Authority, dated October 13, 2021
- Bill Jerke – Consultant, Letter of Engagement with Beebe Draw Farms Authority, dated November 1, 2020
- Delich Associates, Authority Service Contract with Beebe Draw Farms Authority, dated August 24, 2022
- Ecological Resource Consultants, Proposal executed with REI LLC, dated March 1, 2022
- Wernsman Engineering and Land Development, LLC, Engineering Services Agreement with Beebe Draw Farms Authority, dated July 13, 2022

**VENDOR INVOICES**

- See *Exhibit A - Summary of Costs Reviewed*

**RESOLUTION OF THE BOARD OF DIRECTORS OF  
BEEBE DRAW FARMS AUTHORITY**

A RESOLUTION APPROVING THE AMENDED AND RESTATED IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT AND, IN CONNECTION THEREWITH, AUTHORIZING THE REFUNDING OF A SUBORDINATE NOTE AND AUTHROZING THE ISSUANCE OF A SUBORDINATE PROMISSORY NOTE TO REI LLC TO EVIDENCE THE AUTHORITY’S REIMBURSEMENT OBLIGATION FOR CAPITAL IMPROVEMENTS

WHEREAS, the Beebe Draw Farms Authority (the “Authority”), was established pursuant to its Authority Establishment Agreement dated April 12, 2011 (“Establishment Agreement”) in accordance with the laws of the State of Colorado to effect the development and operations and maintenance of public improvements for the benefit of the Beebe Draw Farms Metropolitan District Nos. 1 and 2, and the residents and property owners served by the Authority; and

WHEREAS, capitalized terms not defined herein shall have the meanings given to them in the Establishment Agreement; and

WHEREAS, the Authority has the power to exercise all powers now conferred by law upon separate legal entities established pursuant to Section 29-1-203, C.R.S., including, without limitation, the power to plan, design, acquire, construct, install, relocate and/or redevelop and finance Infrastructure (as defined in the Establishment Agreement) (hereafter, the “Improvements”) for the benefit of the Authority; and

WHEREAS, in furtherance of the Establishment Agreement, the Authority will incur capital costs associated with the planning, acquisition of Improvements constructed by REI and/or the construction of Improvements by the Authority; and

WEHEREAS, the Authority entered into an Improvement Acquisition, Advance and Reimbursement Agreement dated July 15, 2022, to provide for the funding and repayment of costs associated with the planning, acquisition, design, construction and installments of Improvements (the “Prior Agreement”), and in connection therewith, the Authority issued a Subordinate Note to REI to evidence the District’s reimbursement obligation to REI (the “2022 Note”); and

WHEREAS, the Authority continues to lack sufficient funds to finance the planning, acquisition, design, construction and installation of Improvements; and

WHEREAS, REI is willing to continue to fund the costs associated with the planning, acquisition, design, construction and installation of Improvements through fiscal year 2026, provided that the Authority agrees to repay REI for such costs funded by REI; and

WHEREAS, the Authority has agreed to repay REI for Improvements designed and constructed by REI and acquired by the Authority and/or for any advances received from REI for the Authority’s design, construction and installation of Improvements, subject to the terms and conditions set forth herein; and

WHEREAS, the Authority and REI have renegotiated the Prior Agreement, and desire to enter into an “Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement, as attached hereto as **Exhibit A** and incorporated herein by reference (the “Agreement”) for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of costs associated with the planning, acquisition, design, construction and installation of Improvements, which Agreement may constitute a refunding of any indebtedness evidenced by the Prior Agreement; and

WHEREAS, to evidence the Authority’s repayment obligation to REI, the Authority desires to refund the 2022 Note and issue a new Subordinate Note to REI, as attached hereto as **Exhibit B** and incorporated herein by reference (the “Subordinate Note”); and

WHEREAS, pursuant to Section 3.4(d)(5) of the Establishment Agreement, except for Pledge Agreements and unless otherwise provided in the Establishment Agreements, items requiring approval of the Authority shall be discussed a minimum of two public meetings prior to approval, and approval may be at the second meeting except for any bona fide emergency; and

WHEREAS, the Authority’s Board of Directors (the “Board”) initially discussed the Agreement and the Subordinate Note at a duly held meeting on November 8, 2023; and

WHEREAS, the Authority’s Board discussed the Agreement and the Subordinate Note at a second a duly held meeting on January 10, 2023, and desire to take such action to approve the Agreement and the Subordinate Note.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF BEEBE DRAW FARMS AUTHORITY AS FOLLOWS:

1. The Board of Directors hereby approves the “Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement” attached hereto as **Exhibit A**, and further authorizes the Authority’s President to execute the same.
2. The Board of Directors hereby authorizes the refunding of the 2022 Note and the issuance of the Subordinate Note to REI, as attached hereto as **Exhibit B**, to evidence the Authority’s repayment obligation to REI pursuant to the Agreement approved herein, and authorizes the Authority’s President to execute the same.
3. This Resolution shall take effect on the date and at the time of its adoption.

*(Signature Page Follows.)*

ADOPTED AND APPROVED THIS 10th DAY OF JANUARY, 2024.

**BEEBE DRAW FARMS AUTHORITY**

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By: Sharon Dillon, President



**EXHIBIT A**  
(To Resolution)

**AMENDED AND RESTATED  
IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT**

**AMENDED AND RESTATED  
IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT**

THIS AMENDED AND RESTATED IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT (the “Agreement”) is made and entered into as of the 10<sup>th</sup> day of January, 2024, by and between BEEBE DRAW FARMS AUTHORITY, an authority and separate legal entity duly created pursuant to Section 29-1-203, C.R.S. (the “Authority”), and REI LLC, a Wyoming limited liability company (“REI”), (collectively, the “Parties”).

**RECITALS**

WHEREAS, the Authority was established pursuant to the Authority Establishment Agreement dated April 12, 2011 (“Establishment Agreement”) in accordance with the laws of the State of Colorado to effect the development and operations and maintenance of public improvements for the benefit of the Beebe Draw Farms Metropolitan District Nos. 1 and 2, and the residents and property owners served by the Authority; and

WHEREAS, capitalized terms not defined herein shall have the meanings given to them in the Establishment Agreement; and

WHEREAS, the Authority has the power to exercise all powers now conferred by law upon separate legal entities established pursuant to Section 29-1-203, C.R.S., including, without limitation, the power to plan, design, acquire, construct, install, relocate and/or redevelop and finance Infrastructure (as defined in the Establishment Agreement) (hereafter, the “Improvements”) for the benefit of the Authority; and

WHEREAS, in furtherance of the Establishment Agreement, the Authority will incur capital costs associated with the planning, acquisition of Improvements constructed by REI and/or the construction of Improvements by the Authority; and

