

**AGENDA OF THE  
REGULAR MEETING OF  
SOUTHSHORE METROPOLITAN DISTRICT**

Time: Tuesday, April 9, 2024, 6:00 p.m.

Location: This meeting will be held via Zoom and may be joined using the following link:  
<https://us02web.zoom.us/j/82259514192>

Or join by phone:

Dial (for higher quality, dial a number based on your current location):

US: +1 312 626 6799 or +1 646 558 8656 or +1 301 715 8592 or +1 253 215 8782 or +1 346  
248 7799 or +1 669 900 9128

Webinar ID: 822 5951 4192

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Ryan Zent, President	May 2027
Kevin Stadler, Vice President/Secretary/Treasurer	May 2027
Jeffrey Bergeon, Vice President/Assistant Secretary/Treasurer	May 2025
Kevin Chan, Vice President/Assistant Secretary/Treasurer	May 2025
Colette Palmer, Vice President/Assistant Secretary/Treasurer	May 2025

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**AGENDA**

1. Disclosures of any potential conflicts of interest.
2. Consideration of Agenda.
3. Consent Agenda.
  - (a) March 12, 2024 Regular Meeting Minutes.
  - (b) 2024 Updated Resolution Designating the Official Custodian of Records and Adopting a Policy on Responding to Records Requests.
4. Updates:
  - (a) Management Trust Manager's Report.
  - (b) Safety and security.
  - (c) Engineer report.
    - (i) Review and approve Resolution Accepting Engineer's Written Report and Requesting Requisition of Funds, if necessary.
5. Public Comment. Members of the public may express their views to the Board on matters that affect the District. Comments will be limited to three minutes per person and the public comment portion of this meeting will not exceed 30 minutes.
6. District Committees.
  - (a) Approve and/or ratify appointment of Committee members, if necessary.
  - (b) Finance Committee status update.
  - (c) Facilities Committee status update.
  - (d) Landscape Committee status update.

- (e) Communications Committee update.
- 7. Accountant's Report and review of financials and claims payable.
- 8. Contracts for ratification.
- (a) The Trust IT Managed Services Program Agreement
- 9. Executive Session under Section 24-6-402(4)(b), C.R.S., to confer with District Counsel to obtain legal advice regarding District boundaries, District communications, and proposed Services Agreement with Master Association.
- 10. Possible action on matters discussed in Executive Session.
- 11. Any other matter that may come before the Board.

This meeting is open to the public.

SOUTHSHORE METROPOLITAN DISTRICT

By         /s/ Ryan Zent          
Ryan Zent, President

# RECORD OF PROCEEDINGS

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## MINUTES OF THE REGULAR MEETING OF SOUTHSHORE METROPOLITAN DISTRICT

HELD MARCH 12, 2024

A Regular Meeting of the Board of Directors of the Southshore Metropolitan District was held on March 12, 2024 at 6:00 p.m. The Meeting was held by virtual attendance on Zoom at <https://us02web.zoom.us/j/82259514192> (669) 900-9128 or (346) 248-7799 or (646) 558-8656 or (253) 215-8782 or (301) 715-8592 or (312) 626-6799

### ATTENDANCE

#### Directors in Attendance were:

Ryan Zent, President  
Kevin Stadler, Vice President/Secretary/Treasurer  
Kevin Chan, Vice President/Assistant Secretary/Treasurer  
Jeff Bergeon, Vice President/Assistant Secretary/Treasurer

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#### Absent (excused):

Colette Palmer, Vice President/Assistant Secretary/Treasurer

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#### Also in Attendance were:

David A. Greher of CEGR Law  
Sarah H. Luetjen of CEGR Law  
Cathy Hamilton of Simmons & Wheeler  
Aaron Clutter of JR Engineering  
Doug Richter of Earnweald  
Various members of the public

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### CONFLICTS OF INTEREST

Mr. Greher noted that none of the Directors have advised of any potential current conflict of interest for this meeting.

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### NOTICE

Mr. Greher stated that Notice had been properly posted at least 24 hours prior to the meeting on the District's website. Mr. Greher confirmed that such Notice was also placed at the entrance of the Lakehouse, Lighthouse and sent to the City of Aurora Clerk. The certification of posting is attached hereto. The notice also included the agenda items.

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CONSENT  
AGENDA

February 13, 2024 Regular Meeting Minutes

March 8, 2024 Special Meeting Minutes

After discussion and upon motion duly made, seconded and unanimously carried, the Board approved the Consent Agenda, as presented.

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DISTRICT  
UPDATES

Entrance Lights: Director Stadler discussed the broken lights along Powhaton and requested Mr. Richter to review and address the lights.

Retaining Wall: Director Chan informed the Board that he walked the retaining wall with the contractor and all sections have been repaired. Mr. Richter noted that he received an invoice in the amount of \$6,200 and the contractors have been paid.

Oil and Gas Axis Lease: President Zent stated in late 2022 the Board held various community meetings to discuss the details of the potential Axis Oil and Gas Lease. At that time, it was decided that the District would not enter into the Lease and would not be moving forward with Axis.

Sports Court: Mr. Clutter did not have an update to provide as there has not been any movement on this project. President Zent suggested that Director Bergeon and the Facilities Committee work together with Mr. Clutter to move forward.

Dog Park/Ridgeline Trail: Director Chan discussed the need for signs requesting that people pick up after their dogs in the Dog Park area. Director Chan then stated he would work with the Director Palmer and the Landscape Committee. Director Stadler discussed erosion in the park and around the trails. He believes these areas need to be backfilled to prevent further soil erosion. He will discuss this matter with Director Palmer and the Landscape Committee as well.

Safety and Security: President Zent informed the Board that a tire swing was damaged. Director Stadler will work with Mr. Richter and or Cox Landscaping to assess the damage. Director Stadler talked with Mr. Carroll regarding the gates and trash enclosures. Mr. Carroll ensured that these would be completed soon. Director Stadler then noted that lighting still needs to be installed at the mailbox kiosks.

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PUBLIC COMMENT

None.

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DISTRICT  
COMMITTEES  
UPDATE

Director Stadler discussed the appointment of Committee members to each of the five separate committees to address various areas of District operations. Upon motion duly made, seconded and unanimously carried, the Board appointed Lisa Buchanan to the Landscaping Committee.

Landscaping Committee: Ms. Buchanan informed the Board that she is working on setting a date and time to walk the grounds with Cox Landscaping.

Finance Committee: Director Stadler stated that the Finance Committee met and discussed the District’s budget and financial statements. The Committee will meet again in April with Ms. Hamilton to review the District’s system development fees.

Communications Committee: Director Chan noted that members are still needed for the Committee and he will work with Management Trust on communication matter.

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ACCOUNTANT’S  
REPORT

Ms. Hamilton presented a list of checks to ratify and invoices to be approved.

Following discussion and upon motion duly made, seconded and unanimously carried, the Board (a) ratified approval the December 31, 2023 financials, as revised; (b) approved and confirmed the disbursements as presented and (b) approved the claims.

