

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

Time: Friday, March 8, 2024, 2:00 p.m.

Location: This meeting will be held via Zoom and may be joined using the following link:
<https://us02web.zoom.us/j/87562202139>

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: 875 6220 2139

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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 |

AGENDA

1. Disclosures of any potential conflicts of interest.
2. Consideration of Agenda.
3. Executive Session under Section 24-6-402(4)(b), C.R.S., to confer with District Counsel to obtain legal advice regarding proposed contracts with Management Trust and Cox Professional Landscaping Services LLC.
4. New Contracts for approval.
 - (a) Review and approve District Management Retainer Agreement with The Management Trust in substantially final form.
 - (b) Review and approve Landscape Management Agreement with Cox Professional Landscaping Services LLC in substantially final form.
5. Other possible action on matters discussed in Executive Session.
6. 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

MANAGEMENT RETAINER AGREEMENT

ARTICLE I Recitals

A. SERVICES COVERED BY THIS AGREEMENT:

Development: **Southshore Metropolitan District
Management of Amenity Facilities and Common Areas (collectively, the "Property")**

Location:
Lakehouse at Southshore
27151 E. Lakeview Drive
Aurora, Co 80016

Lighthouse at Southshore
27301 E. Southshore Drive
Aurora, Co 80016

Declaration Recordation No.: N/A

Tract No.: N/A

of Retail Units/Lots: 1960 Lots

Development Type: 2 Amenity Facilities plus Common Areas that service 1960 Single Family Units

B. "METROPOLITAN DISTRICT" AS A PARTY TO THIS AGREEMENT:

Metropolitan District: Southshore Metropolitan District (fka
Southshore Metropolitan District No. 2)

Mailing Address: c/o The Management Trust
3091 South Jamaica Court, Suite 100
Aurora Co 80014

C. "COMPANY" AS A PARTY TO THIS AGREEMENT:

Name: The Management Association, Inc., dba The Management Trust

Address: 3091 S. Jamaica Ct., Suite 100, Aurora, CO 80014

Principal: William B. Sasser, Chief Executive Officer

D. DEFINITIONS:

"Amenity Facilities" means the Lakehouse and the Lighthouse, located at the addresses listed above, including the Pool Facilities.

"Base Fee" shall mean the monthly fee identified in Section 8 and covers Company's basic contractual services and usual and customary office expenses, exclusive of all additional or extraordinary services that may occur by Board direction as identified in Section 9 or Exhibit A of this Agreement.

"Board" or "Board of Directors" shall mean the Board of Directors of the Metropolitan District, elected or appointed pursuant to State law.

"Budget" shall mean a written, itemized estimate of the expenses to be incurred by the District to operate the Amenity Facilities.

"Common Areas" shall mean all the real property and improvements, including without limitation, streets, open parking areas, landscape areas and recreational facilities, which are owned, operated and/or maintained by the Metropolitan District listed above for the common use and enjoyment the Metropolitan District's residents and taxpayers. The landscaping of the Common Areas is being provided by the Landscaper pursuant to the Landscape Agreement.

"Company" shall mean The Management Trust – Colorado Division.

"Director" shall mean any member of the Board.

"Fees" As used in this Agreement, the term **"Fees"** shall mean those tolls, rates, fees and charges for services and facilities established and approved by the Board. At the time of this Agreement, the District has established no Fees but the Board reserves the right to do so in the future.

"Governing Documents" shall include but not be limited to the Service Plan, the Metropolitan District's Bylaws, resolutions and policies.

"Landscape Agreement" means the Landscape Management Agreement between Metropolitan District and Landscaper, or the successor to any such agreement.

"Landscaper" means Cox Professional Services, LLC, or its successor as the entity providing landscape services for the Common Areas.

"Metropolitan District" shall mean Southshore Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado.

"Pool Facilities" shall mean the pools located at the Lighthouse and the Lakehouse, along with the Boathouse facility located at 6703 South Robertsedale Way, Aurora, Colorado, which are being managed by the Pool Manager under the Recreation Facilities Agreement.

"Pool Manager" means Front Range Recreation, or its successor as manager of the Lighthouse, Lakehouse and Boathouse.

"Recreational Facilities Agreement" means the Recreational Facilities Management Agreement between the Metropolitan District and the Pool Manager, or any successor agreement.

"Service Plan" means the Consolidated Service Plan of Southshore Metropolitan District Nos. 1 and 2 approved by the City of Aurora in February 2002.

"Special District Act" means Title 32, Article 1, C.R.S.

E. MISCELLANEOUS

In consideration of the covenants herein, the Metropolitan District enters into this Agreement with Company to exclusively manage the Property and exclusively provide the Services for the compensation

provided in Section 8 and for the term in Section 11, subject to the terms and conditions in the "Scope of Services," set forth hereafter (as set forth herein, the "**Services**").

This Agreement supersedes any and all prior representations, understandings and communications, and may be modified only by written agreement of the parties. Any oral agreements or modifications are expressly invalid.

This Agreement will be construed in accordance with, and governed by, the laws of the State of Colorado without regard to choice of law analysis. If any term, provision, covenant or condition of this Agreement, including the Scope of Services, should be found by a Court of competent jurisdiction to be invalid, all other provisions shall continue in full force and effect and shall in no way be affected, impaired or invalidated.

Any pronoun used shall mean and include the masculine and the feminine, the singular or the plural number and jointly and severally, individuals, firms or corporations, and each of their respective successors, executors, administrators, and assignees as the context so indicates.

If any legal proceeding is necessary to enforce or interpret the provisions of this Agreement, the prevailing party shall be entitled to its reasonable attorney's fees and legal costs, in addition to any other relief to which such party may be entitled. The parties agree that this Agreement shall be effective as of the date set forth in Section 11.

The person signing on behalf of Metropolitan District is a duly elected or appointed Director and has due authority to execute this Agreement.

ARTICLE II SCOPE OF SERVICES

APPOINTMENT AND ACCEPTANCE

In consideration of the mutual promises, covenants, and conditions set forth herein and pursuant to the Governing Documents, Metropolitan District hereby appoints the Company as its management company for the Property and to provide the Services, and Company hereby accepts the appointment on the terms and conditions set forth herein, to assist the Board in managing and maintaining the Property and delivering the Services.

The relationship between the Metropolitan District and Company is one of principal and agent. It is further expressly understood and agreed that Company's employees, officers, directors, shareholders, and other representatives of Company are not parties to this Agreement and are not and shall not be deemed employees of the Metropolitan District.

The Metropolitan District represents that it is duly organized under the laws of the State of Colorado.

1. **COMPANY'S SERVICES AND RESPONSIBILITIES**

- 1.1 Management shall utilize its experience, professional skills and knowledge to assist the Board and its committees in accordance with generally accepted industry standards in the area of Property Management.
- 1.2 Pursuant to this Agreement, the Board hereby authorizes Company to implement and enforce the provisions of the Governing Documents and to administer the Metropolitan District contracts and vendors and to carry out Company's duties set forth in this Agreement on behalf of the Metropolitan District. The Metropolitan District retains legal liability for any and all acts and occurrences which relate to the actions of the Metropolitan District and its actions concerning the Property covered by this contract. Company must provide the Services and manage the Property in compliance with the Metropolitan District's Governing Documents and all applicable laws.
- 1.3 The Company will undertake reasonable efforts to implement the lawful decisions of the Board of Directors in accordance with the terms and conditions of this Agreement. Company will not be obligated to implement any decision which:
 - a) is contrary to the terms of this Agreement, industry standards, applicable laws or Governing Documents;
 - b) outside of Company's expertise, knowledge or licenses; or
 - c) could involve transactions, activities, services or time that are not expressly set forth in this Agreement.

Subject to Section 2.4, the Company may hire other professionals, at the Metropolitan District's sole expense, as are necessary and proper in the discharge of its duties under this Agreement. The Metropolitan District is responsible for the costs of these approved professionals.

- 1.4 Manage the Recreational Facilities Agreement and the Landscape Agreement and supervise the implementation of those agreements by the Pool Manager and Landscaper, respectively. Serve as the liaison between the Pool Manager, the Landscaper other vendors and the Board.
- 1.5 Maintain Metropolitan District's website and, coordinating with Metropolitan District counsel and other consultants, post all required information to the website, including notices and agendas of Board meetings, transparency notices and Metropolitan District documents as required by Colorado law. By July 1, 2024, ensure the Metropolitan District is in compliance with accessibility standards developed by the Governor's Office of Information and Technology under HB21-1110.

2. FINANCIAL MANAGEMENT

- 2.1 **Fees:** Company will provide for the collection and deposit of all tolls, rates, fees and charges as they become due and payable or as otherwise directed by the Board, if such Fees are established by future Board action.
- 2.2 **Metropolitan District Operating Funds:** Company shall establish and maintain, with either CSAFE or ColoTrust, as directed by the Board, one or more separate Operating Accounts within the Metropolitan District's General Fund in the name of Metropolitan District. Said deposits shall be insured by the Federal Deposit Insurance Corporation or equivalent and shall contain only funds deposited into such fund by Metropolitan District. Company shall have the authority to draw on these accounts for any payments that Company must make to discharge any liabilities or obligations incurred pursuant to the terms of this Agreement, including payment of Company's fees, subject to prior approval by the Board. Any service fees charged for banking services or account maintenance by the financial institution shall be the responsibility of the Metropolitan District and shall be a charge against Metropolitan District's operating and/or money market accounts. All other Metropolitan District funds, the General Fund (other than the Operating Accounts maintained by Company), the Debt Service Fund and the Capital Project Fund shall be maintained by the Metropolitan District's accountant.
- 2.3 **Delinquent Accounts:** Company is authorized to take reasonable steps for collection of delinquent accounts in accordance with Metropolitan District's governing documents and delinquency policy, including but not limited to sending notices and assessing the delinquent account late charges, interest, and collection costs up to and including a pre-lien notice. Metropolitan District shall pay Company for these services in accordance with the rates set forth in Exhibit A. As an accommodation to Metropolitan District, along with seeking collection of the delinquent accounts, Company shall attempt to collect from the delinquent owner the fees incurred by Metropolitan District in connection with collecting the delinquent Fees/accounts. In the event such efforts fail, the Board may grant Company the authority to record a lien against the delinquent owner's unit in accordance with the Governing Documents and the approved collection policy.