WEHEREAS, the Authority entered into an Improvement Acquisition, Advance and Reimbursement Agreement dated July 15, 2022, to provide for the funding and repayment of costs associated with the planning, acquisition, design, construction and installments of Improvements (the “Prior Agreement”), and in connection therewith, the Authority issued a Subordinate Note to REI to evidence the District’s reimbursement obligation to REI (the “2022 Note”); and

WHEREAS, the Authority continues to lack sufficient funds to finance the planning, acquisition, design, construction and installation of Improvements; and

WHEREAS, REI is willing to continue to fund the costs associated with the planning, acquisition, design, construction and installation of Improvements through fiscal year 2026, provided that the Authority agrees to repay REI for such costs funded by REI; and

WHEREAS, the Authority has agreed to repay REI for Improvements designed and constructed by REI and acquired by the Authority and/or for any advances received from REI for

the Authority's design, construction and installation of Improvements, subject to the terms and conditions set forth herein; and

WHEREAS, the Authority and REI have renegotiated the Prior Agreement, and desire to enter into this Agreement for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of costs associated with the planning, acquisition, design, construction and installation of Improvements, which Agreement may constitute a refunding of any indebtedness evidenced by the Prior Agreement; and

WHEREAS, to evidence the Authority's repayment obligation to REI, the Authority desires to issue a Subordinate Note to REI, which note refunds the 2022 Note issued in connection with the Prior Agreement; and

WHEREAS, the Authority's Board of Directors and REI have authorized its officers to execute this Agreement and to take all other actions necessary and desirable to effectuate the purposes of this Agreement; and

WHEREAS, those employees and/or affiliates of REI who serve on the Authority's Board of Directors have each disclosed potential conflicts of interest in connection with this Agreement, as required by law.

NOW THEREFORE, in consideration of the mutual covenants and promises expressed herein, REI and the Authority hereby agree as follows:

## COVENANTS AND AGREEMENTS

1. Purpose of Agreement. The Parties acknowledge that the Authority does not presently have the funds to plan, acquire, design, construct and install the Improvements. In furtherance of the purposes of the Authority as expressed in the Establishment Agreement, this Agreement shall provide a means by which the Authority may reimburse REI for (i) certain Certified Authority Eligible Costs (as such term is defined herein) of the Improvements financed and constructed by REI, and (ii) advances made to the Authority for the design, construction and installation of Improvements by the Authority. For purposes of this Agreement, the term "Certified Authority Eligible Costs" shall mean "Authority Eligible Costs" (as defined below) with respect to which the Authority has issued an "Acceptance Resolution" as hereinafter provided.

2. Improvement Acquisition Procedures/Application for Acceptance/Reimbursement of Soft Costs. The Parties hereby acknowledge and agree that REI may design and/or construct, or cause to be designed and constructed, certain Improvements for the benefit of the property within the Authority's boundaries including the Pelican Lake Ranch Development (the "Development"), subject to the terms and conditions set forth herein. REI will only construct Improvements as authorized by the Authority and the Authority is not authorized to accept any improvements or certify any costs for any Improvements that are not pre-approved by the Authority and agreed to by REI. REI agrees to design, construct, and complete any such Improvements in substantial conformance with the design standards and specifications as established and in use by the Authority, Weld County (the "County"), and other appropriate

jurisdictions. Upon completion of any design of and/or incurrence of other soft costs related to the construction and installation of Improvements (collectively, the “Soft Costs”) and upon the completion of Improvements, REI shall submit an application for reimbursement of “Authority Eligible Costs” for Soft Costs and/or completed Improvements. For purposes of this Agreement, the term “Authority Eligible Costs” shall mean any and all costs of any kind related to the provision of the Improvements that may be lawfully funded by the Authority pursuant to the Establishment Agreement and as permitted by law.

a. Dedicated Improvements. With respect to Improvements that are being transferred to other governmental entities or authorities, REI shall furnish the following to the Authority:

(1) A completed “Application for Acceptance of Authority Eligible Costs” on the Authority’s standard form, attached hereto and incorporated herein as Exhibit A;

(2) A description of the Improvements to be dedicated and the proposed Authority Eligible Costs thereof;

(3) Contracts and approved change orders;

(4) Copies of all invoices, statements and evidence of payment thereof equal to the proposed Authority Eligible Costs, including lien waivers from any suppliers and subcontractors;

(5) A letter from the governmental entity to which the Improvements are being dedicated evidencing the governmental entity’s preliminary or conditional acceptance of such Improvements, subject to any applicable warranty period;

(6) A letter agreement in form and substance satisfactory to the Authority addressing the maintenance of such Improvements during the applicable warranty period, REI’s commitment to fund the costs of any corrective work that must be completed before final acceptance by the governmental entity to which such Improvements are being dedicated, and REI’s agreement to obtain final acceptance from the governmental entity; and

(7) Such additional information as the Authority may reasonably require.

b. Acquired Improvements. With respect to Improvements to be acquired by the Authority, REI shall furnish the following:

(1) A completed “Application for Acceptance of Improvements” on the Authority’s standard form, attached hereto and incorporated herein as Exhibit B;

(2) A description of the Improvements to be acquired and the proposed Authority Eligible Costs thereof;

(3) Bid tabulations, bid evaluations, contracts and approved change orders;

(4) Copies of all invoices, statements and evidence of payment thereof equal to the proposed Authority Eligible Costs, including lien waivers from any suppliers and subcontractors;

(5) Evidence that any and all real property interests necessary to permit the Authority's use and occupancy of the Improvements have been granted, or, in the discretion of Authority, assurances acceptable to the Authority that REI, as applicable, will execute or cause to be executed such instruments as shall satisfy this requirement;

(6) A complete set of digital record drawings of the Improvements which are certified by a professional engineer registered in the State of Colorado or a licensed land surveyor, showing accurate dimensions and location of all Improvements. Such drawings shall be in form and content reasonably acceptable to the Authority;

(7) Approved landscape plan and certification by a landscape architect or engineer that all landscape Improvements were installed in accordance with the approved landscape plan(s) (*if applicable*);

(8) Test results for Improvements conforming to industry standards (compaction test results, concrete tickets, hardscape test results, cut-sheets etc.) (*if applicable*);

(9) Pressure test results for any irrigation system (*if applicable*);

(10) Certification from an independent engineer or other appropriate design professional (such professional shall not have been previously engaged by REI on the construction of the Improvements) stating that 1) the Improvements have been inspected for compliance with approved designs, plans and construction standards, 2) that the Improvements (or its individual components and/or subsystems, if applicable) have been substantially constructed in accordance with the approved designs, plans and construction standards, and, 3) the Improvements are fit for their intended purpose (the "Engineer's Design Certification");

(11) Assignment of any warranties or guaranties;

(12) Any operation and maintenance manuals;

(13) An executed Bill of Sale and Warranty Agreement in form and substance acceptable to the Authority;

(14) If the Authority is to assume ownership of any real property, a title commitment and form of Special Warranty Deed, in a form acceptable to the Authority, conveying the real property free and clear of all liens, claims and other encumbrances; and

(15) Such additional information as the Authority may reasonably require.

c. Soft Costs. With respect to the repayment of Soft Costs incurred by REI, REI shall furnish the following to the Authority:

(1) A completed “Application for Acceptance of Authority Eligible Costs” for Soft Costs related to Improvements constructed or to be constructed by REI and to be dedicated to a governmental entity, and/or a completed “Application for Acceptance of Improvements” for Soft Costs incurred for Improvements to be accepted by the Authority, on the Authority’s standard forms, attached hereto and incorporated herein as Exhibit A and Exhibit B, respectively.