Ms. Hamilton noted that the Terminix account is being handled by both the Master Association and the District. Upon motion duly made, seconded and unanimously carried, the Board authorized Management Trust, after April 1, 2024 to work with Terminix to determine what services are being offered and to confirm coverage areas. The Board asks that Management Trust report back to the Board at the next scheduled meeting.

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NEW CONTRACTS  
FOR APPROVAL

Ms. Luetjen discussed the District’s Colorado Special District Pool (the “**CSD Pool**”) Property and Liability policy and the use of Highstreet TCW Risk Management as an Insurance Broker. Director Stadler stated that he would like the CSD Pool to come out to the community to review the

property and determine the coverages. Upon motion duly made, seconded and unanimously carried, the Board authorized Director Stadler and the Finance Committee to work with Highstreet and Management Trust. Ms. Luetjen stated that she will make the introduction between Director Stadler and Highstreet and they can set up a meeting between the groups.

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DISTRICT  
ENGINEER'S ORAL  
REPORT

Mr. Richter informed the board that various repairs to screens, the Boathouse and retaining wall have been completed. Mr. Richter then noted that he is working with Ms. Fielitz regarding the repair of the decking on the fishing dock and that a contractor will be coming out to repair the damages in the next few weeks.

Mr. Clutter discussed the 2024 Stormwater Maintenance Project with the Board He received two bids for the project and recommends Consolidated Divisions, Inc.

Mr. Clutter than discussed the dredging project stating that JR Engineering needs further direction and a budget before starting the project. Once the project begins, they will address each problem as they are discovered. He also informed the Board that JR Engineering will not handle the replanting of grass after dredging the Senac Pond.

Mr. Clutter presented Change Order #2 with RCD Construction, to the Board. Upon motion duly made, seconded and unanimously carried, the Board approved the Change Order in the amount of \$21,865.35, as presented.

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EXECUTIVE  
SESSION

The Board moved that the Regular meeting of the Board be temporarily adjourned and that the Board reconvene in Executive Session pursuant to Section 24-6-402(4)(b), C.R.S., to confer with District Counsel to obtain legal advice inclusion of property, proposed Services Agreement with Master Association, TABOR and budget issues, Underdrain project, and related matters. The Board temporarily left the Regular meeting at 7:12 p.m. and reconvened in Executive Session.

The Board concluded the Executive Session and reconvened in regular session at 7:54 p.m.

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ACTION ON  
MATTERS  
DISCUSSED IN  
EXECUTIVE  
SESSION

The Board discussed the proposals and information presented by Mr. Clutter.

Upon motion duly made, seconded and unanimously carried, the Board approved Consolidated Divisions, Inc. to conduct the 2024 Stormwater Maintenance Project.

Upon motion duly made, seconded and unanimously carried, the Board approved the QP Services to work on the underdrain project, at a budget not to exceed \$500,000. It was noted that this project will be billed separately from JR Engineering.

President Zent discussed the Service Agreement with the Master Association. Upon motion duly made, seconded and unanimously carried, the Board authorized President Zent and Director Palmer to approve a final Services Agreement in substantially the form as presented to the Board.

Director Stadler discussed the matter of a membership fee with the Board. Director Stadler noted that he will work with Ms. Hamilton and Management Trust to discuss this further.

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OTHER MATTERS

Ronnie Johnson of the Master Association stated that the Association is coming close to an agreement with the District and will meet again on Thursday, March 14, 2024.

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ADJOURNMENT

There being no other matters to come before the Board, the meeting was adjourned.

Respectively submitted,

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Sarah H. Luetjen, Secretary for the meeting

APPROVED

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Ryan Zent

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Kevin Chan

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Kevin Stadler

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Jeff Bergeon



Pursuant to Section 24-6-402(2)(d.5)(I)(B), C.R.S., I hereby attest that I am the attorney of the District, that I was in attendance during the Executive Session of the Board of the District convened on March 12, 2024, and that the discussion during the Executive Session constituted a privileged attorney-client communication for which no record is required to be kept by law.

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David A. Greher, General Counsel

**SOUTHSHORE METROPOLITAN DISTRICT**

**RESOLUTION DESIGNATING THE  
OFFICIAL CUSTODIAN OF RECORDS AND ADOPTING A  
POLICY ON RESPONDING TO OPEN RECORDS REQUESTS**

**2024 UPDATE**

WHEREAS, pursuant to §32-1-1001(1)(h), C.R.S., the Board of Directors of the Southshore Metropolitan District (“**District**”) is responsible for the management, control and supervision of all of the business and affairs of the District; and

WHEREAS, pursuant to §32-1-1001(1)(i), C.R.S., the Board of Directors of the District has the authority to appoint an agent; and

WHEREAS, the Board of Directors of the District has determined that it is appropriate to designate an official custodian of the District’s records for the protection of such records and in order to permit their inspection by persons entitled to examine and copy such records in an orderly fashion; and

WHEREAS, the Board of Directors of the District has determined that it is appropriate to adopt a policy on responding to open records requests; and

WHEREAS, the Board of Directors fully supports, and complies with, all Federal and State laws relating to the retention, protection and disclosure of District records including, but not limited to, the Colorado Open Records Act, Title 24, Article 72, Part 2, C.R.S. (“**CORA**”), the Health Insurance Portability and Accountability Act of 1996 (“**HIPAA**”), and the Privacy Rule promulgated by the U.S. Department of Health and Human Services which interprets and implements HIPAA; and

WHEREAS, it is the policy of the District that all public records shall be open for inspection by any person at reasonable times, except as otherwise provided by law; and

WHEREAS, public records are defined by CORA as all writings made or maintained by the District, regardless of the format or medium of the records, subject to certain exceptions and public records expressly include e-mail communications.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Southshore Metropolitan District that:

1. Official Custodian.

(a) The District Manager of the Board of Directors of the District, is hereby designated as the Official Custodian responsible for the maintenance, care and keeping of all records of the District, except as provided herein.

(b) The Official Custodian shall have the authority to designate such agents as they shall determine appropriate to perform any and all acts necessary to enforce and execute the provisions of this Resolution.

2. Policy on Responding to Open Records Request. The following are general policies concerning the release of records:

(a) All public records of the District shall be open for inspection at the times designated herein, unless prohibited by the provisions of CORA or policies adopted by the Board of Directors in conformance with CORA.

(b) Every request to inspect and/or copy any District record (a “**Records Request**”) shall be submitted to the District’s Official Custodian in writing and be specific as to the information desired. If not submitted to the Official Custodian, any District employee or Board Member that receives the Records Request shall immediately send the Records Request to the Official Custodian. To assist the Official Custodian in responding to requests in a timely and complete manner, the Official Custodian may require records requests to be submitted on a form developed by the Official Custodian.

(c) If any question arises as to the propriety of fully complying with a Records Request, the Official Custodian shall immediately forward it to the District’s legal counsel.