Subject to Section 2.4, Company shall have the authority to utilize attorneys and/or collection agencies in the pursuit of delinquent accounts upon specific resolution of the Board. Subject to Section 2.4, Company is further authorized to pay, from funds in Metropolitan District's bank accounts, all costs and attorney's fees incurred in the collection of the delinquent account. When allowable, said costs and fees are to be charged back to the account of the individual owner.

Subject to Title 29, Article 1, Part 11, C.R.S., and other applicable law, Company is authorized to assess the delinquent account a late charge and a delinquent processing charge, along with other charges for collection and lien fees, reflective of the costs of collection, accounting, payment plan monitoring and legal proceedings. All such Fees are to be deposited into the account of the Metropolitan District. Statutory interest expressly permitted under and subject to the limitations of Section 29-1-1102, C.R.S., may be charged commencing 30 days after any due date. Reasonable costs of collection, including attorney's fees, are authorized to be charged and collected per Exhibit A.

Metropolitan District agrees to hold Company free and harmless from any and all liabilities, costs, expenses, obligations and/or attorney's fees incurred by Company in pursuit of the collection of delinquent accounts/Fees, including but not limited to staff time engaging in written or verbal communications with delinquent homeowner, assisting legal counsel or attending court hearings upon direction from the Board. Metropolitan District shall pay Company in accordance with the rates set forth in Exhibit A.

- 2.4 **Disbursement Authorization:** Company is authorized and shall make all disbursements from Metropolitan District funds for liabilities incurred on behalf of Metropolitan District. Such disbursements may be made via paper drafts or electronically at the discretion of Company. For the avoidance of doubt, with respect to any sections of this Agreement that refer to expenses being the responsibility of the Metropolitan District, or being at Metropolitan District's sole liability and expense, the Company is authorized to make these payments and disbursements on behalf of the Metropolitan District out of Metropolitan District funds, subject to prior Board approval. Company is authorized to utilize all fraud control systems and methods available to Company for the protection of Metropolitan District's funds. Should the Metropolitan District require that checks be signed with wet signatures an additional fee will be charged in accordance with Exhibit A.

Company is hereby granted authority to make any expenditures not expressly identified in the Metropolitan District's annual budget as provided in this section if necessary and upon reasonable circumstances up to \$1,500.00, provided that it shall provide a monthly accounting to the Board of all such expenditures. In addition, Company shall have the authority to make normal and usual expenditures as prescribed by the Board and/or by the Metropolitan District's approved operating budget. Company will obtain approval for any unbudgeted, extraordinary expenses exceeding \$1,500.00 as needed. Any expenditure of not more than \$5,000 may be approved by the President of the Metropolitan District. Any expenditure of not more than \$10,000 may be approved by the President and one other Director. Any expenditure of more than \$10,000 must be approved by the Board.

Notwithstanding anything herein to the contrary, Company will not make expend more than an aggregate of \$15,000 in any calendar month (regardless of the size of individual expenditures) without prior Board approval.

Emergency repairs involving imminent danger to life or property, or immediately necessary for the preservation and safety of property, or for the safety of residents, or required to avoid the suspension of any necessary service to the Property, may be made by the Company irrespective of the cost limitation imposed by this section, provided that Company shall endeavor to inform the President or Vice President of the Metropolitan District of the matter as soon as practicable.

Company will establish Metropolitan District's reserve accounts at Metropolitan District's direction. Company makes no warranty or representations regarding the security or yield of any reserve investment. Except for the disbursements provided for above, all reserve account disbursements will be signed by two Directors.

- 2.5 **Accounting and Financial Statements:** Company will maintain a set of accounting records in accordance with generally accepted accounting principles.
- a. Company will receive, classify/code, and enter invoices so that expenses are reflected in the proper accounts.
 - b. Company will distribute monthly to all Directors, no later than the 20th of each month, a financial statement for the previous month, including copies of the Balance Sheet, Statement of Income and Expenses (including a YTD comparison against budget), Schedules of Cash Investments, reserve allocations, and a check register of disbursements, and a report of homeowner delinquencies.
 - c. Company shall reconcile all bank statements received by Company and shall provide to the Board on a monthly basis copies of the bank statements and reconciliations. Company and Metropolitan District agree that Company shall be paid a service fee in accordance with Exhibit A for bank reconciliations in excess of four (4) reconciliations per month.
 - d. Company will cooperate with the Metropolitan District's Certified Public Accountant in any requested review of the Metropolitan District's financial statements and audit. Metropolitan District shall pay Company for this service as set forth in Exhibit A.
 - e. Company will post on the Metropolitan District's website, at Metropolitan District expense, copies of annual financial statements, budgets, collection policies, and all other publications and reports deemed necessary by the Board and applicable laws, including in particular Section 32-1-104.5(3), C.R.S., and other provisions of the Special District Act.
 - f. Company will provide Board with ability to electronically access financial records, including those listed above in Section 2.5(b).
- 2.6 **Budget Preparation:** Company will prepare and submit to the Board a proposed budget for the Amenity Facilities and Common Areas. Any budget draft will be subject to final approval by the Board and the Board shall retain full responsibility for the appropriateness of data contained in the budget. Any decision to adopt Company's proposed budget, or to amend it for adoption will be reserved to and exercised solely by the Board.
- 2.7 **Reserve Study:** Company shall perform an reserve study for the Metropolitan District in accordance with pricing set forth in Exhibit A in 2024 and (unless requested by the Board otherwise) every third year thereafter. In addition, Company shall review with the Metropolitan District, on an annual basis the current year's actual reserve revenues and expenses compared to the current year's budget.

- 2.8 **FHA Certification:** Where applicable, Company shall perform the required actions and submit the required form to have the Property reviewed by the FHA for certification and to maintain such FHA certification as required under FHA rules and regulations (which currently require renewal of FHA certification every two years). Company shall be paid the fee set forth in Exhibit A for such services. The parties acknowledge that no such certification is required of the Metropolitan District as of the date hereof.

3. **PHYSICAL MANAGEMENT**

- 3.1 Company will assist the Board in the upkeep, maintenance and management of the Property and related equipment, pursuant to the Metropolitan District's Governing Documents and within the scope of this Agreement.
- 3.2 Company will receive maintenance requests and/or complaints concerning the Property and related equipment, and communicate them to appropriate Metropolitan District contractors and vendors for correction, repairs, and maintenance within the scope of this contract.
- 3.3 Company will provide a 24-hours per day, 7 days per week call center to assist or refer emergencies related to the Property, and Company will provide electronic text communication homeowner services (Text Trusty A.I.). Company shall be paid an hourly rate for all after-hours service call responses, and Trusty A.I. services as set forth in Schedule (Exhibit) A.
- 3.4 Company will perform up to once per month, general review of the Common Areas, as well as resident and taxpayer compliance reviews, from ground level, and will submit findings, action taken and recommendations to the Board of Directors, to assist in preserving the aesthetics of the Common Areas, weather and environmental health conditions permitting. Company shall also make additional periodic reviews of the Common Areas as it deems necessary to satisfy its duties under the terms of this Agreement. The Company shall not be required to review the Common Areas during its reviews from any other perspective than from ground level. Company is authorized by Metropolitan District to initiate routine repairs to the Common Areas and facilities. Company shall perform daily/weekly site reviews of the Amenity Facilities as required.
- 3.5 Bids and Quotations for Hiring, Supervising and Discharging Third Party Contractors and Vendors:
Company shall manage the bidding process for the Metropolitan District with respect to contracts with third parties for goods, materials and services that Company believes, in its reasonable judgment are expected or likely to exceed \$5,000.00. Those items for which the Board requests bids that are in the Company's reasonable judgment likely to cost less than \$5,000.00 will not be let out for bid, and Company shall be under no duty to solicit bids for those items. Should the Board wish for Company to solicit bids for an item costing less than \$5,000.00, Company shall be entitled to an hourly fee in accordance with Section 9 of this Agreement. The phrase "goods, materials and services" shall be broadly construed to include every kind of goods, materials and services including, but not limited to, those supplied by accountants, architects, attorneys, banks, bookkeepers, governmental agencies, insurance agents and companies, landscapers, maintenance workers, repair workers and all other similarly situated contractors/vendors of the Metropolitan District.

When bids are required or desired, Company shall assist the Metropolitan District in obtaining one or more bids from contractors or vendors. Company shall use reasonable commercial efforts in researching vendors and contractors, but cannot and does not make any warranties or representation as to the capability or quality of the work or services of any particular vendor or contractor.

- a. Minimum Amount. Company will, upon receipt of instructions or upon resolution of the Board, request bids from vendors/contractors of Company's selection, with a minimum of two (2) and a maximum of three (3) bids for the types of third-party goods or services that Company believes, in its sole discretion, are likely to cost \$5,000.00 or more. Those items for which the Board requests bids that are in the Company's sole discretion likely to less than \$5,000.00 will not be let out for bid, and Company shall be under no duty to solicit bids for those items. Should the Board wish for Company to solicit bids for an item costing less than \$5,000.00, Company shall be entitled to an hourly fee in accordance with Section 9 and Exhibit A of this Agreement.
- b. Project Specifications. With the assistance of Company, the Board shall provide the specifications, standards, and/or criteria for the specific work to be let out for bid.
- c. Project Management. For any non-recurring contract service that exceeds \$5,000.00, Metropolitan District shall pay an administration fee of 3% of the contract amount to the Company, as these contracts generate additional calls and use of Manager and staff time. As the Southshore Metro District has agreed to hire a full time Project Manager/Maintenance Foreman, this fee will not apply.
- d. Payment of Vendors. Company, on the basis of an operation schedule, job standards and compensation rates set forth in an applicable vendor/contractor contract, shall investigate, secure and pay third parties in order to maintain and operate the Metropolitan District. Compensation for the services of all third-party contractors shall be paid with Metropolitan District funds. Any contract for such third party will be a direct contract between the Metropolitan District and the third party, and Company will act solely as the representative of the Metropolitan District in negotiations and maintenance of said contracts, and not as a contracting party.
- e. Termination of Vendors. Company shall have the authority to discharge Metropolitan District vendors/contractors that either the Company or the Board decides are not performing up to the standards, specifications or criteria established in the applicable vendor/contractor contracts.
- f. For all purchases of goods for the Metropolitan District, whether directly or through a vendor, Company shall use the Metropolitan District's sales tax exemption certification.