(2) A description of the proposed Authority Eligible Costs thereof;

(3) Contracts and approved change orders for Soft Costs related to Improvements to be accepted by the Authority;

(4) Copies of all invoices, statements and evidence of payment thereof equal to the proposed Authority Eligible Costs;

(5) A complete set of digital record drawings of the Improvements which are certified by a professional engineer registered in the State of Colorado or a licensed land surveyor, showing accurate dimensions and location of all Improvements. Such drawings shall be in form and content reasonably acceptable to the Authority (*if applicable*);

(6) Approved landscape plan (*if applicable*);

(7) Test results for Improvements conforming to industry standards (compaction test results, concrete tickets, hardscape test results, cut-sheets etc.) (*if applicable*);

(8) Pressure test results for any irrigation system (*if applicable*);

(9) Certification from an independent engineer or other appropriate design professional (such professional shall not have been previously engaged by REI on the construction of the Improvements) stating that 1) the Improvements have been inspected for compliance with approved designs, plans and construction standards, 2) that the Improvements (or individual components and/or subsystems, if applicable) have been substantially constructed in accordance with the approved designs, plans and construction standards, and, 3) the Improvements are fit for their intended purpose (the “Engineer’s Design Certification”);

(10) Assignment of any warranties or guaranties (*if applicable*); and

(11) Such additional information as the Authority may reasonably require.

3. Application Review Procedures/Acceptance Resolution. Following receipt of an Application for Acceptance of Authority Eligible Costs or an Application for Acceptance of Improvements (collectively, the “Application”) as described above, and within a reasonable period of time thereafter:

a. The Authority manager shall review the Application to ensure all required materials have been submitted with the Application. Incomplete Applications will not be processed and will be returned to REI to complete and resubmit to the Authority.

b. The Authority accountant shall review the invoices and other material presented in the Application to substantiate the Authority Eligible Costs set forth therein and shall issue a cost certification in form and substance reasonably acceptable to the Authority Board, certifying the total amount of Authority Eligible Costs associated with the Improvements to be dedicated to other governmental entities or acquired by the Authority (the “Accountant Cost Certification”). If the Authority accountant cannot substantiate all Authority Eligible Costs reported in the Application or determines that only certain costs reported in the Application qualify as Authority Eligible Costs, the Authority’s accountant shall discuss the same with REI and only certify those Authority Eligible Costs that can be substantiated and reimbursed by the Authority.

c. The Authority’s engineer (such engineer shall be independent of any engineer engaged by REI to perform work on the Improvements) shall also review the invoices and other material presented in the Application, including the Engineer Design Certification, to substantiate the Authority Eligible Costs and shall issue a cost certification in form and substance reasonably acceptable to the Authority, certifying the total amount of Authority Eligible Costs associated with the Improvements to be dedicated to other governmental entities or acquired by the Authority and that such costs are reasonable and appropriate for the type of Improvements being constructed in the vicinity of the Development (the “Engineer’s Cost Certification”). In the event the Authority’s engineer determines that corrective work must be completed before the Engineer’s Cost Certification can be issued or that costs associated with the Improvements are not deemed reasonable or appropriate, REI shall promptly be given written notice thereof and shall have an opportunity to dispute and/or complete such corrective work. The Authority’s engineer shall only certify those Authority Eligible Costs that have been certified by the Authority’s accountant as set forth in the Accountant Cost Certification. To the extent the Authority’s engineer cannot certify all Authority Eligible Costs set forth in the Accountant Cost Certification, the Authority accountant and engineer shall work together to resolve any discrepancies and provide written notice to REI of any final adjustments to the total Authority Eligible Costs to be certified by the Authority’s accountant and engineer.

d. Upon receipt of a satisfactory Accountant’s Cost Certification, Engineer’s Cost Certification and, if applicable, Engineer’s Design Certification, and within a reasonable time thereafter, the Authority shall accept the Authority Eligible Costs, and any related Improvements to be owned by the Authority, by adopting a Resolution declaring satisfaction of the conditions to acceptance as set forth herein (subject to any variances or waivers which the Authority may allow in its sole and absolute discretion), with any reasonable conditions the Authority may specify (the “Acceptance Resolution”).

4. Payment of Certified Authority Eligible Costs. The Authority shall repay Certified Authority Eligible Costs approved by the Authority pursuant to the Acceptance Resolution from any legally available funds of the Authority. In the event the Authority lacks legally available funds at the time of adoption of the Acceptance Resolution, the Authority shall evidence its obligation to repay REI for the accepted Certified Authority Eligible Costs on the Subordinate Note issued to REI pursuant to Paragraph 7 herein.

5. Advances for Construction of Improvements. The Parties acknowledge that the Authority may construct certain Improvements to serve the Development and lacks sufficient funds to pay the costs associated with the construction of such Improvements. REI hereby agrees to advance such funds to the Authority or expend such funds on behalf of the Authority in one or more installments, provided that in no event shall the total amount that REI must advance to the Authority or expend on behalf of the Authority exceed One Hundred Thousand Dollars (\$100,000), (the "Maximum Principal Amount"). The Maximum Principal Amount constitutes the maximum amount that may be advanced or expended hereunder, including all amounts previously advanced and expended under the Prior Agreement, notwithstanding any payment or prepayment of any portion of the funds advanced or expended pursuant to the terms hereof, unless this Agreement is further supplemented or amended. Advanced funds shall be available to the Authority in one or a series of installments as of the effective date of this Agreement through December 31, 2026, which period shall constitute the "Funding Obligation Term" of this Agreement. The Authority's repayment obligation shall survive the Funding Obligation Term until REI is repaid in full, provided that the Authority's repayment obligation shall terminate on the date that is forty (40) years after the execution date hereof (or July 14, 2062), even if any portion of the Maximum Principal Amount remains outstanding.