(d) The District’s legal counsel shall determine the District’s obligations under the applicable Federal and/or State law(s). If the District is permitted to make records available for inspection in whole or in part, the District’s legal counsel will so notify the District’s Official Custodian, who will assemble the disclosable requested documents for inspection and/or copying in accordance with applicable Federal or State law.

(e) If the District’s legal counsel determines the District is not permitted by Federal or State law to make records available for inspection in whole or in part, legal counsel shall provide a written response to the party submitting the Records Request stating the legal basis upon which the Records Request in whole or in part is being denied.

(f) Following the denial of a request for record, upon receipt of the required written notice from the requesting individual that he or she will seek relief from the District Court, the Official Custodian will attempt to meet in-person or speak by

telephone with the requesting individual. District personnel are encouraged to utilize all possible means to attempt to resolve the dispute during this time period and will provide a written summary of the District's position at the end of that period to the requestor and to the District's Board of Directors.

No phone or in-person conference is required if the written notice indicates that the requestor needs access to the record on an expedited basis.

(g) Pursuant to CORA, all records must be made available for inspection within three (3) working days from the Official Custodian's receipt of the request, unless extenuating circumstances exist. The deadline may be extended by seven (7) working days if extenuating circumstances exist and the requesting party is notified of the delay within three (3) working days of the Official Custodian's receipt of the request. The Official Custodian may set the time during normal office hours and the place for records to be inspected, and require that the Official Custodian or a delegated employee be present while the records are examined.

(h) A public record stored in a digital format that is neither searchable nor sortable will be provided in a digital format. A public record stored in a digital format that is searchable and/or sortable will be provided in such digital format, unless (1) the public record is in a searchable or sortable format and producing the record in the requested format would violate the terms of any copyright or licensing agreement between the District and a third party; (2) producing the record would result in the release of a third party's proprietary information; (3) after making reasonable inquiries, it is not technologically or practically feasible to provide a copy of the record in a searchable or sortable format; or (4) if the Official Custodian would be required to purchase software or create additional programming functionality in its existing software to remove the information. Altering an existing digital public record, or excising fields of information that the Official Custodian is either required or permitted to withhold under this subsection, does not constitute the creation of a new public record under Section (2)(i)(iv) of this Resolution.

(i) The Custodian may charge the following fees (collectively, the "**Fees**") for responding to a Records Request:

(i) Printouts, photographs, and copies, when requested, will be provided at a cost of twenty-five cents (\$0.25) per standard page, and at the actual costs of production for any non-standard page (the "**Copying Fee**"). A standard page shall mean an 8.5-inch by 11-inch black and white copy.

(ii) When it is impractical to make the copy, printout, or photograph of the requested record at the place where the record is kept, the Official Custodian may allow arrangements to be made for the copy, printout, or photograph to be

made at other facilities and the cost of providing the requested records will be paid by the person making the request (the “**Outside Copying Fee**”).

(iii) If a copy, printout or photograph of a public record is necessary or requested to be provided in a format other than a standard page, the costs will be assessed at the actual cost of production (the “**Production Fee**”).

(iv) If data must be manipulated in order to generate a record in a form not otherwise used by the District, such data manipulation will be assessed at the actual costs to the District (the “**Manipulation Fee**”); however, the District is in no way obligated to generate a record that is not otherwise kept, made, or maintained by the District.

(v) The cost for transmitting the requested records will be charged at the actual cost of such delivery (the “**Transmission Fee**”). Transmission Fees will not be charged for transmitting any record via electronic mail, when requested.

(vi) When the location or existence of specific documents must be researched and the documents must be retrieved, sorted or reviewed for applicability to the request, and such process requires more than one (1) hour of staff time, the Custodian may charge a research and retrieval fee not to exceed thirty-three dollars and fifty-eight cents (\$33.58) per hour, or the maximum amount allowed by the Executive Committee of the State Legislative Council, whichever is greater (the “**Research and Retrieval Fee**”).

(vii) If any requested records are protected by a privilege (for example, but not limited to, the work product or attorney-client privileges) the District may charge the actual costs of creating a privilege log identifying the privileged records (the “**Privilege Fee**”). If legal assistance or review is necessary to create the privilege log, the Privilege Fee may include the actual costs for such legal assistance.

(j) If the estimated Fees to produce the records will exceed \$100.00, the District may require a fifty percent (50%) deposit of the estimated Fees prior to commencing work to produce the records. Payment of the remainder of the Fees, including all actual costs exceeding the estimated amount, must be made prior to the time of inspection or release of the final work product or copies.

(k) No person shall be permitted to inspect or copy any records of the District if, in the opinion of the Official Custodian after consultation with the District’s legal counsel, such inspection or copying would come within the prohibition of one or more exemptions set forth in CORA.

3. Severability. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

4. Effective Date. This Resolution shall take effect and be enforced immediately upon its approval by the Board of Directors of the District.

The foregoing Resolution was approved and adopted this 9<sup>th</sup> day of April, 2024.

SOUTHSHORE METROPOLITAN  
DISTRICT

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

Attest:

\_\_\_\_\_  
Secretary

Southshore Metropolitan District  
Financial Statements

February 29, 2024

ACCOUNTANT'S COMPILATION REPORT

Board of Directors  
Southshore Metropolitan District

Management is responsible for the accompanying financial statements of each major fund of Southshore Metropolitan District, as of and for the period ended February 29, 2024, which are comprised of the Balance Sheet and the related Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – Governmental Funds and account groups for the two months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with the Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the financial statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on these financial statements.

Management has elected to omit the Statement of Net Position, Statement of Activities, Management Discussion and Analysis and all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the District's financial position and results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to Southshore Metropolitan District because we performed certain accounting services that impaired our independence.

*Simmons & Wheeler P.C.*

March 25, 2024  
Englewood, Colorado



Southshore Metropolitan District No. 2  
Balance Sheet - Governmental Funds and Account Groups  
February 29, 2024