- 3.6 In its capacity as Agent for Metropolitan District, Company is authorized to retain professionals to perform utility and telecommunications evaluations on a contingent fee basis. These contingent-fee evaluations are intended to uncover revenue producing and/or service enhancing opportunities for Metropolitan District and the Metropolitan

District shall have full discretion to accept or decline any proposals that result from the evaluations. The evaluation itself is free of charge to the Metropolitan District.

4. **ADMINISTRATIVE MANAGEMENT AND CONSULTING**

4.1 Metropolitan District is responsible for obtaining and delivering to Company all records from prior management which have been turned over to Metropolitan District. Company shall not be required to locate information not turned over to Company and Company is relieved of any obligation to perform Services under the terms of this Agreement to the extent that performance of such Services is rendered impossible or unreasonably burdensome in the Company's sole discretion, due to Metropolitan District's or prior management's failure to provide Company with its records.

Company shall organize the records and documents it receives from Metropolitan District, or its prior management, in accordance with Company's normal procedures. The fee Metropolitan District shall pay to Company for the initial setup is set forth in Section 10.1, below.

4.2 Company will write or delegate letters and communicate as necessary to assist the Board in carrying out its responsibilities.

4.3 Company will counsel and advise Board and its committees in their day-to-day operations.

4.4 Company will assist in interpretation of the rules of the Metropolitan District and suggest possible steps of enforcement.

4.5 Company will provide, at Metropolitan District's sole cost and expense, material and expertise in the development of methods of communication to the residents and taxpayers (rules and regulations, violations, late letters, collection letters, etc.), as necessary.

4.6 Upon request, Company may send notices of Metropolitan District meetings to Directors, prepare the Amenity Facilities Agenda Portion for said meeting in accordance with Section 4.9 below, circulate minutes of any such meetings to the Board, and implement instructions as approved by the Board, at the Metropolitan District's sole cost and expense. As of the date of this Agreement, these services will continue to be provided by the Metropolitan District's counsel.

4.7 Company shall coordinate and attend a minimum of 13 Board meetings per year. On-site staff will attend any committee meetings as needed. If additional Board or committee meetings are required, they shall be charged per the rate schedule in accordance with Exhibit A of this Agreement. Meetings in excess of two (2) hours per meeting, or fraction thereof and/or that last after 8:00 p.m. shall be charged per the rate schedule in accordance with Exhibit A of this Agreement, prorated in quarter-hour increments.

4.8 Company will attend meetings after 5:00 p.m. scheduled Monday through Thursday and before 5:00 p.m. on Fridays, except holidays. Meetings held on days other than those identified herein, and which the Company agrees to attend, will be charged at the rate in Exhibit A of this Agreement.

- 4.9 Company shall prepare and send to Board once per month, at least five (5) days prior to the next regular Board meeting, a report which shall include the following:
- a. A description and summary of action items completed since the last 30 days.
 - b. Copies of correspondence believed to be pertinent in the manager's sole discretion;
 - c. Periodic reports from vendors or contractors providing services to Metropolitan District;
 - d. Copies of any bids obtained by the Company;
 - e. A report of Metropolitan District's financial transactions since the previous meeting or Board packet;
 - f. Minutes of the previous meetings for review and approval by the Board;
 - g. A summary of all homeowners not current with their Fees.
 - h. Community Engagement/Facilities Events Calendar and upcoming event details.
 - i. Facilities Maintenance: Preventative, repairs and etc.
 - j. Facilities Large Scale Capital Improvement Projects
- 4.10 Company will not be obligated to attend special meetings of the Board or the Metropolitan District's committees. However, if Company is requested to attend and accepts, Metropolitan District will pay Company at the rate schedule in accordance with Exhibit A of this Agreement, per hour for each hour or fraction thereof that such meeting lasts, plus (if physical attendance is required) mileage at the IRS rate per mile in effect at that time. Notwithstanding the foregoing, Company shall not receive compensation for any special meeting or committee meeting if (a) the total number of meetings attended by Company in the calendar year has not exceeded 13 and/or (b) if the meeting is attended by on-site staff during regular business hours.
- 4.11 Company will assist in preparation for Board Meetings, including preparation of any appropriate documents (including notices and agenda), and will attend and participate in conducting the meetings, at the Metropolitan District's sole cost and expense. Notices of all meetings with agendas will be posted on the District's website and at the doors of the Lakehouse and Lighthouse at least 24 hours in advance and with the City of Aurora's Clerk and Recorder at least three hours in advance. Should the need for Membership/Townhall Meetings arise, there shall be two meetings included with this agreement, at no additional charge.
- 4.12 A representative from the Company may act as recording secretary and shall record and/or type minutes of regular and (if attended by the Company) special meetings of the Board at the rates set forth in Exhibit A. Company shall distribute such minutes to the Board members in accordance with Section 4.6 above. In addition, at the request of Metropolitan District, Company shall distribute pertinent meeting related documents to Metropolitan District residents and taxpayers, at the expense of Metropolitan District, according to the rates forth in Exhibit A. Notwithstanding the foregoing, the presumed method of communication with constituents will be by posting on the website, unless Company is otherwise expressly instructed by the Board or the President.

- 4.13 In the event any Board meeting is cancelled by Metropolitan District five (5) days or less prior to a scheduled meeting, for any reason whatsoever, then Metropolitan District shall pay Company for any such rescheduled meeting at the rate for an extra meeting set forth in Exhibit A, unless the Board has not exceeded 13 meetings for the calendar year.
- 4.14 Company will serve as the Metropolitan District's custodian of records and maintain possession of all records of the business and affairs of the Metropolitan District throughout the term of this Agreement.
- 4.15 Special mailings and newsletters requested by the Board as prepared by the Metropolitan District shall be duplicated and mailed at the expense of the Metropolitan District. All requests for duplication of additional copies of project documents, correspondence, reports, etc., will be at the expense of the Metropolitan District. Unless expressly directed by the Board to send hard copies to residents and taxpayers, Company shall use email and/or postings to the Metropolitan District's website as its primary forms of communication with the community.

5. TERMINATION OF AGREEMENT

- 5.1 Either party may terminate this Agreement by providing sixty (60) days written notice to the other. This termination provision may be invoked with or without cause. Upon such notice of termination, the parties agree that this Agreement shall remain in full force and effect for the entire sixty (60) days. In the event that Metropolitan District does not give such notice to Company, Metropolitan District shall pay to Company a cancellation sum equal to sixty (60) day's Base Fees. All hard costs shall be reimbursed to Company. There shall be no termination fee paid to Company, other than reimbursement of costs. Notwithstanding anything in this Agreement to the contrary, the Metropolitan District's obligation to pay Company amounts hereunder shall not constitute a direct or indirect multiple-fiscal year obligation whatsoever of the Metropolitan District. Any obligation of the Metropolitan District to make expenditures beyond the then-current fiscal year shall be subject to appropriation by the Board in its sole and absolute discretion.
- 5.2 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.

By initialing below, the Metropolitan District and the Company agree to Section 5.2 above.

Metropolitan District Initials _____

Company Initials _____

The Metropolitan District acknowledges that Company may incur extraordinary costs in the transition period after termination, such as the generation of special reports identifying the inventory of records, the inventory of current activities, processing the transitional documents, mechanically and physically transporting books, records and documents, and meeting with the Metropolitan District and/or Company's successor to describe, define and explain the Metropolitan District's documents, instruments and records, and the functioning of the community. Consequently, Metropolitan District agrees that all such agreed-upon transitional services shall be deemed to be extraordinary services for which Company shall be compensated as hereafter set forth. In any event, however, the compensation for these transitional services shall not exceed the sum of the most recent monthly fees, including the Base Fee plus any extra fees and fees for extraordinary services, charged in the most recent month, payable under the Agreement.

- 5.3 Should any party hereto retain counsel for the purpose of enforcing or preventing the breach of any provision of this Agreement, including, but not limited to, instituting any action or arbitration to enforce any provision hereof, for damages by reason of such party's rights or obligations hereunder or for any other judicial remedy, then the prevailing party shall be entitled to be reimbursed by the losing party for all such costs and expenses incurred thereby, including, but not limited to, reasonable attorney's fees and costs for services rendered to such prevailing party.

6. RECORDS RETENTION

- 6.1 Records. The Metropolitan District's current records shall be kept at the Company's office and the Company shall serve as the custodian of records under the Open Records Act (Title 24, Article 72, Part 2, C.R.S., referred to herein as "CORA"). Such records shall be available for inspection and copying during Company's normal business hours in accordance with CORA and related Metropolitan District policies. Company shall be entitled to charge hourly rates for making such copies, copying and document research costs, and any office supplies consumed during the inspection, as set forth in Exhibit A, from any person requesting copies of records or documents, subject to the limitations of Section 24-72-205, C.R.S. Company shall be entitled to reasonable notice prior to such inspection or copying of records, but in any event shall respond to any request for documents under CORA within the timeframes required by Section 24-72-203, C.R.S.
- 6.2 Resident and Owner List. Company shall maintain a current list of residents/homeowners' name/property address/ mailing address) in accordance with the information supplied to Company in order to perform the Services. Reasonable efforts will be made to keep this list accurate. Company shall not be obligated to search official records for such transfers of ownership unless specifically requested to do so by the Board at hourly rates set forth in this Agreement. Company will record changes of address of ownership upon advice from owners or escrow, with supporting documentation.
- 6.3 Escrow Related Services. Company shall cause to have copies of documentation that the Metropolitan District is required provide under Colorado law and as reasonably requested by escrow companies, appraisers, and lenders, in order to facilitate sales of individual residences located within Metropolitan District, and in connection with a homeowner's re-financing needs. In addition, Company shall cause to have a "demand statement" prepared prior to the close of escrow, and upon notification of the close of

escrow, Company shall transfer all information from the name of the seller(s) to the name of the buyer(s). Homeowner shall pay Company for these services, if any, in accordance with the rate set forth Exhibit A.