6. Manner for Requesting Advances. REI is obligated to promptly advance funds to the Authority or expend funds on the Authority's behalf upon proper request from the Authority, in the specific amounts requested. The procedure for making such a request shall be as follows:

A. The Authority's Board shall hold public meetings, as necessary, to review and authorize the execution of contracts and the incurrence of other fees and costs, and to authorize payments and expenditures therefor, consistent with the Establishment Agreement and budget. At said meetings, REI, any and all consultants, contract parties, and/or other individuals or entities shall have the opportunity to submit invoices and/or other notices of payment due for review and authorization. If the Authority Board determines that said invoices and/or notices of payment are consistent with the Establishment Agreement, the terms of this Agreement, and the applicable budget, it shall authorize payment therefor contingent on the receipt of funds advanced from REI, or authorize expenditures to be made by REI on behalf of the Authority.

B. Thereafter, the Authority shall advise REI in writing of the amount to be advanced to or expended on behalf of the Authority in an amount sufficient to pay said invoices and/or notices of payment or expenditures. The Authority shall certify that the funds so requested are to be used for purposes permitted under this Agreement and consistent with the Establishment Agreement.



C. Immediately upon the receipt of funds from REI, or when funds are expended by REI on behalf of the Authority, the Authority shall maintain evidence of the (i) amount of funds advanced to or expended on behalf of the Authority; (ii) date such amount was advanced or expended; (iii) total amount of funds advanced to the Authority and/or expended on the Authority's behalf to date pursuant to this Agreement; and (iv) total unpaid accrued interest due thereon. In addition, the Authority shall notate the same on Schedule "A" of the Subordinate Note to be issued hereunder as provided in Paragraph 7 hereof. The Authority will make such evidence available to REI upon reasonable request and such evidence shall constitute the agreed-upon amounts to be repaid by the Authority in accordance with the terms of this Agreement.

7. Issuance of the Subordinate Note; Recordation of Advances; Interest.

A. On the Effective Date, the Authority shall promptly issue, execute, and deliver to REI a Subordinate Note, substantially in the form as attached hereto as Exhibit C, in an amount not to exceed the Maximum Principal Amount, which Subordinate Note shall evidence the Authority's repayment obligation to REI for funds advanced to or expended on behalf of the Authority as provided in the Agreement.

B. The Subordinate Note issued hereunder shall bear simple interest at a fixed rate not to exceed the prime interest rate (as reported on the date of issuance by *The Wall Street Journal*) plus 3% up to a maximum Total Interest Rate of 8.5%, from the date of each advance received by the Authority hereunder and the date of accepted Certified Authority Eligible Costs approved by the Authority, regardless of the date such advance or accepted Certified Authority Eligible Costs are noted on Schedule A, to the earlier of the maturity date or date of redemption thereof, subject to Paragraph 11.B. hereof. If the Subordinate Note, or any portion thereof, is redeemed prior to its maturity date, then the interest that accrued on the principal amount so redeemed, must be paid upon redemption; for purposes of the foregoing, interest shall be deemed to have accrued up to and including the date of redemption.

C. Upon receipt of each advance from REI or acceptance of Certified Authority Eligible Costs, the Authority shall complete the appropriate information on Schedule "A" of the Subordinate Note, showing the amount of each advance or accepted Certified Authority Eligible Costs, the date of receipt, and the total principal and unpaid accrued interest thereon.

D. The Subordinate Note shall be repayable only to the extent, and in the amount of noted as outstanding on Schedule "A" thereto, which amount shall not exceed the Maximum Principal Amount, notwithstanding any payment or prepayment of any portion of the advances pursuant to the terms thereof, unless this Agreement and the Subordinate Note are further supplemented or amended.

E. The terms of this Agreement may be used to construe the intent of the Authority and REI in connection with the issuance of the Subordinate Note, and shall be read as nearly as possible to make the provisions of the Subordinate Note and this Agreement fully effective. Should any irreconcilable conflict arise between the terms of this Agreement and the terms of any Subordinate Note, the terms of such Subordinate Note shall prevail.

F. If, for any reason, the Subordinate Note is determined to be invalid or unenforceable (except in the case of fraud by REI in connection therewith), the Authority shall issue a new promissory note to REI that is legally enforceable. Said new Subordinate Note must evidence the Authority's obligation to repay all amounts advanced to the Authority and all unpaid accepted Certified Authority Eligible Costs pursuant to this Agreement with interest, subject to the terms hereof.

8. Terms of Repayment; Source of Revenues.

A. Subject to Paragraph 11.B. of the Agreement, any funds advanced to the Authority and any unpaid accepted Certified Authority Eligible Costs shall be repaid in accordance with the terms of the Subordinate Note on which the amount of such outstanding and unpaid obligations are notated and in accordance with the terms provided herein. The Subordinate Note shall have a maturity date of July 14, 2062 (the "Maturity Date"). In the event the Parties amend the Maximum Principal Amount pursuant to an amendment to the Agreement, the Authority agrees to refund the existing Subordinate Note and issue a new Subordinate Note to REI in an amount not to exceed the amended Maximum Principal Amount, with same Maturity Date, and subject to the same terms as provided in the Agreement. Schedule "A" of the Subordinate Note issued by the Authority shall reflect all outstanding principal on the Subordinate Note being refunded and all unpaid accrued interest to date.

B. Subject to the conditions set forth in this Paragraph 8.B., the Authority shall repay the Subordinate Note from any revenues of the Authority as the Authority determines in its sole discretion, are available for such purpose, including funds on deposit in the Infrastructure Account and bond proceeds made available to the Authority from bonds issued by District No. 2, subject to any restrictions provided in the Establishment Agreement. The Subordinate Note will be paid in full by the Authority prior to payment of any other obligation thereof that may have a claim on any Authority revenues which are otherwise available for payment of the Subordinate Note, other than current Authority operation and maintenance expenses, other budgeted general operating expenditures of the Authority, and as otherwise provided in this Paragraph 8.B.

C. Repayment by the Authority of some or all the amounts owing hereunder, as evidenced on the Subordinate Note issued hereunder, shall be contingent upon the availability of bond proceeds or other legally available revenues of the Authority described in Paragraph 8.B. hereof. Failure by the Authority to repay the amounts due hereunder as a result of insufficient funds shall not constitute a default, nor subject the Authority to any claims and/or causes of action by REI, including mechanic's liens, arising out of the Authority's nonperformance of its payment obligation. Failure by the Authority to make a payment of principal and/or interest on the Subordinate Note shall not cause or permit acceleration thereof; rather, the Subordinate Note shall continue to bear interest at the rate and in the manner specified therein and herein.

D. The Subordinate Note may be prepaid, in whole or in part, at any time without redemption premium or other penalty, but with interest accrued to the date of prepayments on the principal amount prepaid. Any and all prepayments shall first be applied to unpaid accrued interest and then to the principal amount outstanding.