See Accountant's Compilation Report

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Account Groups</u>	<u>Total All Funds</u>
<b>Assets:</b>					
<b>Current assets</b>					
Cash and investments	\$ 1,550,864	\$ -	\$ -	\$ -	\$ 1,550,864
Cash and investments - restricted	-	4,394,459	690	-	4,395,149
Cash with county treasurer	<u>2,083,893</u>	<u>768,231</u>	<u>-</u>	<u>-</u>	<u>2,852,124</u>
	<u>3,634,757</u>	<u>5,162,690</u>	<u>690</u>	<u>-</u>	<u>8,798,137</u>
<b>Other assets</b>					
Capital improvements	-	-	-	18,423,513	18,423,513
Amount available in debt service fund	-	-	-	5,162,690	5,162,690
Amount to be provided for retirement of debt	<u>-</u>	<u>-</u>	<u>-</u>	<u>52,367,310</u>	<u>52,367,310</u>
	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,953,513</u>	<u>75,953,513</u>
	<u>\$ 3,634,757</u>	<u>\$ 5,162,690</u>	<u>\$ 690</u>	<u>\$ 75,953,513</u>	<u>\$ 84,751,650</u>
<b>Liabilities:</b>					
<b>Current liabilities</b>					
Accounts payable	\$ 463,871	\$ -	\$ -	\$ -	\$ 463,871
	<u>463,871</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>463,871</u>
Bonds Payable - Series 2020A-1	-	-	-	25,575,000	25,575,000
Bonds Payable - Series 2020A-2	-	-	-	12,780,000	12,780,000
Bonds Payable - Series 2020B	<u>-</u>	<u>-</u>	<u>-</u>	<u>19,175,000</u>	<u>19,175,000</u>
Total liabilities	<u>463,871</u>	<u>-</u>	<u>-</u>	<u>57,530,000</u>	<u>57,993,871</u>
<b>Fund Equity:</b>					
Investment in capital improvements				18,423,513	18,423,513
<b>Fund balance:</b>					
<b>Restricted:</b>					
Emergencies	145,523	-	-	-	145,523
Debt service	-	5,162,690	-	-	5,162,690
Capital projects	-	-	690	-	690
Unrestricted	<u>3,025,363</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,025,363</u>
	<u>3,170,886</u>	<u>5,162,690</u>	<u>690</u>	<u>18,423,513</u>	<u>26,757,779</u>
	<u>\$ 3,634,757</u>	<u>\$ 5,162,690</u>	<u>\$ 690</u>	<u>\$ 75,953,513</u>	<u>\$ 84,751,650</u>

Southshore Metropolitan District No. 2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Two Months Ended February 29, 2024  
General Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
<b>Revenues</b>			
Property taxes	\$ 5,005,048	\$ 2,100,003	\$ (2,905,045)
Specific ownership taxes	411,400	69,780	(341,620)
Interest income	<u>40,000</u>	<u>12,775</u>	<u>(27,225)</u>
	<u>5,456,448</u>	<u>2,182,558</u>	<u>(3,273,890)</u>
<b>Expenditures</b>			
Administrative	115,000	-	115,000
Engineering	-	3,990	(3,990)
Landscaping & Maintenance	1,687,500	377,799	1,309,701
Facilities & Pool Operations	1,108,250	-	1,108,250
Safety & Security	100,000	13,500	86,500
Utilities	-	3,291	(3,291)
Insurance	90,000	109,002	(19,002)
Legal	50,000	37,321	12,679
Accounting / Audit	50,000	5,490	44,510
Capital replacements:			
Underdrain Management	750,000	2,200	747,800
Stormwater Management	-	220,306	(220,306)
Safety & Security Enhancements	245,000	-	245,000
Pool Resurfacing	50,000	-	50,000
Lakehouse Deck & Railings	100,000	-	100,000
Irrigation Enhancements	100,000	-	100,000
Immediate Needs (Reserve Study)	300,000	-	300,000
Furniture, Fixture & Equipment	50,000	-	50,000
Sod Replacement	25,000	-	25,000
A&E Expenses	30,000	-	30,000
Miscellaneous	-	1,177	(1,177)
Treasurer fees	75,076	31,500	43,576
Reserves	385,099	-	385,099
Emergency reserve (3%)	<u>145,523</u>	<u>-</u>	<u>145,523</u>
	<u>5,456,448</u>	<u>805,576</u>	<u>4,650,872</u>
Excess (deficiency) of revenues over expenditures	-	1,376,982	1,376,982
Fund balance - beginning	<u>243,266</u>	<u>1,793,904</u>	<u>1,550,638</u>
Fund balance - ending	<u>\$ 243,266</u>	<u>\$ 3,170,886</u>	<u>\$ 2,927,620</u>

Southshore Metropolitan District No. 2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Two Months Ended February 29, 2024  
Debt Service Fund

See Accountant's Compilation Report

	<u>Annual Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>
<b>Revenues</b>			
Property taxes	\$ 1,891,472	\$ 785,883	\$ (1,105,589)
System development fees	62,500	65,000	2,500
Interest income	<u>10,000</u>	<u>40,686</u>	<u>30,686</u>
	<u>1,963,972</u>	<u>891,569</u>	<u>(1,072,403)</u>
<b>Expenditures</b>			
Bond principal - 2020 A-1	1,230,000	-	1,230,000
Bond interest - 2020 A-1	560,093	-	560,093
Bond interest - 2020 A-2	511,200	-	511,200
Bond principal - 2020 B	215,000	-	215,000
Bond interest - 2020 B	777,850	-	777,850
Treasurer's fee	28,096	11,788	16,308
Trustee / paying agent fees	<u>10,000</u>	<u>-</u>	<u>10,000</u>
	<u>3,332,239</u>	<u>11,788</u>	<u>3,320,451</u>
Excess (deficiency) of revenues over expenditures	(1,368,267)	879,781	2,248,048
Fund balance - beginning	<u>4,803,203</u>	<u>4,282,909</u>	<u>(520,294)</u>
Fund balance - ending	<u>\$ 3,434,936</u>	<u>\$ 5,162,690</u>	<u>\$ 1,727,754</u>

Southshore Metropolitan District No. 2  
Statement of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual  
For the Two Months Ended February 29, 2024  
Capital Projects Fund

See Accountant's Compilation Report

	<u>Amended Budget</u>	<u>Actual</u>	Variance Favorable (Unfavorable)
Revenues			
Interest	\$ -	\$ 6	\$ 6
	<u>-</u>	<u>6</u>	<u>6</u>
Expenditures			
Transfer to District 1	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	6	6
Other Financing Sources (Uses)			
Transfer (to) from other funds	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	-	6	6
Fund balance - beginning	<u>-</u>	<u>684</u>	<u>684</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 690</u>	<u>\$ 690</u>

Southshore Metropolitan District

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ACH Payments to Ratify

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<u>Usage Month</u>	<u>Vendors</u>	<u>Amount</u>
02/28/24	Xcel Energy	\$ 1,292.46
02/28/24	Aurora Water	13.81
02/28/24	Terminix	142.00
		<hr/>
		\$ 1,448.27

Southshore Metropolitan District  
 Claims to be approved - 04/09/2024 Meeting

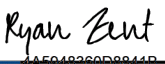
<u>Vendor Name</u>	<u>Invoice #</u>	<u>Invoice Date</u>	<u>Description</u>	<u>Amount</u>
Aurora Colorado Locksmith 247	004	4/2/2024	Locks - Replace lock system vandalized by HOA	\$ 12,870.00
CMS Environmental Solutions, LLC	Pay App	4/1/2024	03 Inspection F14 Trail	265.00
Cockrel Ela Glesne Greher & Ruhland	03 31 24	3/31/2024	03 Legal	23,188.00
Colorado Water Well, Inc.	24-0770	2/22/2024	Boathouse lake screens	14,896.60
Earnweald Consulting Services, LLC	SSMD-2024-57	3/31/2024	03 District Engineer	1,330.00
J. R. Engineering, LLC	83978	2/29/2024	02 Storm Drainage Pond	2,200.00
J. R. Engineering, LLC	83979	2/29/2024	02 Storm Drainage Pond	3,140.00
J. R. Engineering, LLC	83980	2/29/2024	02 Storm Drainage Pond	9,066.84
J. R. Engineering, LLC	84162	3/31/2024	03 Underdrain management	1,000.00
J. R. Engineering, LLC	84163	3/31/2024	03 Storm Drainage Pond	3,048.84
Metropolitan District Public Safety	1801	3/1/2024	02 Security Services	6,750.00
R&S The Retaining Walls Specialists	35460	3/5/2024	Misc retaining wall repairs	6,206.00
RDC Construction, Inc.	Pay App 2	2/27/2024	02 Pond dredging	337,697.97
Simmons & Wheeler, P.C.	37702	2/29/2024	02 Accounting	3,668.00
				\$ 425,327.25