- 6.4 Correspondence. Company will maintain documents and complete files for all current correspondence relating to Metropolitan District, such as incoming unit owner correspondence, violation control letters, contracts, purchase orders, filing with public agencies, insurance policies and information and other related documents. Such records will be kept according to the schedule established under Title 24, Article 80, C.R.S. and the office of the State Archives and Public Records.
- 6.5 All records and correspondence regarding Metropolitan District are and will remain the sole property of Metropolitan District. Company agrees to return any and all such records and correspondence to the Metropolitan District, or to an entity or person designated by the Board upon termination of this Agreement. Company shall digitize all paper records of the Metropolitan District. Electronic media, and general electronically stored databases are the sole property of the Metropolitan District and any duplication or transference of information to Company shall be at the sole discretion of the Metropolitan District with all costs and charges to be paid by Company.
- 6.6 Company agrees to maintain storage of Metropolitan District records and correspondence at Metropolitan District's sole cost and expense as set forth in Exhibit A.

7. **INSURANCE, INDEMNIFICATION AND LIABILITY**

- 7.1 **Management Insurance:** Company will, throughout the term of this Agreement, and at Company's sole expense, maintain the following insurance coverage:
 - a. Fidelity insurance with coverage for all Company's employees, when applicable, to protect Metropolitan District funds, if any;
 - b. Company's liability insurance and comprehensive general liability coverage, including automobile liability, completed operations, blanket contractual and personal injury coverage, with combined single limits of the then-current maximum amount of liability to which the Metropolitan District is subject under the Colorado Governmental Immunity Act (Title 24, Article 10, C.R.S., referred to herein as the "**CGIA**"), currently \$1,195,000;
 - c. Workers' Compensation Insurance in the statutory amount, covering any of Company's employees; and
 - d. Errors and Omissions coverage with limits of the then-current maximum amount of liability to which the Metropolitan District is subject under the CGIA, currently \$1,195,000.
- 7.2 **Metropolitan District Insurance:** The Metropolitan District will, throughout the term of the Agreement and at the Metropolitan District's sole expense, maintain the following insurance coverage:
 - a. Commercial General Liability Insurance: Occurrence-based Commercial General Liability insurance with limits of at least the then-current maximum amount of liability to which the Metropolitan District is subject under the CGIA, currently \$424,000 to one person in a single occurrence and \$1,195,000 in the

aggregate. The policy will designate the Company as the Metropolitan District's authorized representative.

- b. Directors' and Officers' Liability Insurance. Directors' and Officers' Liability insurance with limits of at least \$1,000,000 per claim and aggregate. This coverage will be maintained for a period of three years following the termination of this Agreement.
- c. Commercial Crime Insurance. Commercial Crime Insurance (or fidelity bond) including computer fraud and funds transfer fraud with limits required by Colorado law for the Metropolitan District.
- d. Other Insurance. Property and such other insurance as required by applicable Colorado law and as deemed appropriate by the Metropolitan District and Board.
- e. Certificates and Endorsements. The Metropolitan District will provide a current and original certificate of insurance providing evidence of the Metropolitan District's insurance, showing Company as additional insured for the Liability and Directors' and Officers' policies, and also for any umbrella and automobile policies (if the Metropolitan District maintains such umbrella and automobile coverages), such that Company is covered for any and all claims and losses indemnified by Metropolitan District pursuant to Section 7.3. The policies will provide primary and non-contributing insurance to the additional insured. The Liability policy and any Workers' Compensation policy will be endorsed with a waiver of subrogation naming Company.
- f. The Company shall have, and shall require that any subcontractor or independent contractor brought into the Community have, adequate insurance coverage as required and approved by the Metropolitan District. General Liability policy shall name the Metropolitan District as additionally insured for all items alleged to be caused by the primary negligence (i.e., more than 50%) or willful misconduct of Company or its employees. Automobile Liability insurance shall name the Metropolitan District as additionally insured. General Liability and Automobile Liability Insurance shall provide that the policy may not be cancelled or terminated without at least thirty (30) days prior written notice. Waiver of subrogation shall be applied to all policies. The Company shall obtain and maintain on file certificates of insurance evidencing that any subcontractor or independent contractor is so insured.

7.3 **Risk Management Services.** To ensure Metropolitan District's compliance with the terms set forth in Section 7.2 above and to ensure Metropolitan District satisfies its fiduciary duties to its residents and taxpayers, Company shall provide insurance risk management services to Metropolitan District. Insurance services provided by Company on behalf of Metropolitan District include review of policy terms and conditions to determine compliance with Metropolitan District governing documents and contractual obligations, analysis of coverage redundancies and/or gaps, assessment of adequacy of insurance types and limits necessary to protect Metropolitan District interests and claims management. Company warrants that it maintains appropriate licenses and insurance to provide such services. Company shall be paid either a commission for services from insurers where Metropolitan District coverage is placed and/or risk management fees paid directly by Metropolitan District in accordance with Schedule A.

- 7.4 **Indemnification** To the extent permitted by law, Metropolitan District shall indemnify, defend at its sole cost, and hold harmless Company and its employees, agents, officers and directors from and against any third party claims, demands, losses, costs, expenses, obligations, liabilities, judgments, orders and damages, including interest, penalties and attorney's fees, that Company shall incur or suffer which arise, result from, or relate to the Metropolitan District or Metropolitan District or the performance or non-performance by Company of its duties under this Agreement, except where such damages are due to the willful misconduct or primary negligence (more than 50%) of Company. Company shall not admit liability for or settle any claim, or incur any costs or expenses in connection therewith, under this section, without the written consent of the Metropolitan District, who shall be entitled at any time to take over and conduct in the name of the Metropolitan District the defense of any claim.
- 7.5 **Liability.** Company will be responsible only for willful misconduct and primary negligence (more than 50%) where such liability is due to the conduct of Company and/or its employees in the performance of its duties under this Agreement. In such event, Company shall only be liable only for actual damages incurred by Metropolitan District, and shall not include consequential or punitive damages, nor any damage arising from a claimed defect, including but not limited to water intrusion, moisture or mold.
- 7.6 **Third Party Services.** Company will not sell, rent or lease any client data to third parties. The Management Trust may, however, share data with affiliate companies to help perform the Services, provide support to District residents and taxpayers under this Agreement, or arrange for deliveries. From time to time, we may advertise certain third-party services through the Company's websites and other communication mediums of Company which we feel will be helpful or relevant to Metropolitan District and its residents and taxpayers (collectively, "Third Party Services"). Third Party Services may include, but are not limited to, banking and financial services, insurance-related services, payment processing services and property management- related services. Purchase of any product and/or service which is part of any program or marketing plan operated by Agent or its affiliates is voluntary and is not in any manner required by the Management Agreement. Company's full data privacy policy may be found at <https://managementtrust.com/privacy-policy/>.

8. COMPENSATION

- 8.1 In consideration of Company's acceptance of its appointment hereunder and the performance of services as set forth herein, the compensation to which the Company will be entitled will consist of fees for basic services (Base Fees), which are considered due upon execution of this Agreement, but are paid monthly, along with those fees and costs for additional, special or extraordinary services as set forth in Exhibit A.
- 8.1.1 Metropolitan District shall pay Company a base monthly fee of Seven Thousand Dollars (\$7,000.00), in advance on the first day of each month via ACH transfer. Metropolitan District understands and agrees that the Base Fee does not include payment and reimbursement for goods, supplies, materials and/or services as set forth in Exhibit A. Any costs incurred for such goods, supplies, materials and/or services shall be paid by Metropolitan District to Company by the fifteenth day of the succeeding month after the costs/expenses being incurred by Company.

- 8.1.2 Invoicing Procedure: Company Shall submit an invoice to the Metropolitan District's accountant for the Base Fee, Bundle Fee and staffing by the 3rd of that month for that month. Company will submit invoices for hourly employees every two weeks. Invoices to be approved by the Board at its regular meetings, currently held on the second Tuesday monthly.

Metropolitan District shall pay Company a base monthly fee of Five Hundred Dollars (\$500) for any Cost Center or Special Benefit Area that requires an additional monthly financial statement, above the four (4) included in this agreement. Such services are not currently contemplated by the parties.

- 8.1.3 Late Fees. Payments, including but not limited to, payment of the Base Fee, fees due in accordance with Exhibit A, and fees due on notice of termination of this Agreement pursuant to Section 5 and Exhibit A of this Agreement, not made by the last day of the succeeding month shall accrue a late fee of ten percent (10%) plus bear interest at a rate of ten percent (10%) per annum. Metropolitan District agrees that in the event of late payment, Company will incur costs and suffer damages, the amount of which costs and damages are impossible or difficult to precisely ascertain, and that the late fee and interest set forth herein is a reasonable estimation of such costs and damages.

Company shall not be entitled to deduct its Base Fee and expenses when due from Metropolitan District in its possession.

- 8.1.4 Changes to Base Fee. The base fee, as defined, shall be net to Company and is exclusive of the Metropolitan District's operating expenses and costs. The Base fee payable under this Agreement shall be adjusted annually at the beginning of the Metropolitan District's fiscal year by the increase, in most recent available Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers, (1982-84=100), "All Items" for the for the United States Western Region, herein referred to as the "C.P.I." or 5%, whichever is lower. The base fee shall be superseded by the adoption of a new annual Metropolitan District budget indicating an adjusted base fee for management services. Adoption of the annual budget by the Metropolitan District's Board of Directors shall constitute an approval of a base fee change under this Agreement but in no event shall the base fee be less than the amount stated in Section 8.1.1 of this section and as adjusted under this paragraph unless otherwise agreed by the parties in writing.