E. The Subordinate Note issued hereunder shall be repayable only to the extent of the amount owed by the Authority as noted on Schedule “A” attached to the Subordinate Note.

F. Any repayment made to REI by the Authority shall be notated on Schedule “A” to the Subordinate Note.

9. Obligations Irrevocable. The obligations created by this Agreement are absolute, irrevocable, and unconditional, unless a contrary notation is specifically made herein, and may only be modified pursuant to Paragraph 17 herein. REI shall not take any action which would delay or impair the Authority’s ability to receive the advanced proceeds contemplated herein with sufficient time to properly pay approved invoices and/or notices of payment due.

10. Tax Covenant. In the event the Authority is advised by nationally recognized bond counsel that payments of all or any portion of interest due on any Subordinate Note issued hereunder may be excluded from gross income of the holder thereof for federal income tax purposes upon compliance with certain procedural requirements and restrictions that are not inconsistent with the intended uses of funds contemplated herein and are not overly burdensome to the Authority, the Authority agrees to take all action reasonably necessary to satisfy the applicable provisions of the Internal Revenue Code of 1986, as amended, and regulations promulgated thereunder, in accordance with written instructions of nationally recognized bond counsel. REI acknowledges that no representations or warranties whatsoever have been made by the Authority or its Board as to the treatment for federal or state income tax purposes of any interest payable hereunder.

11. Termination.

A. REI’s obligation to construct, or cause to be constructed the Improvements, and/or to advance funds to the Authority or expend funds on the Authority’s behalf in accordance with the Agreement shall terminate upon the expiration of the Funding Obligation Term, except to the extent that (i) advance requests have been made to REI that are pending by this termination date, in which case said pending request(s) will be honored notwithstanding the passage of the termination date, or (ii) the Funding Obligation Term has been extended by the Parties via written amendment, as provided in Paragraph 17 herein.

B. The Authority’s obligations hereunder shall terminate upon the earlier of: (i) repayment in full of the Maximum Principal Amount or such lesser amount advanced or expended on its behalf hereunder if it is determined by the Authority that no further advances are needed and no further Improvements will be constructed by REI and acquired by the Authority hereunder, as evidenced pursuant to the Subordinate Note issued hereunder; or (ii) the Maturity Date. Any amounts remaining outstanding on the Subordinate Note on the Maturity Date shall be discharged with no further amounts due by the Authority.

12. Subject to Annual Appropriations. The Authority does not intend to create hereunder a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The Authority’s repayment obligations set forth herein, and as further evidenced on the

Subordinate Note issued by the Authority to REI pursuant to the terms of this Agreement, are subject to the annual appropriation of funds by the Authority.

13. Time Is of the Essence. Time is of the essence hereof; provided, however, that if the last day permitted or the date otherwise determined for the performance of any act required or permitted under this Agreement falls on a Saturday, Sunday or legal holiday, the time for performance shall be extended to the next succeeding business day, unless otherwise expressly stated.

14. Indemnification. REI hereby agrees to indemnify and save harmless the Authority from all claims and/or causes of action, including mechanic's liens, arising out of REI 's performance of any act or the nonperformance of any obligation with respect to the Improvements constructed and conveyed to the Authority or dedicated to the County, and in that regard, agrees to pay any and all costs incurred by the Authority as a result thereof, including settlement amounts, judgments and reasonable attorneys' fees.

15. Governmental Immunity. Nothing herein shall be construed as a waiver of the rights and privileges of the Authority pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S., as amended from time to time.

16. Notices and Place for Payments. Any notices, demands, or other communications required or permitted to be given by any provision of this Agreement shall be given in writing and shall be delivered in person, by certified mail, postage prepaid, return receipt requested, by a commercial overnight courier that guarantees next day delivery and provides a receipt, or by electronic mail communications ("E-Mail"), and such notices shall be addressed as follows:

**If to the Authority:** Beebe Draw Farms Authority  
c/o Icenogle Seaver Pogue, P.C.  
4725 S. Monaco St., Suite 360  
Denver, Colorado 80237  
Attn: Alan D. Pogue  
Email: [apogue@isp-law.com](mailto:apogue@isp-law.com)

**With a copy to:** Icenogle Seaver Pogue, P.C.  
4725 S. Monaco St., Suite 360  
Denver, Colorado 80237  
Attn: Alan D. Pogue  
Email: [apogue@isp-law.com](mailto:apogue@isp-law.com)

**If to REI :** REI LLC  
c/o Christine Hethcock  
PO Box 156  
Red Feather Lakes, CO 80505  
Email: [hethcock16@gmail.com](mailto:hethcock16@gmail.com)

or to such other address as either party may from time to time specify in writing to the other party. Notice shall be considered delivered upon delivery by certified mail, overnight courier, E-Mail or upon hand delivery. When using E-Mail to provide notice, the receiving party must respond via “reply” acknowledging receipt of the E-Mail notification or a read receipt or delivery receipt must be provided to the sender. If the sending party fails to receive acknowledgement of such receipt, an alternative form of notification must be used.

17. Amendments. Except as otherwise provided herein, this Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the Authority and REI.

18. Assignment. This Agreement may not be assigned, in whole or in part. Any attempted assignment in violation of this paragraph shall be immediately void and of no effect.

19. Applicable Laws. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Colorado.

20. Severability. If any clause or provision of this Agreement is adjudged invalid and/or unenforceable by a court of competent jurisdiction or by operation of any law, such clause or provision shall not affect the validity of this Agreement as a whole, but shall be severed herefrom, leaving the remaining Agreement intact and enforceable.

21. Authority. By execution hereof, the Authority and REI each represent and warrant that their respective representatives signing hereunder have full power and authority to execute this Agreement and to bind the respective party to the terms hereof.

22. Legal Existence. The Authority will maintain its legal identity and existence so long as any of the advanced amounts contemplated herein remain outstanding. The foregoing statement shall apply unless, by operation of law, another legal entity succeeds to the liabilities and rights of the Authority hereunder without materially adversely affecting REI’s privileges and rights under this Agreement.

23. Entire Agreement. This Agreement and the Subordinate Note issued hereunder constitute and represent the entire, integrated agreement between the Authority and REI with respect to the matters set forth herein and therein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral. . For the avoidance of doubt, the Parties acknowledge and agree that this Agreement amends, restates, and replaces the Prior Agreement in its entirety. This Agreement shall become effective upon the Effective Date, at which time any existing Prior Agreement shall terminate and be of no further force or effect.

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

*(Signature Pages Follow.)*

IN WITNESS WHEREOF, the Authority and REI have executed this Agreement to be effective as of the Effective Date.