# Managed Services Program Agreement

## The Trust IT Managed Services Program (MSP)

The Trust IT Managed Services Program (MSP) agreement (“Agreement”) is hereby made by and between The Management Association, Inc., a California corporation d/b/a The Management Trust, 5 Peters Canyon Rd Ste 200, Irvine, CA 92606 (hereafter “The Trust IT”), on the one hand, and Customer (identified below), a corporation, limited liability, partnership, or sole proprietorship, authorized to do and doing business in the State of California (hereafter “Customer”), on the other hand. For convenience, The Trust IT and Customer may be individually referred to herein as a “Party” or collectively as the “Parties.”

The Management Trust <u>Customer</u>		
Legal Company Name: Southshore Metropolitan District		
Address: 27301 East Southshore Drive		
City: Aurora	State: CO	Zip: 80016
Authorized Signature:	<small>DocuSigned by:</small> 	
Authorized Signer Name and Title:	Ryan Zent	President
Contract Effective Date:	3/19/2024	

### Section 1. Service Plan

Beginning on the Contract Effective Date, The Trust IT shall provide Customer with the “Managed Services” as described in this Agreement and as described in *Addendum A*. All such addendums shall be subject to the terms and conditions of this Agreement and any terms or conditions printed on the addendums. The term “Services”, when used in an Addendum hereto, shall refer to the services to be provided under that Addendum only.

### Section 2(a). Term

This Agreement shall become effective when initialed by the authorized representatives of Customer and The Trust IT and shall continue until terminated by either party. Except as otherwise noted herein, this Agreement shall be for a term ending on 12/31/2024 and shall be automatically renewed for successive, one-year terms thereafter at the charges and on the terms and conditions in effect at the time of renewal. Prior to renewal, any plan service fee changes will be explained in writing. Cancellation of this Agreement after the first one (1) year term will require written notice 60 days prior to date of termination. Additional fees may be charged for the removal of equipment and software provided by The Trust IT. The Trust IT will provide a written explanation of fees prior to the removal of equipment or services.

### Section 2(b). Service Fee

Customer agrees to pay a monthly plan service fee as described within the *MSP Service Fees* agreement in advance for each month during the Term, beginning with the first payment of the Service Fee due upon signing this Agreement, and continuing on the first day of each month thereafter. Service fees received more than thirty (30) days after invoicing are subject to a late payment charge of five percent (5%) for each thirty (30) day period that they remain unpaid. Service fees may be initially established as a best estimate and thereafter adjusted as mutually agreed pending a site survey to accurately establish the Customer Site Information. The Trust IT and Customer expressly acknowledge and agree that service fees may change as mutually agreed based on the site survey.





### Section 2(c). Additional Charges

The Trust IT will provide, and Customer agrees to pay for, any subsequent maintenance or services to be performed under the “Managed Services Program” that are required to be added to the “Managed Services Program” Agreement *Addendum B* and associated fees within the *MSP Service Fees* agreement will be subject to additional charges as referenced in the Agreement.

### Section 2(d). Taxes

Customer shall pay all applicable state and local taxes (or other taxes associated) with materials provided. If Customer is not subject to sales taxes, it is the responsibility of Customer to provide The Trust IT with evidence of such exemption for the state(s) where the work is to be undertaken *prior* to the project start date. Otherwise, Customer is liable for all tax as shown on the invoice.

### Section 3. Customer’s Responsibilities

Throughout the term of this Agreement, Customer shall:

- a) follow The Trust IT’s reasonable installation, operation and maintenance instructions;
- b) provide proper environment, electrical and technical connections as specified by The Trust IT;
- c) provide reasonable access to the Products to enable The Trust IT to perform maintenance;
- d) provide adequate technical facilities, work space and storage space for The Trust IT spare parts;
- e) have a customer representative at the Product installation location during any The Trust IT maintenance activity on the premises;
- f) if at any time, The Trust IT deems the existing equipment is not maintainable or is not compatible with current technology and/or platforms, to upgrade to the equipment recommended by The Trust IT;
- g) provide The Trust IT with a valid public IP address and remote desktop access to allow all secured communication between The Trust IT and the customer’s server(s);
- h) provide a cool (air conditioned) area for network equipment storage;
- i) maintain a proper data backup solution as mutually agreed upon between The Trust IT and the Customer (The Trust IT is not responsible for corrupt, lost, damaged or unrecoverable media errors);
- j) provide access to the Customer’s building(s) and secured site(s) as required to perform the agreed upon Services as defined;
- k) provide a primary and secondary point of contact for all service requests to be placed with The Trust IT;
- l) additions, modifications, or other changes to the Customer’s network environment should be discussed with The Trust IT prior to implementation.

If at any time these responsibilities are not met, the repair or replacement of equipment and services will be deemed billable as shown in Addendum E.

### Section 4. Exclusions

This Agreement does not cover maintenance required to repair Product malfunctions or service failures caused by:

- a) Customer’s failure to follow The Trust IT’s reasonable installation, operations or maintenance instructions;
- b) repairs, modifications or movement of the Product by other than The Trust IT personnel or attachment of the Products to non-The Trust IT equipment, or failure of other equipment not maintained by The Trust IT;
- c) abuse, misuse or negligent acts of those outside The Trust IT; and,
- d) power failure or surges, fire or water damage, humidity control or air condition failure accidents, actions of third parties and other events outside The Trust IT’s reasonable control or not arising under normal operating conditions. The Trust IT may agree to perform maintenance services in such instances on a time and materials basis;
- e) Customer’s failure to provide a storage area for server with inadequate room temperature. The Trust IT is not responsible for the overheating or exposure to extreme heat of servers that may cause equipment damages.



**Section 5. Hardware Addition**

If Customer desires to have additional equipment included as part of the Equipment covered within the Services, Customer shall notify The Trust IT by written request. The Trust IT may, at its option, inspect any such additional equipment to determine whether it is in satisfactory condition to be covered under this Agreement. The Trust IT may, at its option, charge Customer for inspecting any item of proposed Equipment using The Trust IT's then current Rate Table. If an item of additional equipment is to be covered, Customer shall execute a subsequent Addendum, and the price for coverage shall be established at the current rates for such Services and added to the monthly Service Fee.

