

MEMORANDUM OF UNDERSTANDING

The Southshore Master Association, Inc. (the “HOA”) and the Southshore Metropolitan District, formerly known as Southshore Metropolitan District No. 2 (the “District”) executed this Memorandum of Understanding (the “2024 MOU”) dated as of January 16, 2024 setting forth the use of District-owned community centers and common areas. The HOA and the District agree to the following:

1. Purpose. The sole purpose of the 2024 MOU is to encourage cooperation between the HOA and the District and to further detail the separate and distinct roles and responsibilities of each party for the common good of the Southshore community (“Southshore”).
2. District Responsibilities.
 - a. The District owns the two community centers (the Lakehouse and Lighthouse) and all approximately 160 acres of common area in Southshore (collectively, the “District Facilities”).
 - b. The District is responsible for maintaining the District Facilities, including providing community management, community center staffing, building maintenance, landscape maintenance, debt service, and capital projects. Community management and staffing will be contracted, managed and funded by the District (the “District Manager”). Community management will report directly to the District Board.
3. HOA Responsibilities. The HOA is to provide covenant enforcement, weekly trash and recycling services, and Social Committee events. Providers of these services will report directly to the HOA Board. With the exception of HOA Social Committee events, the HOA has no direct management or funding obligations of the District’s Facilities or operations.
4. HOA and District Funds to Be Segregated. No HOA funds shall be used to fund District operations, debt service and/or capital projects. No District funds shall be used to fund HOA covenant enforcement, trash and recycling services and, Social Committee events with the exception of any items specifically discussed herein.
5. Board Liaisons. The HOA and District shall each maintain an open line of communication through assigning a Board member as liaison to the other Board. The Board liaison shall be appointed by their respective Boards. The Board liaisons shall meet, at a minimum, quarterly.
6. Use of District Facilities.
 - a. The HOA’s and District’s top priority is to provide world class services for Southshore residents. HOA Social Committee events have priority over all events other than a District event which is scheduled for the same date, time, and location, as further described below.

- b. The District shall make available the District Facilities to the HOA for the purposes of providing Social Committee events.
- c. By the first of each calendar quarter, the HOA shall provide a rolling 12 month Social Committee plan. The plan shall include, at a minimum, event name, estimated date, event type.
- d. The District and HOA will develop and approve an Event Planning Form. The Event Planning Form will be reviewed annually or at either the HOA or District Board request. The Event Planning Form shall include, but not be limited to: event details, event contact person, purpose/objective, target audience, budget, logistics, volunteers, communication plan, safety and security considerations, evaluation means, approvals and additional comments. The Event Planning Form will serve as an agreement between the two parties. In consultation with the District Manager, the District Chairperson has the authority to approve each Social Committee event submittal. No other agreements, written or verbal, will be made without the prior approval of the District Board.
- e. To guarantee the date, time and location of District Facilities, the Social Committee shall provide an Event Planning Form no later than 120 days prior to the event date. Any Event Planning Form received by the District less than 120 days prior to the event shall not guarantee the date, time, and location for the HOA. The HOA shall provide event cancellation notice no later than 30 days before event. If not communicated timely, HOA shall pay a cancellation fee of \$1,000 unless waived by the District Board.
- f. The District shall make reasonable accommodation for an HOA event if a timing conflict exists. The District has the right to deny any HOA request to use District Facilities when any of the following occurs but is not limited to: Event Planning Form not used, conflict with a District event, holidays, staff limitations, safety and security concerns, cost, unreasonable requests.
- g. The Event Planning Form shall specify any District requested purchases to be made on behalf of the HOA. The HOA shall advance the District any anticipated costs as detailed on the Event Planning Form. The HOA may specify make, model and cost. If the advance is insufficient for anticipated costs, the District shall use its commercially reasonable judgement in procuring within the amounts advanced by the HOA. Notwithstanding the foregoing, the District shall have the right, but not the obligation, to advance funds for event costs on the HOA's behalf to the extent that the HOA's advances are insufficient.
- h. The District shall provide the HOA with an event staffing quote if the HOA requests assistance with planning, event staffing, clean-up and post event. The event staffing quote shall be provided within 14 days of receipt of the Event Planning Form. The HOA shall approve the event staffing quote and provide funding to the District prior to any staffing services being rendered, at least 30 days prior to the event, or such greater time

as required by any vendor.

- i. The HOA shall be responsible to pay the District for any charges incurred by the District related to any HOA event, including without limitation any damages to District Facilities, including associated contractor charges and staffing costs. To the extent of any District advances or damages to District Facilities, the District shall provide the HOA detailed invoices for amounts to be reimbursed. Damages reimbursements shall include staffing time used to assess, procure and monitor repairs.
 - j. The HOA shall obtain and provide an insurance certificate for any HOA third party vendors/contractors working at HOA events which shall name Southshore Metropolitan District as an additional insured. The District reserves the right to deny access to District Facilities if third party vendors/constructors fail to provide the insurance certificate naming the District as additional insured.
 - k. The HOA shall not offer individuals other than District residents access to District Facilities and common areas without the prior written approval of the District Board. The District reserves the right to deny non-District residents access to District Facilities and common areas and/or to prioritize access to District residents and/or to charge differential pricing to District residents versus non-District residents.
7. No Creation of District Debt. Nothing in this 2024 MOU shall be deemed to create a multiple-fiscal year financial obligation of the District.
8. Indemnification. The HOA shall release, indemnify, defend and hold the District, its directors, officers, employees and agents, harmless from any and all actions, damages, claims, judgments and liabilities without limitation arising from the acts or omissions of the HOA, its directors, officers and employees, and any third party engaged by the HOA related to any HOA event.
9. Termination. This 2024 MOU may be terminated by either party with at least 120 days' notice to the other party.

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

By:

Ryan Zent, Chairman

SOUTHSHORE MASTER ASSOCIATION, INC. , a
Colorado nonprofit corporation

By: _____

Name: _____

Title: _____