**BEEBE DRAW FARMS AUTHORITY**

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By: Sharon Dillon  
Its: President

*Signature Page Beebe Draw Farms Authority  
Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement*

**REI LLC,**  
a Wyoming limited liability company

\_\_\_\_\_  
By: Christine Hethcock

Its: \_\_\_\_\_

**EXHIBIT A**

(To Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement)

**APPLICATION FOR ACCEPTANCE OF AUTHORITY ELIGIBLE COSTS**

**Application for Acceptance of Authority Eligible Costs**

**Applicant Name:** \_\_\_\_\_

**Applicant Address:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**Daytime Phone #:** ( ) \_\_\_\_\_ **Alt./Cell:** ( ) \_\_\_\_\_

**Email:** \_\_\_\_\_

**Description and Location of Improvements:** (please include a narrative description and attach maps/exhibits showing the location of all improvements) \_\_\_\_\_

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

**Public Improvement Category and Costs:** (a separate spreadsheet with the information set forth below may be provided in lieu of completing the chart below)

Description of Improvement	Entity That Will Own, Operate and Maintain Improvement	Improvements located within Public Property, Easements, or Public ROW (please specify)	Hard Construction Costs (including Staking and Testing) <i>Please include name of vendor next to dollar amount</i>	Soft Costs (Engineering, Legal, Planning, Landscape & Irrigation Design) <i>Please include name of vendor next to dollar amount</i>
Street Improvements:				
Water Improvements:				
Sanitary Sewer Improvements:				



Landscaping & Irrigation:				
Other Improvements:				

**Required to be submitted:**

- Completed and Signed Application
- Contracts and Approved Change Orders
- Invoices and Pay Applications
- Evidence of Payment
- Lien Waivers
- Acceptance Letters for Improvements from Applicable Jurisdictions
- Agreement Addressing Maintenance and Corrective Work Prior to Final Acceptance
- Any other information reasonably requested by Authority

If any of the materials above are not included in the submission, please provide reason: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Total amount of Authority Eligible Costs requested for reimbursement: \$** \_\_\_\_\_

**By its signature below,** Applicant certifies that this Application for Acceptance of Authority Eligible Costs and all documents submitted in support of this application are true and correct, that the Applicant is authorized to sign this application, and the costs submitted for reimbursement herein qualify as Authority Eligible Costs in accordance with the Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement with Beebe Draw Farms Authority.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**EXHIBIT B**

(To Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement)

**APPLICATION FOR ACCEPTANCE OF IMPROVEMENTS**

**Application for Acceptance of Improvements**

(To be owned, operated and maintained by the Authority)

**Applicant Name:** \_\_\_\_\_

**Applicant Address:** \_\_\_\_\_ **State:** \_\_\_\_\_ **Zip:** \_\_\_\_\_

**Daytime Phone #:** ( ) \_\_\_\_\_ **Alt./Cell:** ( ) \_\_\_\_\_

**Email:** \_\_\_\_\_

**Description and Location of Public Infrastructure:** (please include a narrative description and attach maps/exhibits showing the location of all improvements) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Public Improvement Category and Costs:** (a separate spreadsheet with the information set forth below may be provided in lieu of completing the chart below)

<b>Description of Improvement</b>	<b>Improvements located within Authority Property, Easements, or Public ROW</b>	<b>Hard Construction Costs</b> (including Staking and Testing) <i>Please include name of vendor next to dollar amount</i>	<b>Soft Costs</b> (Engineering, Legal, Planning, Landscape & Irrigation Design) <i>Please include name of vendor next to dollar amount</i>
Street Improvements:			
Water Improvements:			
Sanitary Sewer Improvements:			
Landscaping & Irrigation:			

Other Improvements:			
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**Required to be submitted:**

- Completed and Signed Application
- Bid Tabulation and Evaluation
- Contracts and Approved Change Orders
- Invoices and Pay Applications
- Evidence of Payment
- Lien Waivers
- Approved Landscape Plan and Landscape Architect or Engineer Certification of Landscape Improvements (if applicable)
- Test Results for improvements conforming to industry standards, Videos, CADD files, etc.
- Pressure Test Results for any irrigation system (if applicable)
- Evidence of Real Property Interests in favor of Authority (if applicable)
- Partial Release from lender (if applicable)
- Record Drawings certified by a professional engineer or licensed land surveyor
- Engineer Certification of Public Infrastructure
- Assignment of Warranties or Guaranties
- Operation and Maintenance Manuals
- Signed Bill of Sale and Warranty Agreement
- Title Commitment (if applicable)
- Special Warranty Deed (if applicable)

If any of the materials above are not included in the submission, please provide reason: \_\_\_\_\_

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**Total amount of Authority Eligible Costs requested for reimbursement: \$** \_\_\_\_\_

**By its signature below,** Applicant certifies that this Application for Acceptance of Improvements and all documents submitted in support of this application are true and correct, and that the Applicant is authorized to sign this application and convey the Improvements set forth in this application to Beebe Draw Farms Authority, free and clear of any liens or encumbrances whatsoever, in accordance with the Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement with the Authority.

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**EXHIBIT C**

(To Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement)

**FORM OF SUBORDINATE PROMISSORY NOTE**

BEEBE DRAW FARMS AUTHORITY  
REVENUE AND LIMITED TAX OBLIGATION  
SUBORDINATE PROMISSORY NOTE

PRINCIPAL AMOUNT: Up to One Hundred Thousand Dollars (\$100,000)

INTEREST RATE: Prime interest rate (as reported on the date of issuance by *The Wall Street Journal*) plus 3% up to a maximum Total Interest Rate of 8.5%, simple interest

DATED: January 10, 2024

REGISTERED OWNER: REI LLC (“REI”)

MATURITY DATE: July 14, 2062

Beebe Draw Farms Authority (the “Authority”), a separate legal entity established pursuant to the laws of the State of Colorado, for the value received, hereby promises to pay, but solely and only from, and contingent upon receipt of, the sources hereinafter described, the principal sum stated above (or such lesser amount as may be shown as advanced hereunder as set forth in Schedule “A” attached hereto) together with interest at the rate stated above, which interest shall accrue on said principal sum from and after the date hereof to the maturity date hereof, in lawful money of the United States of America to the registered owner named above on the maturity date stated above unless this Note shall be prepaid in full, in which case on such payment date.

In any case where the date of maturity for payment of interest and principal on this Note or the date fixed for prepayment hereof shall be a Saturday or Sunday, a legal holiday or a day on which banking institutions in the city or town of payment are authorized by law to close, then payment of interest and principal or prepayment price shall be made on the immediately following business day with the same force and effect as if made on the date of maturity or the date fixed for prepayment. Prior to the Maturity Date, and at such time as the Authority has available funds, this Note may be prepaid, in whole or in part, at any time without redemption premium or other penalty, but with interest accrued on the principal amount prepaid, up to and including the date of prepayment. Any and all prepayments shall first be applied to unpaid accrued interest, then to the principal amount outstanding on this Note. This Note will be paid in full from the sources hereinafter described prior to the payment of any other obligation of the Authority that may have a claim on such revenues and would otherwise be available for the payment of this Note as further described herein, other than current operation and maintenance expenses and other budgeted general fund expenditures of the Authority, and as further provided and limited herein.