**Section 6. Equipment Relocation**

Customer shall not move, alter or change the environment of the Products covered under this Agreement without prior written notification to The Trust IT. The Trust IT will agree to continue the maintenance coverage as long as the move, alteration or change of environment of the covered Products: (i) will not impede or increase the cost of The Trust IT testing or repairs; (ii) will not create a safety hazard for the equipment or service personnel; and (iii) are not likely to cause a product malfunction. The Trust IT reserves the right to inspect the Products prior to extending the maintenance coverage.

**Section 7. Limited Warranties**

The Trust IT does not manufacture or design the Equipment and is not responsible for the quality, capacity or condition of the Equipment. Repairs that result from misuse, improper care or storage, negligence, alteration, accident, use of incompatible supplies, or lack of specified maintenance with respect to the Equipment are not covered by this warranty and will be performed at Customer's expense. Services provided by The Trust IT that are not covered by this Agreement, that are provided during other than The Trust IT's normal business hours, or that are outside The Trust IT's service area also will be at Customer's expense, and at The Trust IT's standard labor rates unless otherwise provided for under any separate Agreement. While necessary maintenance or repairs to the Equipment can be performed by any company, Customer is forewarned that improper or incorrectly performed maintenance or repair to the Equipment by a third party voids this Agreement.

THIS AGREEMENT DOES NOT COVER INCIDENTAL OR CONSEQUENTIAL DAMAGES, SUCH AS LOSS OF USE OF THE EQUIPMENT OR SYSTEM, DELAY, DISRUPTION, INCONVENIENCE, LOSS OF ANTICIPATED PROFITS OR REVENUE OR OTHER COMMERCIAL LOSS. Please reference the Force Majeure section for additional information. EXCEPT AS EXPRESSLY INDICATED HEREIN, The Trust IT MAKES NO OTHER WARRANTIES, EXPRESS OR IMPLIED, AND SPECIFICALLY DISCLAIMS ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO ANY SERVICE OR REPLACEMENT PART PROVIDED TO CUSTOMER UNDER THIS AGREEMENT.

**Section 8. Exclusive Remedies**

Customer's sole remedies against The Trust IT and its affiliates, including but limited to its Authorized Dealers, subcontractors, parent or subsidiary companies, or subcontractors for any loss or damage caused by or arising in connection with the performance or non-performance of maintenance services under this Agreement, regardless of the form of action, whether in contract, tort, or otherwise, shall be the repair or replacement of such malfunctioning product or part (see Limited Warranties, above). These remedies shall be exclusive of all other remedies at law or in equity.

**Section 9. Limitation of Liability**

Customer and The Trust IT have discussed the risks associated with this Agreement and the transactions it contemplates, as well as The Trust IT's fees for Services. Customer and The Trust IT agree to allocate certain of the risks so that, to the fullest extent permitted by law, The Trust IT's total aggregate liability to Customer is limited to the dollar value of this Agreement. In no event, however, shall The Trust IT be liable for indirect, punitive, incidental, special, exemplary, or consequential damages (including without limitation, damages for loss of profits, business interruption, loss of business information, or any other type of pecuniary loss) arising out of, or resulting from Services or Equipment provided by The Trust IT pursuant to or in connection with this agreement, even if The Trust IT was advised of the possibility of such damages.

**Section 10. Termination**

Customer may terminate or cancel any Supplement attached to this Agreement if The Trust IT fails to perform or observe any material term or condition of this Agreement with respect to such Supplement and such failure shall continue uncured for thirty (30) days after The Trust IT's receipt of written notice thereof from Customer. Customer will be in default of this Agreement, and The Trust IT may terminate this Agreement or any specific site location set forth on **Addendum B** accepted hereunder if Customer fails to pay any charge when due or fails to perform or observe any term or condition of this Agreement, if such failure shall continue uncured for thirty (30) days after receipt of written notice thereof from The Trust IT.

Notwithstanding the above paragraph, this Agreement is non-cancelable for the term of the Agreement; however, the Customer shall be entitled, upon thirty (30) days advance written notice to The Trust IT prior to contract expiration, to terminate a specific location identified on an **Addendum B** if all the covered Products listed on such **Addendum B** ceases to be used if there is a balance owed on any of the items. Furthermore, if Customer chooses to cancel the "Managed Services Program" contract early will be required to pay the remaining amount to be paid on the contract. If a client defaults on any contract payment, no services will be performed by The Trust IT.

**Section 11. Assignment & Subcontracting**

This Agreement may not be assigned by either Party without the written consent of the other, except that The Trust IT may, without Customer's consent, assign this Agreement to an affiliate or subsidiary and may assign its right to receive payments hereunder. The Trust IT may subcontract any or all of the work to be performed under this Agreement, but shall retain responsibility for the work subcontracted.

**Section 12. Modifications**

Any modification or waiver of any provision of this Agreement must be in writing and signed by authorized representatives of both Parties, except that The Trust IT may, upon ninety (90) days prior written notice to Customer, modify the terms and conditions of this Agreement, which modifications will be effective only as to renewals and new Maintenance Agreement Supplements placed by Customer and accepted by The Trust IT after the effective date of such modification. Any such modification shall be effective as of the Effective Date applicable thereto.

**Section 13(a). "End of Life" Hardware**

Hardware may become outdated, damaged and prone to create network errors and failure. For The Trust IT to provide appropriate and effective technical support and fulfill any and all obligations under this contract, The Trust IT may be able to suggest hardware upgrades and/or replacements. Customer is responsible for replacing any such hardware and/or related equipment by the suggested date provided by The Trust IT. In addition, Customer must purchase replacement hardware and/or related equipment from The Trust IT, as well as have The Trust IT install any new hardware and/or related equipment.

**NOTE:** The expected life of a standard server and server components is three (3) to five (5) years. If Customer fails to replace or update any necessary hardware recommended by The Trust IT, The Trust IT will not be held liable for any system or server outages that may occur.

**Section 13(b). "End of Life" Software**

Customer is responsible for maintaining current software subscription/licenses with the software manufacturers. This is an additional charge that is **not** covered by the The Trust IT "Managed Services Program" contract and is an annual charge. Software subscriptions/licenses are provided by the manufacturer and put Customer's servers and workstations on the latest version release of software. Failure to renew the software subscription/licenses will prevent any new system patches, updates or software to be loaded on to Customer's network.

Customers that do not maintain a current software subscription/license release The Trust IT from any liability and obligations the "Managed Services Program" contract. Services requested by Customer that are not on software subscription/licenses are subject to standard billing rates. If network failure occurs and client is not on valid software subscription/licenses with the software manufacturer, any services requested by the client will be billed at standard hourly rates.

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**Section 14. Client Server Security**

Clients are responsible for maintaining the physical security of data, equipment, and network access at all times. Clients are to use all due diligence in preventing the monitoring tools, antivirus, and firewall systems from being disabled or removed from the systems.