- 8.1.5 Additional Hours. Company and Metropolitan District agree that the Base Fee is based upon the monthly estimated management time necessary to fulfill Company's usual and customary management duties defined by this Agreement. Metropolitan District and Company agree that monthly time in excess of anticipated fifty six (56) hours in the aggregate (exclusive of the full-time staff assigned to Metropolitan District), shall be billed to Metropolitan District in accordance with rates set forth in Section 9 herein and Exhibit A attached hereto. Determination of hours is dependent on multiple factors including: distance and drivetime from office; size of development; amount of common and limited common areas; and anticipated number of common area visits. Hours can fluctuate depending upon said determining factors. Additional

services outside the general scope remain billable in accordance with Exhibit A. *Hours listed above are for support teams in addition to the on-site staffing. E.g. Accounting, Escrow, Leadership, HR, Training and etc.*

- 8.1.6 Reimbursable Administrative Operating Expenses. The Metropolitan District shall be responsible to reimburse Company, without markup, for all postage, equipment fees, copying, scanning, fax and other usual office expenses incurred by Company on Metropolitan District's behalf. Metropolitan District will also reimburse Company for all reasonable expenses incurred on behalf of the Metropolitan District including, but not limited to, those expenses listed in Exhibit A attached hereto as utilized in special projects (special mailings, newsletters, etc.), as may be amended from time to time, and included herein. Said costs will be reimbursed on a monthly basis as incurred and billed.

9. SPECIAL OR EXTRAORDINARY SERVICES

- 9.1 Metropolitan District shall pay Company compensation as follows:

A specific hourly rate in accordance with Exhibit A, for services performed on behalf of Metropolitan District outside the normal course of operation or outside the parameters of this Agreement, irrespective of the monthly hours set forth in Section 8.1.4.

- 9.2 Company may be required to perform additional services beyond the scope of this Agreement, for which the above fees, or the current rates that are then applicable, will be charged by the work performed. Examples of such services include, but are not limited to:
- a. Assistance in adhering to requirements of laws and regulations which may be passed during the term of the Agreement that require Company participation.
 - b. Company will be paid per hour, portal to portal (if appearance in person), for work performed by Company on behalf of Metropolitan District, including but not limited to, appearance at court, at hearings, depositions, claims negotiations and processing of insurance losses or reconstruction, performing committee functions-- such as monitoring, reporting and updating of any violations within the common areas, development status reports, bank loans, investments, maintenance, construction defect matters, financial reconstruction, engaging in written or verbal communications with delinquent homeowners, discovery on Metropolitan District's acts prior to the original commencement date of this agreement.

10. METROPOLITAN DISTRICT SET-UP FEE

- 10.1 Company shall be paid a one-time, non-refundable flat fee of Fifteen Hundred Dollars (\$1,500.00) at the commencement of this Agreement to offset the costs of setting up the Metropolitan District's records. Not included in such set-up fee are bank charges or independent accountant's fee which may also be incurred.

11. TERM OF CONTRACT

This Agreement shall commence April 1, 2024, and shall continue in full force and effect until December 31, 2024. This agreement shall automatically renew for a twelve-month term at each anniversary of the commencement date, unless or until, a new contract is duly executed, and subject to the termination provisions and appropriation of funds by the Board as set forth in Section 5 at the renewal rates set forth in Section 8.1.4. Company is not obligated to provide services under the terms of this Agreement until both parties have signed.

12. PROTECTION OF COMPANY CONFIDENTIAL INFORMATION

- 12.1 Metropolitan District acknowledges that solely by reason of this Agreement, Metropolitan District may/will come into possession of, obtain knowledge of, or contribute to Company “Confidential Information” as defined herein. “Confidential Information” means any and all information and data whether maintained in hard copy or electronic form, concerning Company’s trade secrets, proprietary information, marketing and sales techniques, manuals, programs, design methods, processes, formulas, pricing, bidding methods, inventions, discoveries, improvements, research or development and test results, specifications, data, know-how, formats, marketing plans, business plans and strategies, forecasts, financial information, budgets, projections, employee compensation and benefits, and vendor/supplier lists, identities, characteristics, preferences, and agreements. Such information may be contained in lists, reports, or computer programs; or may constitute unwritten information, techniques, processes, practices or knowledge. Confidential Information includes all information that has or could have commercial value or other utility in the business in which Company is engaged or in which it contemplates engaging. Confidential Information also includes all information of which the unauthorized disclosure could be detrimental to the interests of Company, whether or not such information is identified as Confidential Information by Company.
- 12.2 Metropolitan District agrees that at all times, during or after this Agreement, Metropolitan District will seek to hold in trust, keep confidential, and not, directly or indirectly, disclose to any third party or make any use or cause to permit the exploitation, dissemination, copying or summarizing of any Confidential Information, as defined herein, except for the benefit of Company.
- 12.3 Metropolitan District agrees and understands that all of the Confidential Information is a valuable asset of Company and is, will be, and shall at all times remain, the sole and exclusive property of Company. Metropolitan District is aware that the unauthorized disclosure of Company Confidential Information may be highly prejudicial to its interests, an invasion of privacy, and an improper disclosure. Metropolitan District understands and agrees that it must maintain and preserve all of the Confidential Information and knowledge thereof as unavailable to Company’s competitors, the industry, and the general public in order to protect Company’s business, competitive position, and goodwill, since Company derives a competitive advantage in the marketplace by maintaining the Confidential Information and knowledge thereof as secret and unavailable to Company’s competitors and the public.
- 12.4 Metropolitan District also understands and agrees that but for entering into this Agreement with Company, the Confidential Information would not have been disclosed to Metropolitan District.
- 12.5 Company recognizes that Metropolitan District is subject to CORA. To the extent that the Metropolitan District (or Company as custodian of records)

receives a CORA request that requests Confidential Information, Company shall have the right to ask the Metropolitan District to contest such request, provided that Metropolitan District shall have no obligation to defend any claim made for Confidential Information under CORA and Company shall indemnify Metropolitan District for any penalties, fees and charges incurred by the Metropolitan District as a result of the attempted denial of such CORA request.

13. **NON-SOLICITATION OF COMPANY STAFF**

13.1 Metropolitan District further agrees that during and for a period of one (1) year after the term of this Agreement Metropolitan District will not, directly or indirectly, induce or attempt to induce any Company employee or consultant who provides Services under this Agreement to discontinue its employment with Company or offer or accept for hire any of Company's employees who have provided services under this Agreement. Metropolitan District understands and agrees that Company spends a significant amount of time in hiring and training its employees and developing its relationships with its consultants.

13.2 Metropolitan District understands and agrees that if Metropolitan District, directly or indirectly, either for Metropolitan District or for any other person or entity, including Metropolitan District's succeeding managing agent, induces or attempts to induce Company's employees or consultants to discontinue employment with Company, interferes with those relationships, or accepts for hire any of Company's employees who have provided Services under this Agreement, such conduct may cause irreparable harm. Metropolitan District also understands and agrees that in addition to any equitable relief available to Company, because it may be difficult to ascertain and impractical or extremely difficult to fix an actual monetary amount of damages, Metropolitan District shall be liable to Company in an amount, as liquidated damages, equal to the compensation paid to said employees/consultants for the twelve (12) months immediately preceding such event. This sum is agreed upon as compensation for the injury suffered by Company, not as a penalty, but to recruit, replace and retrain a suitable replacement for said employee and/or consultant. The liquidated damages provision hereunder shall also apply in the event this Agreement has terminated and any successor management company for Metropolitan District is the party that has hired any such employee who has provided Services under this Agreement, and where such employee was retained for the purpose of providing services to the Metropolitan District.

13.3 Company spends significant amounts of time and money to hire and train employees for the operation of this and other Metropolitan Districts. Metropolitan District derives benefits from Agent's experience in managing employees, as well as their hiring and training procedures. Metropolitan District agrees it will not hire, retain, or contract with any past or present employee, partner, officer, or co-owner of Company or its divisions who has provided Services under this Agreement in any capacity whatsoever for a period of twelve months following the termination of this Agreement or any extension thereof.

14. **MISCELLANEOUS**

14.1 Professional Conduct. During and after the term of this Agreement, Metropolitan District agrees to maintain a respectful and professional manner and to avoid and refrain from any conduct which would tend to disparage Company, its affiliates, shareholders, directors, officers, or employees, which might jeopardize or be prejudicial to any

business, vendor, professional, or personal relationship of Company, or any of the above-mentioned representatives, or which might damage the business, professional, or personal reputation of Company, or any of the above-mentioned representatives. Metropolitan District agrees and understands that personnel of Company are direct employees of Company and should be treated in a manner that complies with state and federal regulations during the term of their relationship with Metropolitan District. Treatment of employees that violates state and federal laws can lead to employee claims that may result in liability and costs to Metropolitan District as outlined in the Indemnification provision of this Agreement. During and after the term of this Agreement, Company agrees to maintain a respectful and professional manner and to avoid and refrain from any conduct which would tend to disparage Metropolitan District, its affiliates, shareholders, directors, officers, or employees, which might jeopardize or be prejudicial to any business, vendor, professional, or personal relationship of Metropolitan District, or any of the above-mentioned representatives, or which might damage the business, professional, or personal reputation of Metropolitan District, or any of the above-mentioned representatives.

Metropolitan District agrees not to engage in unlawful harassment of Agent's employees, including but not limited to harassment on the basis of race, ethnicity, religion, color, sex, gender, gender identity or expression, sexual orientation, national origin, citizenship status, age, protected medical condition, or any other category protected by applicable state or federal law. Such prohibited harassment includes verbal harassment, physical harassment, written harassment, and/or harassment via use of any website or social media. To the extent permitted by law, Metropolitan District shall defend, indemnify, and hold Agent harmless from and against and an all liability, complaints, lawsuits or charges of or for unlawful harassment brought against Agent by an employee of Agent as a result of conduct of Metropolitan District or any of its officials.

- 14.2 Funds. Company will not be required to perform any act or duty hereunder involving the expenditure of money unless Company shall have in its possession sufficient funds of the Metropolitan District available. Therefore, if at any time the funds in the possession of Company are not sufficient to pay the charges incident to this Agreement, Company, shall not be responsible to advance its own funds for any reason, and the Metropolitan District agrees, in such cases, that upon notice thereof by Company, the Metropolitan District shall make immediate arrangements to make funds available to cover the insufficiency. Company shall promptly notify Metropolitan District of any deficiency in the account necessary to pay the charges incident to this Agreement.
- 14.3 Authority. Company may receive communications and directions from any Director and shall act with the assumption that said Director is acting on behalf of the entire Board. Should a conflict arise between Directors, Company shall consider the President of the Metropolitan District as the authorized representative of the Metropolitan District with authority to act on behalf of Board/ Metropolitan District. Should the President be unavailable to resolve such a conflict, then the Vice President shall serve in this capacity. Company may, but is not required to, submit any matter, direction, instruction or the like to the Board and shall then follow the direction of the Board.