This Note is executed, issued and delivered to REI pursuant to that certain Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement entered into between the Authority and REI, dated January 10, 2024 (the “Agreement”), the terms of which are hereby incorporated by reference, to evidence the repayment obligation of the Authority with respect to certain indebtedness owed to REI, and represents a refunding of the 2022 Note (as defined in the Agreement).

Pursuant to the Agreement, the Authority is obligated to repay both the principal amount of this Note and any and all interest accrued thereon, from the revenue sources and in the manner specified in the Agreement, contingent upon the receipt of such funds from said revenue sources, subject to any restrictions provided in the Establishment Agreement; and further *provided, that any such repayment shall be subject to the annual appropriation of funds by the Authority and shall be subject and subordinate to the terms and conditions of bonds issued by the District No. 2 and any refundings thereof, and the provisions of any bond resolution, indenture, pledge agreement, loan document and/or any other document related thereto.*

Failure by the Authority to repay REI as a result of insufficient funds shall not constitute a default hereunder, nor subject the Authority to any claims and/or causes of action by REI, including mechanic's liens, arising out of the Authority's nonperformance of its payment obligation. Failure by the Authority to make a payment of principal or interest due on the Note shall not cause or permit acceleration thereof; rather, the Note shall continue to bear interest at the rate and manner specified herein.

Upon acceptance of any Certified Authority Eligible Costs (as defined in the Agreement) by the Authority and upon receipt of each advance received by the Authority, the Authority shall indicate on Schedule "A" of this Note: (i) the amount of Certified Authority Eligible Costs accepted by the Authority or funds advanced received by the Authority; (ii) the date of the advance or accepted Certified Authority Eligible Costs; (iii) the total funds accepted and advanced to date; and (iv) the total unpaid accrued interest due thereon. Any payments made on the Note by the Authority shall also be evidenced on Schedule "A" attached hereto.

Neither the Board of Directors of the Authority, nor any person executing this Note, shall be personally liable hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Colorado. All issues arising hereunder shall be governed by the laws of Colorado.

**THIS NOTE IS A SPECIAL, LIMITED OBLIGATION OF THE AUTHORITY AND SHALL BE PAYABLE SOLELY FROM CERTAIN REVENUES SPECIFIED IN THE IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT. THIS NOTE SHALL NOT CONSTITUTE A DEBT OR OBLIGATION OF THE STATE OF COLORADO OR WELD COUNTY, COLORADO. REI SHALL HAVE NO RIGHT TO COMPEL THE EXERCISE OF THE TAXING POWER OF THE STATE OF COLORADO OR WELD COUNTY TO PAY THIS NOTE OR THE INTEREST THEREON, NOR TO ENFORCE PAYMENT OF THE SAME AGAINST THE PROPERTY OF THE STATE OF COLORADO OR WELD COUNTY, NOR SHALL THIS NOTE CONSTITUTE A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE STATE OF COLORADO OR WELD COUNTY.**

**BY ITS ACCEPTANCE HEREOF, REI ACKNOWLEDGES THAT THE AUTHORITY AND ITS OFFICERS, ATTORNEYS, EMPLOYEES OR AGENTS NEITHER MAKE, NOR HAVE MADE, ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE PROPER TREATMENT FOR FEDERAL, STATE AND/OR LOCAL INCOME TAX PURPOSES OF THE INTEREST PAYABLE HEREUNDER.**

The Authority waives demand, presentment, and notice of dishonor and protest with respect to any payment due hereunder. No waiver of any payment or other right under this Note shall operate as a waiver of any other payment or right, including right of offset. If REI enforces this Note upon default, the Authority shall pay or reimburse REI for reasonable expenses incurred in the collection hereof or in the realization of any security hereof, including reasonable attorney's fees.

Notwithstanding any provision herein, or in any instrument now or hereafter securing the obligation of the Authority specified herein, the total liability for payments in the nature of interest shall not exceed the limit now imposed by the usury laws of the State of Colorado.

This Note shall not be transferable, negotiable, or otherwise payable to any party other than REI.

If, for any reason, this Note is determined to be invalid or unenforceable (except in the case of fraud by REI in connection therewith), the Authority shall issue a new promissory note to REI that is legally enforceable. Said new promissory note shall evidence the Authority's obligation to repay all amounts due hereunder.

It is hereby certified, recited and declared that all conditions, acts and things required to exist or occur by the Constitution or statutes of the State of Colorado, currently exist and either occurred prior to, or in connection with, the issuance of this Note.

By signing in the space provided below, the Authority hereby acknowledges and agrees that this Note shall be irrevocable for all purposes and shall be binding upon the Authority, subject to the provisions herein and the provisions of the Agreement. This Note may not be terminated orally, but only by payments in full or by a written discharge signed by the owner and holder of this Note. Notwithstanding the foregoing, REI acknowledges that the Authority's obligations hereunder shall terminate on the Maturity Date, even if any portion of the principal sum remains unpaid and outstanding.

*(Signature Page Follows.)*

IN WITNESS WHEREOF, the Authority has caused this Note to be executed in its name and on its behalf by its President, with an imprint of its seal affixed hereon.

**BEEBE DRAW FARMS AUTHORITY**

(S E A L)

**EXHIBIT FORM – DO NOT SIGN**

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

Its: \_\_\_\_\_



SCHEDULE A

**EXHIBIT B**  
(To Resolution)

**SUBORDINATE PROMISSORY NOTE**

BEEBE DRAW FARMS AUTHORITY  
REVENUE AND LIMITED TAX OBLIGATION  
SUBORDINATE PROMISSORY NOTE

PRINCIPAL AMOUNT: Up to One Hundred Thousand Dollars (\$100,000)

INTEREST RATE: Prime interest rate (as reported on the date of issuance by *The Wall Street Journal*) plus 3% up to a maximum Total Interest Rate of 8.5%, simple interest

DATED: January 10, 2024

REGISTERED OWNER: REI LLC (“REI”)

MATURITY DATE: July 14, 2062

Beebe Draw Farms Authority (the “Authority”), a separate legal entity established pursuant to the laws of the State of Colorado, for the value received, hereby promises to pay, but solely and only from, and contingent upon receipt of, the sources hereinafter described, the principal sum stated above (or such lesser amount as may be shown as advanced hereunder as set forth in Schedule “A” attached hereto) together with interest at the rate stated above, which interest shall accrue on said principal sum from and after the date hereof to the maturity date hereof, in lawful money of the United States of America to the registered owner named above on the maturity date stated above unless this Note shall be prepaid in full, in which case on such payment date.