**Section 15. Title/Remedies of Default**

Title and ownership of each item sold herein shall remain in The Trust IT until payment is made in full, including any additional charges provided for herein. The title shall transfer to the Customer upon payment in full.

**Section 16. Expense Recovery**

The Trust IT shall also be entitled, in addition to all other remedies available at law or in equity, to recover reasonable attorney's fees and/or other collection expenses in collecting the unpaid balance or otherwise enforcing or successfully defending itself with respect to this agreement.

**Section 17. Other Contacts / Escalation / Credit Hold & Reporting**

If The Trust IT's requests for payment are not honored, The Trust IT may escalate requests for payment through the Customer's hierarchy, as listed on the Credit Application form. After this, if payments are still not forthcoming, The Trust IT reserves the right to: (i) Place the Customer on credit hold and suspend all work (including projects in progress) until all past due invoices are paid in full; (ii) Take possession of any and all equipment listed hereon or in any attachment hereto, wherever situated, and for such purpose, enter upon any premises without liability for doing so; (iii) File a mechanics' lien against any site where work was undertaken; (iv) Assign the unpaid invoices to a collection agency; (v) Inform credit bureaus such as Dun & Bradstreet, etc. of the Customer's non-payment status. Per the stipulation of The Trust IT's bank, Customer will be placed on credit hold if ten percent (10%) or more of Customer's total invoice dollars outstanding are over 60 days past due.

**Section 18. Restocking Charges & Special Orders**

Customer is responsible for The Trust IT's out-of-pocket costs incurred in cancelling an order. All returns must be approved in advance, are subject to a restocking charge of twenty five percent (25%), equipment must be unused by Customer, properly packaged and shipped, freight prepaid. If special equipment or materials are ordered at the Customer's request, The Trust IT shall not be obligated to issue a credit or refund for cancellation or return of the equipment or materials if the manufacturer or distributor of the item will not accept the return or issue a credit to The Trust IT.

**Section 19. Third Party Services**

Customer may order maintenance or other technical-related services or merchandise from third parties not affiliated with The Trust IT. However, all matters concerning such services and/or merchandise, including but not limited to purchase terms, payment terms, warranties, guarantees, etc., are solely between Customer and any third parties that Customer elects to do business. Third parties not affiliated with The Trust IT are beyond its control. The Trust IT, therefore, offers no guarantees, assumes no responsibility or liability of any type, and does not make any warranties or representations whatsoever, express or implied, relating to the quality of services and/or merchandise provided to Customer by third parties. Furthermore, Customer will not consider The Trust IT, nor shall The Trust IT be construed as, a party to any such transactions. Customer agrees that it will not hold The Trust IT responsible or liable with respect to third party services or merchandise, or seek to do so. Finally, The Trust IT, its agents, employees, officers, and directors will not be responsible for any act, error, or omission, nor liable for any injury, loss, delay, inconvenience, or damage arising out of any transaction (whether directly or indirectly) between Customer and any other person or entity.

**Section 20. Confidentiality**

Customer agrees to hold all Confidential Information of The Trust IT in strict confidence. "Confidential Information" shall mean information that derives economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use. More specifically, "Confidential Information" shall mean all information or material that has or could have commercial value or other utility in the business in which The Trust IT is engaged, such as trade secrets, inventions, innovations, processes, information, records, software programs, and specifications owned or licensed by The Trust IT, and/or used by The Trust IT in connection with the operation of its telecommunications business, including without limitation The Trust IT's business and product processes, methods, customer lists, accounts and procedures. This confidentiality obligation shall not apply to information (i) independently developed by Customer, (ii) generally available to the public other than by Customer's breach of these Terms and Conditions, (iii) already known by Customer at time of disclosure to Customer, or (iv) rightfully received from a third party without restriction on disclosure or an obligation of confidentiality running directly or indirectly to Customer. Nothing shall prevent or prohibit Customer from providing access to Confidential Information as may be required by law, including the Colorado Open Records Act, provided that Customer gives as much notice to The Trust IT as is reasonably practical and provides reasonable assistance to The Trust IT in challenging or modifying the disclosure so required by law.

The Trust IT recognizes that Customer is subject to the Colorado Open Records Act (Title 24, Article 72, Part 2, C.R.S. ("CORA")). To the extent that the Customer The Trust IT receives a CORA request related to the services provided within the scope of this contract that requests Confidential Information, The Trust IT shall have the right to ask the Customer to contest such request, provided that Customer shall have no obligation to defend any claim made for Confidential Information under CORA and The Trust IT shall indemnify Customer for any penalties, fees and charges incurred by the Customer as a result of the attempted denial of such CORA request.

**Section 21. No Soliciting**

For a period of two (2) years following any services rendered under this agreement, Customer agrees that it will not, directly or indirectly either hire, recruit, or solicit any of The Management Association, Inc.'s employees, consultants, or contractors, interfere with their contractual relationship with The Management Association, Inc., or otherwise encourage them to leave The Management Association, Inc.'s employment. In addition, for the same two-year period, Customer agrees that it will not hire (directly or indirectly), recruit, or solicit any employee, consultant, or contractor who has left The Management Association Inc.'s employment within two years of any services rendered under this agreement. In the event that Customer breaches this Section, Customer shall pay The Management Association Inc. a recruiting fee equal to one (1) year of MSP fees associated with this agreement.

**Section 23. Governing Law**

The laws of the State of California (without giving effect to its conflicts of laws principles) shall govern all matters arising out of or relating to this Agreement and the transactions it contemplates, including, without limitation, the validation, construction, interpretation, performance, and enforcement of this Agreement.

**Section 24. Dispute Resolution**

In the event of a dispute over the performance and/or non-performance by either party in this agreement, the alleging party shall offer mediation to the offending party prior to initiating legal action to gain compliance with the terms and conditions set forth by this Agreement.

Prior to requesting mediation, the alleging party must provide the offending party written notice of the dispute. Such notice shall allow for a reasonable time, not to exceed thirty(30) days, for the offending party to comply with this Agreement. If the offending party does not accept, by written notice to the alleging party, mediation within such thirty-day period or resolve the issues to the satisfaction of the alleging party, then the alleging party can elect to file suit in the District Court for Arapahoe County Colorado. If the offending party notifies the alleging party in writing within such thirty-day period of its acceptance of submission of the matter to mediation, then the dispute shall be submitted to mediation with a single mediator mutually selected by the parties.

**Section 25. Enforceability**

If any term or provision of this Agreement shall be held invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each term and provision hereof shall be valid and enforced to the fullest extent permitted by law.

**Section 26. No Continuing Waiver**

The waiver by either party of any breach of this Agreement by the other party in a particular instance shall not operate as a waiver of subsequent breaches of the same or different kind. The failure of either party to exercise any rights under this Agreement in a particular instance shall not operate as a waiver of the party's right to exercise the same or different rights in subsequent instances.