The Board understands its fiduciary duties and agrees to govern the Metropolitan District in a businesslike manner, acting in good faith and in the best interest of the Metropolitan

District and in accordance with the adopted development management plan, the Metropolitan District's Governing Documents, and applicable State and Federal laws.

- 14.4 Remedies; No Waiver. No right or remedy herein conferred upon, or reserved to either of the parties to this Agreement, is intended to be exclusive of any other right or remedy, unless clearly stated as such. Each and every right and remedy shall be cumulative, and in addition to any other right or remedy, given under this Agreement now or hereafter, legally existing upon the occurrence of any event of default under this Agreement, subject to any express limitations set forth in this Agreement. The failure of either party in the event of default under this Agreement to insist at any time upon the strict observance or performance of any of the provisions of this Agreement, or to exercise any right or remedy, shall not be construed as a waiver or relinquishment of such right or remedy with respect to subsequent defaults. Every right and remedy given by this Agreement to the parties may be exercised from time to time and as often as may be deemed appropriate by those parties. Neither party shall be entitled to punitive or consequential damages. In no event shall this Agreement be deemed to be a waiver by the Metropolitan District of the rights, privileges and immunities of the CGIA.
- 14.5 Governing Law. The execution, interpretation and performance of this Agreement shall in all respects be controlled and governed by the laws of the State of Colorado without regard to choice of law analysis. If any part of this Agreement shall be declared invalid or unenforceable, the invalid or unenforceable provisions shall be stricken from this Agreement without affecting any other provision.
- 14.6 Notices. Notices or other communications between the parties to this Agreement may be mailed by U.S. registered or certified mail with return receipt and postage prepaid, may be deposited in a U.S. Post Office or a depository regularly maintained by the post office, or sent via facsimile or email. Such notices may also be delivered by hand or by any other receipted method including common carriers such as UPS or FedEx or other means permitted by law. For purposes of this Agreement, notices shall be deemed been "given" or "delivered" upon personal delivery thereof, seventy-two (72) hours after having been sent by one of the means permitted by law, or the date of delivery as confirmed after deposit with a nationally recognized courier, such as Federal Express or UPS. The foregoing shall in no event prohibit notice from being given as provided by the Colorado Revised Statutes and/or the Colorado Rules of Civil Procedure, as the same may be amended from time to time. Rejection or refusal to accept or the inability to deliver because of changed address of which no notice was given shall be deemed to be receipt of the notice. The attorney for a party has the authority to send notices on behalf of such party. Notice shall be addressed to the parties as follows, and either party shall have the right from time to time and at any time upon at least ten (10) days' Notice thereof, to change their respective addresses to any other address within the United States of America:

If mailed to Company, the following address applies:

Name: The Management Trust - Colorado
Address: 3091 S. Jamaica Ct., Suite 100, Aurora, CO 80014
Registered Agent: Monique Diego, President

If mailed to Metropolitan District, business address of the of Metropolitan District applies with a copy to:

Name: CEGR Law
Address: 44 Cook Street, Suite 620, Denver, CO 80206
Attn: David Greher

- 14.7 Entire Agreement. This Agreement, including any attachments/addendums, contains the entire agreement and understanding of the parties hereto and supersedes any and all prior representations, understandings and communications.
- 14.8 Amendments. Except as otherwise provided in this Agreement, this Agreement may be modified only in a writing signed by both of the parties. Any oral agreements or modifications are expressly invalid.
- 14.9 Effective Date. Even though the date of this Agreement signed by each party may be different, the parties agree that this Agreement shall be effective as of the date set forth in Section 11 of this Agreement.
- 14.10 Metropolitan District and Company acknowledge that they have carefully read and reviewed this Agreement and each term and provision contained herein and by execution of this Agreement show their informed and voluntary consent thereto. The parties hereby agree that, at the time this Agreement is executed, the terms of this Agreement are commercially reasonable and effectuate the intent and purposes of the Metropolitan District and Company.
- 14.11 Severability. If any provision contained in this Agreement shall for any reason be held to be invalid, void or unenforceable in any respect, such provision shall be deemed modified so as to constitute a provision conforming as nearly as possible to such invalid, void or unenforceable provision while still remaining valid and enforceable; and the remaining terms or provisions contained herein shall not be affected thereby.
- 14.12 Mutually Negotiated. The terms and conditions of the Agreement (including any perceived ambiguity herein) shall not be construed in favor of, or against, either party by reason of the extent to which either party or its professional advisors participated in the preparation of the original or any further drafts of the Agreement. In no way whatsoever shall it be deemed that this Agreement is a contract of adhesion, is unreasonable or unconscionable. The language of this Agreement shall be construed as a whole according to its fair and logical meaning and not strictly for or against any of the parties.
- 14.13 Counterparts. This Agreement may be executed in any number of counterparts, using facsimile signatures, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 14.14 Survival. Any provision of the Agreement that contemplates performance or observance subsequent to termination or expiration of the Agreement shall survive termination or expiration of the Agreement and continue in full force and effect including, without limitation, the provisions of Section 7.3, Section 7.4, Section 12, Section 13, Section 14.
- 14.15 There are no third party beneficiaries of this Agreement.

15. **DISCLAIMER**

No representation or recommendation is made by Company, its employees, as to the legal sufficiency, legal effect, or other consequences of this Agreement. The parties shall rely solely upon the advice of their own legal counsel as to the legal and other consequences of this Agreement.

16. **EXHIBIT "A"**

Exhibit "A" outlining additional costs to the Metropolitan District is attached hereto and is an integral part of the signed and accepted contract by the Metropolitan District and Company.

By affixing signatures below, both Metropolitan District and Company agree to the terms, conditions and provisions specified by this Agreement.

METROPOLITAN DISTRICT:
SOUTHSHORE METROPOLITAN DISTRICT

BY NAME: _____

TITLE: _____

SIGNATURE: _____

DATE: _____

COMPANY:
THE MANAGEMENT METROPOLITAN DISTRICT, INC. DBA THE MANAGEMENT TRUST

BY NAME: Monique Diego_____

TITLE: President_____

SIGNATURE: _____

DATE: March 8, 2024_____

EXHIBIT A

Effective January 1, 2024

| |
|---|
| Office Administration, Financial & Technology Services: Bundled Rate |
| The Bundled rate includes all costs related to copies, envelopes, services, and paying fees (where indicated by Management Retainer and applicable Civil Code). Distribution includes printing, production, and envelope costs. Related Postage is not included |

| | |
|--|---|
| \$1.50 Per Door/MONTH | |
| Southshore Metropolitan District | |
| <u>Included (Office Administration & Technology Services):</u> | |
| Use of Corporate Conference Rooms for meetings After hours emergency on-call service Rush check requests Payment Processing Rush mailing requests Facsimile Returned mail review and processing Minute taking and preparation* Processing of work orders Standard Form Monthly Financial Statements Bank Reconciliations for the first 3 bank accounts Opening and closing of investment accounts Support of CPA Annual Financial Review 24/7 AI Based Homeowner/Resident Support Services Online portal user administration and access Annual Secretary of State form filings and fee processing Annual DORA form filings and fees processing | E-delivery of Metropolitan District Information and e-blasts Homeowner Direct ACH Setup and Processing Newsletter Production Incidental Copies – black/white and color (does not include print or postage for mailings) Board Packet Printing, Board Packet Folders Financial Report Delivery Scanning of Metropolitan District Documents Electronic Records Storage Telephone costs Printing and Mail Processing of Annual Meeting Notices Printing and Mail Processing of Annual Budget Notices Printing and Mail Processing of Financial Review Filing of all annual Secretary of State Notices 24/7 After Hours emergency call service Monthly Statement printing Preparation of documents for tax filings |

| |
|--|
| Schedule of Other Available Services and Fees |
|--|

| Line-Item Description | Cost | Additional Information |
|---|------------------------|--|
| A. Delinquency Charges – Billed to Metropolitan District and Reimbursed by Homeowner | | |
| Bankruptcy/Judgement Account Setup | \$175.00 | Create of post-petition or post judgment schedules |
| Delinquent Fee Notice - Administrative Charge | \$15.00/each | Processing fee per late letter and imposition of late fees – sent USPS and/or Certified Receipt Requested - includes all letters and electronic delivery as applicable – plus current USPS rates |
| Compliance/Violation Letter – Administrative Charge | \$15.00/each | Processing fee per violation letter – sent USPS and/or Certified Receipt Requested - includes all letters and electronic delivery as applicable – plus current USPS rates |
| Posting of Compliance/Violation/Delinquent Letter at homeowner’s Unit/Business Address | \$75.00/each | Posting compliance required by law. Pass through cost. |
| Preparation of file to Legal Counsel for Collections | \$250.00 | Collection turnover fee for homeowner of record, includes delinquency Tracking |
| Prepare Notice of Intent to Lien / Prelien | \$125.00 | Flat fee for homeowner of record, includes delinquency tracking |
| Program/Distribute Access Devices – New Owner: Stickers/Keys/Remotes/Fobs | \$20.00 | Per item and occurrence – New owner or resale thereafter, plus mailing supplies and current USPS rates |
| Program/Distribute Access Devices - Replacement: Stickers/Keys/Remotes/Fobs | \$10.00 | Per item and occurrence, plus mailing supplies and current USPS rates |
| Repayment Plan Administration | \$15.00 | Collection monitoring fee - per unit / per month, until paid in full |
| Repayment Plan Default Letter | \$75.00/per occurrence | Upon default of the plan |
| Re-Payment Plan Set Up – Delinquent Owner | \$125.00 | Prepare and have executed repayment plan |
| Return Check/NSF Processing Fee | \$40.00 | Each occurrence |
| Title Search | \$55.00 | Pull limited title search to prepare notices, if needed |
| Custom Lender Questionnaire | \$75.00 | |
| B. Other Administrative Fees and Costs – Paid by Metropolitan District | | |
| Certified Mail/UPS/FedEx* | \$8.50 each | Plus current shipping rates |
| Homeowner Handbook Development | \$125/per hour | Billed at actual time plus materials - Board to approve initial estimate, if requested by Board |
| Copies - Color Per Page** | \$1.00 | |
| Document Storage - 3 Years and older | \$10.00 | Each box - secure, climate controlled, offsite document storage, if applicable |
| Document Storage Retrieval or Destruction | Actual Cost | Plus \$75/per hour for receiving, if applicable |
| Envelope and Envelope Packaging Fee – required mass mailings | \$1.00/each | Per envelope, excludes Postage – for nonbundled mailings |
| Special Events and Planning | \$125/per hour | Billed at actual time plus materials - Board to approve initial estimate |
| New Homeowner Welcome Pack - Per: Hardcopy, USB or Electronic | \$15.00 | Plus mailing supplies and current USPS rates |
| Mail** | | |
| Newsletter Formatting | \$25.00 | Per page |
| On-Site Staff - Human Resource Administration | \$125/EE/month | For developments with on-site staff |