In any case where the date of maturity for payment of interest and principal on this Note or the date fixed for prepayment hereof shall be a Saturday or Sunday, a legal holiday or a day on which banking institutions in the city or town of payment are authorized by law to close, then payment of interest and principal or prepayment price shall be made on the immediately following business day with the same force and effect as if made on the date of maturity or the date fixed for prepayment. Prior to the Maturity Date, and at such time as the Authority has available funds, this Note may be prepaid, in whole or in part, at any time without redemption premium or other penalty, but with interest accrued on the principal amount prepaid, up to and including the date of prepayment. Any and all prepayments shall first be applied to unpaid accrued interest, then to the principal amount outstanding on this Note. This Note will be paid in full from the sources hereinafter described prior to the payment of any other obligation of the Authority that may have a claim on such revenues and would otherwise be available for the payment of this Note as further described herein, other than current operation and maintenance expenses and other budgeted general fund expenditures of the Authority, and as further provided and limited herein.

This Note is executed, issued and delivered to REI pursuant to that certain Amended and Restated Improvement Acquisition, Advance and Reimbursement Agreement entered into between the Authority and REI, dated January 10, 2024 (the “Agreement”), the terms of which are hereby incorporated by reference, to evidence the repayment obligation of the Authority with respect to certain indebtedness owed to REI, and represents a refunding of the 2022 Note (as defined in the Agreement).

Pursuant to the Agreement, the Authority is obligated to repay both the principal amount of this Note and any and all interest accrued thereon, from the revenue sources and in the manner specified in the Agreement, contingent upon the receipt of such funds from said revenue sources, subject to any restrictions provided in the Establishment Agreement; and further *provided, that any such repayment shall be subject to the annual appropriation of funds by the Authority and shall be subject and subordinate to the terms and conditions of bonds issued by the District No. 2 and any refundings thereof, and the provisions of any bond resolution, indenture, pledge agreement, loan document and/or any other document related thereto.*

Failure by the Authority to repay REI as a result of insufficient funds shall not constitute a default hereunder, nor subject the Authority to any claims and/or causes of action by REI, including mechanic's liens, arising out of the Authority's nonperformance of its payment obligation. Failure by the Authority to make a payment of principal or interest due on the Note shall not cause or permit acceleration thereof; rather, the Note shall continue to bear interest at the rate and manner specified herein.

Upon acceptance of any Certified Authority Eligible Costs (as defined in the Agreement) by the Authority and upon receipt of each advance received by the Authority, the Authority shall indicate on Schedule "A" of this Note: (i) the amount of Certified Authority Eligible Costs accepted by the Authority or funds advanced received by the Authority; (ii) the date of the advance or accepted Certified Authority Eligible Costs; (iii) the total funds accepted and advanced to date; and (iv) the total unpaid accrued interest due thereon. Any payments made on the Note by the Authority shall also be evidenced on Schedule "A" attached hereto.

Neither the Board of Directors of the Authority, nor any person executing this Note, shall be personally liable hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This Note is issued pursuant to and in full compliance with the Constitution and laws of the State of Colorado. All issues arising hereunder shall be governed by the laws of Colorado.

**THIS NOTE IS A SPECIAL, LIMITED OBLIGATION OF THE AUTHORITY AND SHALL BE PAYABLE SOLELY FROM CERTAIN REVENUES SPECIFIED IN THE IMPROVEMENT ACQUISITION, ADVANCE AND REIMBURSEMENT AGREEMENT. THIS NOTE SHALL NOT CONSTITUTE A DEBT OR OBLIGATION OF THE STATE OF COLORADO OR WELD COUNTY, COLORADO. REI SHALL HAVE NO RIGHT TO COMPEL THE EXERCISE OF THE TAXING POWER OF THE STATE OF COLORADO OR WELD COUNTY TO PAY THIS NOTE OR THE INTEREST THEREON, NOR TO ENFORCE PAYMENT OF THE SAME AGAINST THE PROPERTY OF THE STATE OF COLORADO OR WELD COUNTY, NOR SHALL THIS NOTE CONSTITUTE A CHARGE, LIEN OR ENCUMBRANCE, LEGAL OR EQUITABLE, UPON ANY PROPERTY OF THE STATE OF COLORADO OR WELD COUNTY.**

**BY ITS ACCEPTANCE HEREOF, REI ACKNOWLEDGES THAT THE AUTHORITY AND ITS OFFICERS, ATTORNEYS, EMPLOYEES OR AGENTS NEITHER MAKE, NOR HAVE MADE, ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE PROPER TREATMENT FOR FEDERAL, STATE AND/OR LOCAL INCOME TAX PURPOSES OF THE INTEREST PAYABLE HEREUNDER.**

The Authority waives demand, presentment, and notice of dishonor and protest with respect to any payment due hereunder. No waiver of any payment or other right under this Note shall operate as a waiver of any other payment or right, including right of offset. If REI enforces this Note upon default, the Authority shall pay or reimburse REI for reasonable expenses incurred in the collection hereof or in the realization of any security hereof, including reasonable attorney's fees.

Notwithstanding any provision herein, or in any instrument now or hereafter securing the obligation of the Authority specified herein, the total liability for payments in the nature of interest shall not exceed the limit now imposed by the usury laws of the State of Colorado.

This Note shall not be transferable, negotiable, or otherwise payable to any party other than REI.

If, for any reason, this Note is determined to be invalid or unenforceable (except in the case of fraud by REI in connection therewith), the Authority shall issue a new promissory note to REI that is legally enforceable. Said new promissory note shall evidence the Authority's obligation to repay all amounts due hereunder.

It is hereby certified, recited and declared that all conditions, acts and things required to exist or occur by the Constitution or statutes of the State of Colorado, currently exist and either occurred prior to, or in connection with, the issuance of this Note.

By signing in the space provided below, the Authority hereby acknowledges and agrees that this Note shall be irrevocable for all purposes and shall be binding upon the Authority, subject to the provisions herein and the provisions of the Agreement. This Note may not be terminated orally, but only by payments in full or by a written discharge signed by the owner and holder of this Note. Notwithstanding the foregoing, REI acknowledges that the Authority's obligations hereunder shall terminate on the Maturity Date, even if any portion of the principal sum remains unpaid and outstanding.

*(Signature Page Follows.)*

IN WITNESS WHEREOF, the Authority has caused this Note to be executed in its name and on its behalf by its President, with an imprint of its seal affixed hereon.

(S E A L)

**BEEBE DRAW FARMS AUTHORITY**

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By: Sharon Dillon

Its: President

SCHEDULE A