**Section 27(a). Exclusions to Services**

The following services are specifically not included as part of the "Managed Services Program" Agreement. This list is descriptive only and is not intended to limit those items which are excluded: a) Major system changes or upgrades such as but not limited to: Server replacement, OS upgrade/replacement, re-location of equipment, addition of remote locations, e-mail upgrade/replacement, installation of new workstations or printers, or any other projects that are not considered a "maintenance, administration or support" - type service; b) Application programming, modifications, or design work; c) Services required that are a direct result of the Customer modifying or changing the configuration of the equipment covered. An example may be an end user changing internet browsers from the established standard and then losing Internet connectivity; the repair is not covered under the scope of *Addendum A* and would be billable at The Trust IT's then current assigned hourly rates. In its sole discretion, The Trust IT will determine if the service required was a result of Customer modification or error and whether the incident is excluded from the *Addendum A* coverage.

**Section 27(b). Scope of Services**

The Trust IT's Services under *Addendum A* shall not include labor due to (i) modifications, relocation or reinstallation by anyone other than The Trust IT or without The Trust IT supervision or written approval; (ii) the use of supplies other than those recommended or industry recognized equivalents; or (iii) unusual shock or electrical damage, accident, fire or water damage, neglect, air conditioning failure, humidity control failure, a corrosive atmosphere harmful to electronic circuitry, damage during transportation or causes other than from ordinary use. If Services are required because of any of the causes described above, such Services will be offered at The Trust IT's then current applicable rates. Likewise, this Agreement shall not include, unless otherwise specifically stated, any software including, but not limited to, application programs, network design, databases, files, source code, object code or Customer's proprietary data, or any support, configuration, upgrade, installation or reinstallation thereof. Notwithstanding anything in this Agreement to the contrary, the Customer's obligation to pay The Trust IT amounts hereunder shall not constitute a direct or indirect multiple-fiscal year obligation whatsoever of the Customer. Any obligation of the Customer to make expenditures beyond the then-current fiscal year shall be subject to appropriation by the Customer's board of directors in its sole and absolute discretion.

**Entire Agreement**

THIS IS THE ENTIRE AGREEMENT BETWEEN THE PARTIES WITH RESPECT TO THE MAINTENANCE SERVICE PROVIDED HEREUNDER AND SUPERSEDES ALL PRIOR AGREEMENTS, PROPOSALS OR UNDERSTANDINGS WHETHER WRITTEN OR ORAL. By endorsing below, the signer agrees that he/she is duly authorized on behalf of Customer to purchase the Services stated in this Agreement. In the event the authorized signer of this Agreement terminates their employment with Customer for any reason, voluntarily or for cause, this Agreement shall remain in full force and effect, and Customer shall remain responsible for all Services agreed upon and stated in this Agreement.



## Managed Services Program

### Addendum A

#### *Overview of Services Included with Agreement*

The Trust IT Managed Service Program is designed to provide you with a 24x7 network monitoring service to allow maximum uptime for your community staff. Services provided within this program are:

- 24x7 Monitoring, Management, and Escalation of Network
- Network Firewall, Wireless Access, and Switch Hardware with Management
- Hardware and Software Planning with Budgeting Consulting
- Overview Meetings Annually
- Managed Services for Servers per Month
- Antivirus Software and Updates
- Microsoft Hosted Email Services Available
- U.S. based support staff
- Guaranteed Response Times:
  - 4-hour Emergency Response, On-site or Remotely, to Critical Service Calls  
**Note:** Critical situations are classified as at least one (1) server without service or multiple workstation outages. The 4-hour response time is limited to sites within a 75-mile radius of The Trust IT office during normal business hours.
  - Phone Technical Support for Client is Guaranteed a 4-Business Hour Response Time
- Normal proactive administrative and management activities for the Customer's IT infrastructure and workstations. Such actions and activities may include:
  - Addition/Removal of Users
  - Management of Wireless Access Points for Non-Public Use
  - Setting Up of Security Policies
  - Deploying Routine Security Patches
  - Monitoring Server Statistics (Disk Space, Memory, CPU Utilization, etc.)
  - Managing Antivirus Software
  - Management of Server Backups
  - Monitoring of Servers for Failures
  - Gathering of Server Performance Data
  - Help Desk Support for Workstations
- Service requests for service, repairs, moves, additions and changes can be made by contacting the IT Support Department at (714) 619-5700 or by submitting an email to [helpdesk@managementtrust.com](mailto:helpdesk@managementtrust.com).
- Overtime Labor Rate is 1.5 Times the Standard or Remote Labor Rate



## Managed Services Program

### Addendum B

#### Optional Component Add-Ons

**Phone:**

Included are direct inward dialing phone number, headset, software licensing with upgrades, customizable auto-attendant, custom call forwarding with find-me/follow-me, backup reception feature, voicemail backup, call reporting, custom hunt groups, direct transfer between The Management Trust offices, and fax-to-email.

**Hosted Data:**

The Management Trust will host the Customer data files on The Trust IT equipment stored either at the local office location or at The Trust IT Data Center and provide the following services for that data store:

- a) Secure storage and access to the Customer data;
- b) backup of the data at both the data storage facility and multiple encrypted offsite storage locations;
- c) backup of data will be kept with daily backups for 7 days, weekly for 4 weeks, and monthly for 3 months;
- d) maintenance of hardware used to store and serve the data to the Customer; If at any time the Customer decides to no long have the data hosted by The Trust IT, all data will be transferred back to the Customer equipment by either network-based synchronization or by physical media.

**Project Management and Outside of Scope / After-Hours Work:**

The intention of the MSP plan is to provide a flat-rate service to take care of the company's IT needs. This plan will cover the normal needs for the staff and company; however, there may be times where additional support is required for a new project, work with third-party vendors (i.e., gate or security camera systems), or after-hour on-site support. When these needs arise, we will discuss the plan and provide an estimate of additional costs required. Work will not be performed until the charges are agreed upon. Customers with an active MSP agreement are provided a reduced rate. Both rates are provided.

The regular business hours are Monday through Thursday from 8am to 5pm and Friday from 8am to 3pm, Pacific Time.

The labor rates are:	With MSP contract	Without MSP contract
Project Management & Business Hour Support	\$75/hr	\$125/hr
After-Hours Support	\$100/hr	\$175/hr
Travel Time During Business Hours	N/C	\$50/hr
After-Hours Travel Time	\$50/hr	\$100/hr

Regular and Overtime Regulations: Minimum one hour of service, additional time will be billed in 15-minute increments.

Emergency Regulations: Turnaround time of 4 hours; minimum two hours of service.

Acknowledgement of Service Rates does not imply that the customer has established Credit Terms with The Trust IT.



# Managed Services Program

## Acknowledgement of MSP Agreement

**I acknowledge and agree to the terms within this Agreement, Addendums, and the service rates outlined on the MSP Service Fees agreement and agree to the charges that will apply to my account:**

DocuSigned by:  
*Ryan Zent*  
4A5948360D8841B...

Authorized Customer Signature

Authorized Name Printed

Ryan Zent      President

Authorized Name Title

District Name

Mario Garcia  
IT Network Manager