| | | |
|--|--|---|
| On-Site Staff - Payroll Processing Fees | \$35/EE/month | For developments with on-site staff |
| Postage - All USPS Postage Rates | Current USPS Rates | Plus 25% equipment usage fee |
| Reserve Study | As quoted | Metropolitan District specific, quoted based on type of report |
| Reserve Study Vendor Facilitation | \$500.00 | Applicable for third party vendors only |
| USB Preparation of Metropolitan District documents | \$25.00/each | Includes USB drive and scanning |
| Website Maintenance Fee - non-Management Trust Portal | \$75.00 | Per month, plus third-party hard costs |
| C. Financial Services | | |
| Annual Audit Preparation for CPA Handover – Rush Fee | \$75.00 | Within 7-business days, plus base fee |
| Annual Year-End 1099s / Payroll Related / Tax Return Coordination | \$50.00 | Per vendor, per employee, per tax form (State, Federal, local, etc.) |
| Bank Reconciliation Fees – more than three accounts | \$25.00 | Per month/per account for more than three accounts |
| Checks - Hand Check Requiring Wet Signatures | \$3.00/each | Plus mailing supplies and current USPS rates |
| Department of Regulatory Agency Defense Prep | Hourly Rate | Per hour, billed at actual time (including travel, portal to portal) and materials, plus mileage - does not include court or legal costs. |
| Department of Regulatory Agency Defense Costs | Full Metropolitan District Cost | Billed at actual time (including travel, portal to portal) and materials, plus mileage - does not include court or legal costs. |
| Metropolitan District Purchase on Company Credit Card - Per Occurrence | \$35.00 | Plus actual cost |
| D. Staff Hourly Rates | | |
| After Hours Electronic Support (Phone, Email, Text) | Hourly Rate | Communication directly with Management Trust staff after business hours |
| Additional Management Meeting or Site Review | \$125.00 | Per hour |
| Additional Manager Hours in Excess of Contracted Retainer Hours | \$125.00 | Per hour |
| Compliance Cure Inspection | \$125.00/Per Hour | Portal to portal, rounded to :15-minute increments. |
| Receptionist/CSS/Assistant/Support Staff | \$75.00 | Per hour |
| Financial Staff | \$75.00 | Per hour |
| Executive Team Hours (President/ Vice President / Controller) | \$225.00 | Per hour |
| Outgoing Metropolitan District Transition Support – After Termination Date | \$350.00 | Or, billed at actual time and materials, whichever is greater |
| Emergency After Hours On-Site Support | Twice Hourly Rate/Plus Travel | When Company personal is required to be physically present at Metropolitan District after business hours |
| Emergency After Hours Phone Support | Hourly Rate | Call placed directly with Manager not through emergency call-center hotline. |
| Insurance Claim Management | 10% of claim settlement, or hourly | Billed at 10% of claim settlement or, actual time (including travel, portal to portal) and materials, plus mileage - whichever is greater |
| Travel | IRS Rates | Travel for portal to portal, time is billable for work performed outside of contract scope |
| E. Metropolitan District Management Base Fee | | |
| Base Management Fees | <i>The Base fee payable under this Agreement shall be adjusted annually at the beginning of the Metropolitan District's fiscal year by the increase, in most recent available Consumer Price Index of the Bureau of Labor Statistics of the Department of Labor for All Urban Consumers, "All Items" for the United States Western Region, herein referred to as the "C.P.I.", or by 5%, whichever is lower.</i> | |

*Charges may differ when performed by Dedicated On-Site Staff.

**There will be no charge when completed using Metropolitan District equipment and/or supplies.

Base fee to be paid via ACH to Company on or about the 1st of each month. Payroll costs for dedicated Metropolitan District on-site staff to be paid via ACH the date the payroll invoice is generated. Administrative operating expenses incurred on behalf of the Metropolitan District under this schedule are in addition to the base monthly management compensation agreed to between the parties in the Management Retainer Agreement. An invoice to substantiate any charges will be provided at the time of billing as stated in the Agreement. Fees and Costs for ancillary services invoices will be paid electronically upon approval of the invoice in accordance with contractual approval procedures. The company reserves the right to update this "Exhibit A" and provide to Metropolitan District with 30 days written notice in the event of pricing changes.

Company is authorized to purchase supplies for Metropolitan District including, but not limited to, check stock, data discs, copier use, and telephone toll calls made for Metropolitan District.

Note: The foregoing list is intended to identify the major areas of service that are extraordinary expenses. There may be additional services for which the Metropolitan District will be charged. In such cases, the Company will provide cost estimates prior to engaging in any additional service. The above fees may be subject to change without notice or subject to change due to implementation of new law(s).

RFP AND LANDSCAPE MANAGEMENT CONTRACT

This RFP and Landscape Management Contract (this “**Agreement**”) is entered into by and between by and between Cox Professional Landscape Services LLC (the “**Contractor**”) and Southshore Metropolitan District (the “**District**”).

I. Scope of Work

The Contractor shall furnish all supervision, labor, material, equipment and transportation required to perform all work hereinafter described for the property within the District’s boundaries, as further identified in the map attached hereto and incorporated herein as Exhibit A (the “**Property**”). All work hereinafter described is work included under the Total Agreement Price (hereinafter defined) of this Agreement (the “**Included Work**”), unless otherwise expressly provided for as additional work subject to additional costs (the “**Additional Work**”). All materials used will either conform to bid specifications or will otherwise be acceptable to the District.

The Contractor and the District agree that open, two-way communication will enhance the success of the goals of this Agreement. The Contractor’s designated primary contact information is as follows:

Name: **Randy Cox**.

Email: **coxoffice@coxprolandscape.com**.

Phone: **303-693-6878**.

Emergency Contact Name: **Kevin Cox**.

Emergency Contact Email: **coxoffice@coxprolandscape.com**.

Emergency Contact Phone: **303-693-6878**.

II. Additional Work and Exhibit B

The Contractor will bill the District for Additional Work approved in writing by the District, as further identified as part under Exhibit B, attached hereto and incorporated herein.

III. Lawn Care

Mowing and Edging:

All lawn areas of the Property are to be mowed by the Contractor as follows:

- For the months of April and October, the Contractor shall mow all lawn areas on the Property every ten (10) business days, or more frequently as necessary, as permitted by weather and ground conditions.
- For the months of May through September, the Contractor shall mow all lawn areas on the Property at least every seven (7) days, as permitted by weather and ground conditions.
- Large riding mowers will only be allowed in large open areas on the Property.
- Mowers will be set at the same level for all lawn areas on the Property.
- The cutting height will be consistent throughout the Property, regardless of the equipment used.
- All lawn areas are shall be mowed by the Contractor to be approximately 2.5 to 3.5 inches during the growing season.
- Except for problems with terrain or other ground conditions, uneven cutting, excessive scalping and inconsistent cutting due to poor or inadequately sized equipment is not acceptable.
- Every month the Contractor will edge all lawn areas along walks and drives on the Property with a steel-bladed edger to maintain a neat appearance.
- Lawn areas adjacent to buildings, signs, fences and lights and other areas inaccessible to mowers shall be line trimmed by the Contractor at the time of mowing so as to present a well-groomed appearance with the exception of lawn areas adjacent to trees where grass is allowed to grow completely to the trunk.
- Clippings will not be caught or removed from lawn areas on the Property by the Contractor unless they are lying in swaths which may damage the lawn areas. Heavy amounts of clippings shall be raked and removed from the Property by the Contractor at no additional cost to the District. Clippings shall be removed from all walkways, curbs, steps, decks and streets on the Property by the Contractor.
- Litter and debris on lawn areas on the Property shall be removed prior to mowing.
- **Additional Work:** Upon written approval by the District, labor and equipment (hoses, etc.) may be furnished by the Contractor as necessary to water lawn areas to supplement the automatic sprinkler system or as may be required during drought conditions to maintain the health of the

lawn areas on the Property, giving special attention to all new lawn areas. The Contractor will invoice such Additional Work to be paid by the District.

Fertilization:

- All lawn areas on the Property will be fertilized by the Contractor three (3) times during the growing season with a slow release application product.
- When fertilizer is applied to the lawn areas, the Contractor shall place temporary visible signs to warn the neighborhood of such activities to safeguard residents and pets. The Contractor must remove the temporary visible signs within seven (7) days after fertilizer application.
- The application of fertilizer shall not be performed by the Contractor under adverse weather conditions, excessive winds or rain, and or with a defective irrigation system.
- The Contractor shall spread the fertilizer with a mechanical cyclone-type spreader (hand-operated or tractor-mounted) with proper overlapping technique to prevent streaking. The Contractor will clean sidewalks after each fertilization.
- **Additional Work:** Upon written approval by the District, the Contractor may fertilize the lawn areas more than the three (3) times provided under this Agreement. The Contractor will invoice such Additional Work to be paid by the District.

Weed, Disease, and Pest Control:

- The Contractor shall apply a complete program for the control of broad leaf weeds (dandelions, etc. including any growing in the cracks of sidewalks and street curbs adjacent to the Property owned and/or maintained by the District) common to the lawn areas on the Property. [How often? Once?]
- Applications of pre-emergent and post-emergent product will be applied in accordance with the manufacturer's recommendations by the Contractor, when warranted, to control weeds without damaging desirable lawn areas. Any post-emergent product used by the Contractor shall be registered for use by the Environmental Protection Agency.
- The Contractor shall use proper fertilization, mowing and watering practices to promote the growth of weed-resistant lawn areas.
- During the application of weed control chemicals, the Contractor shall exercise caution to ensure the safety of residents, their pets, their property and all private and community landscape materials.
- The Contractor shall monitor lawn areas for damaging pests.
- **Additional Work:** Upon written approval by the District, the Contractor may provide an additional complete program control of broad leaf weeds common to the lawn areas on the Property. The Contractor will invoice such Additional Work to be paid by the District.
- **Additional Work:** Upon written approval by the District, the Contractor may provide the District with recommended treatment options for damaging pests. The Contractor will invoice such Additional Work to be paid by the District.

IV. Shrub and Ground Cover Areas:

Edging:

- Ground cover on the Property shall be edged by the Contractor, as needed, to keep within bounds of bedding areas and away from obstacles.

Pruning:

- The Contractor will cut back ornamental grasses on the Property in the spring to approximately eight (8) to (12) inches to promote new growth and cut back perennials in the fall.
- Traffic and corrective growth pruning of shrubs on the Property shall be done by the Contractor throughout the growing season. Traffic pruning shall provide a clean and safe walking/driving path throughout the community and corrective growth pruning shall be a mid-season corrective prune for plants that start getting leggy (growing excessively and covering windows) or that are encroaching over a sidewalk. Since corrective pruning is done during the hotter portion of the season, it is only meant help take off small portions of the plant, to minimize stress to the plant.
- The Contractor will trim back any overhang, after the initial pruning of shrubs on the Property, as requested by the District. The initial traffic and corrective growth pruning of shrubs on the Property will be no later than June 1. A follow-up traffic and corrective pruning of shrubs on the Property will be done in late summer or fall. The only exception to the initial pruning of shrubs on the Property

will be flowering shrubs which have not yet bloomed or which are in mid-bloom at the time of the initial pruning.

- All trimmings will be removed from the Property by the Contractor on the same day they are trimmed.
- The Contractor will perform aesthetic pruning of all shrubs two (2) times during the growing season. Pruning will be scheduled and performed as the Contractor deems necessary in order to provide a well-groomed appearance.
- If necessitated by the negligence of the Contractor, the Contractor shall, with the District's approval, remove and/or replace shrubs on the Property of a size, condition and variety acceptable to the District. Any previous and all future replacements of shrubs on the Property authorized by the District, will be fully warranted by the Contractor for a minimum of one (1) year.
- **Additional Work:** Upon written approval by the District, the Contractor may remove and/or replace shrubs on the Property of a size, condition and variety acceptable to the District. The Contractor will invoice such Additional Work to be paid by the District. Any previous and all future replacements of shrubs on the Property authorized by the District, will be fully warranted by the Contractor for a minimum of one (1) year.
- **Additional Work:** Upon written approval by the District, labor and equipment (hoses, etc.) may be furnished by the Contractor as necessary to water shrubs to supplement the automatic sprinkler system or as may be required during drought conditions to maintain the health of the shrubs on the Property, giving special attention to all shrubs. The Contractor will invoice such Additional Work to be paid by the District.

Weed, Disease, and Pest Control:

- Bedding areas on the Property will be kept free of broadleaf and grassy weeds by the Contractor, preferably with pre-emergent and/or selective post-emergent contact herbicides or by manual removal (hand-pulling).
- During application of chemical controls, the Contractor shall exercise caution to ensure the safety of residents, their pets, their property and all private and community landscape materials.
- The Contractor shall monitor shrubs for disease and damaging pests.
- **Additional Work:** Upon written approval by the District, the Contractor may provide pest control measures and/or applications of disease control products to the shrubs on the Property. The Contractor will invoice such Additional Work to be paid by the District.

V. Tree Care:

Clean up; Pruning:

- The Contractor will clean up fallen leaves on the Property once in the spring, once when leaves begin to accumulate and once when leaf drop is complete to maintain a clean and neat appearance. The Contractor shall perform pruning on trees the Property consistent with reasonable industry standards to provide a well-groomed appearance. Trees on the Property under ten (10) feet in height are included as part of this Agreement. Trees on the Property more than ten (10) feet in height will be pruned as needed to maintain sidewalk, roadway, and signage clearance or any other obstacles caused by the trees.
- If necessitated by the negligence of the Contractor, the Contractor shall, with the District's approval, remove and/or replace trees on the Property of a size, condition and variety acceptable to the District. Any previous and all future replacements of trees on the Property authorized by the District, will be fully warranted by the Contractor for a minimum of one (1) year.
- **Additional Work:** Upon written approval by the District, the Contractor may remove and/or replace trees on the Property of a size, condition and variety acceptable to the District. The Contractor will invoice such Additional Work to be paid by the District. Any previous and all future replacements of trees on the Property authorized by the District, will be fully warranted by the Contractor for a minimum of one (1) year.
- **Additional Work:** Upon written approval by the District, labor and equipment (hoses, etc.) may be furnished by the Contractor as necessary to water trees to supplement the automatic sprinkler system or as may be required during drought conditions to maintain the health of the trees on the Property, giving special attention to all trees. The Contractor will invoice such Additional Work to be paid by the District.

Staking:

Additional Work: Upon written approval by the District, the Contractor may provide staking and guying services to trees on the Property. The Contractor will invoice such Additional Work to be paid by the District.

Insect Control:

During application of chemical controls on trees on the Property, the Contractor shall exercise caution to ensure the safety of residents, their pets, their property and all private and community landscape materials.

VI. Wood and Rock Mulched Bed Areas:

- Wood or rock mulch areas will be inspected on days of service by the Contractor. The Contractor will move any rocks and mulch back to their respective rightful place (i.e. mulch on the sidewalk will be returned to the mulch bed). If necessary, weeds and grasses shall be hand-pulled or controlled with recommended, legally approved herbicides by the Contractor. In those areas with excessive mulch build up alternatives will be discussed with the District.
- **Additional Work:** Upon written approval by the District, wood and rock mulched beds will be inspected, evenly distributed and replenished to maintain a neat appearance. The Contractor will invoice such Additional Work to be paid by the District.

VII. Crusher Paths/Trails, Trash Cans, Pet Stations, and Native Grass (if present):

Mowing - Native Grass Areas:

All established irrigated native grass areas on the Property will be mowed two (2) times per year by the Contractor as agreed by the Contractor and the District. All established non-irrigated native areas on the Property will be mowed two (2) times per year by the Contractor. All native grass areas shall be mowed at an approximate height of six (6) to seven (7) inches by the Contractor. Any hazard in need of removal shall be reported to the District by the Contractor. The District understands the hazard may be required to be removed before the Contractor can safely perform native mowing services.

Additional Work: Upon written approval by the District, the Contractor may remove hazards such that native mowing services can be safely performed. The Contractor will invoice such Additional Work to be paid by the District.

Trimming - Native Grass Areas:

All native grass areas will be trimmed by mechanical means by the Contractor, as necessary, to maintain a well-groomed appearance.

Edging - Native Grass Areas:

Hardscape (including concrete curbs) adjacent to native grass areas on the Property are to be string trimmed by the Contractor.

Mowing - Native Grass Mow Bands (independent from the Native Grass Areas discussed in this section):

All established irrigated native areas on the Property will be mowed (2) times per year by the Contractor. All established non-irrigated native areas will be mowed (2) times per year by the Contractor. All native grass areas on the Property shall be mowed at an approximate height of six (6) to seven (7) inches and an approximate width of sixty (60) inches. This Agreement includes string trimming instead of hard edging by the Contractor along hardscape adjacent to native grass areas on the Property.

Mowing - Native Grass Fence Lines (independent from the Native Grass Areas discussed in this section):

All established irrigated native areas will be mowed (2) times per year. All established non-irrigated native areas will be mowed (2) times per year. All native grass fence lines are to be mowed at an approximate height of six (6) to seven (7) inches. Approximate width sixty (60) inches. This Agreement includes string trimming by the Contractor along hardscape adjacent to native grass areas on the Property.

Soft Trail Maintenance:

- “Soft Trails” are defined as community paths constructed out of crusher fines or road base materials. Trails less than three (3) feet in width on the Property (single track trails) are not included as part of the scope of this Agreement. [We would like to discuss this further. There are several soft trails on the Property and the District does not intend to exclude any of them. It is unclear right now whether any of the soft trails on the Property are less than 3 feet in width.] Soft trails more than three (3) feet on the Property in width will be groomed two (2) times annually (as

agreed by the Contractor and District) by the Contractor by mechanical means. Soft trails more than three (3) feet in width on the Property will be spot sprayed with non-selective herbicides by the Contractor two (2) times yearly.

- **Additional Work:** Upon written approval by the District, the Contractor may perform additional soft trail maintenance. The Contractor will invoice such Additional Work to be paid by the District.

Community Trash and Dog Waste Stations:

The Contractor shall empty community trash cans and dog waste stations on the Property on a weekly basis from May to October, and on a bi-weekly basis from November to April. The Contractor shall pick up dog waste in the dog park on the Property each time the dog waste stations are serviced, including inside the 3 enclosures. The Contractor shall stock the dog waste stations on the Property with biodegradable dog waste bags.

VIII. Irrigation System:

Upon acceptance of this Agreement, the Contractor shall assume full responsibility for the performance and operation of the irrigation system presently installed on the Property. The irrigation system will be defined as all parts of the automatic sprinkler system including time clocks, solenoid valves, wiring, backflow preventers, mechanical valves, piping, hosing, tubing, heads, protective and support items including the main stop and waste valve near the meter. The Contractor shall be held fully responsible for the loss of any plant materials, lawn areas or trees due to inadequate irrigation practices or inadequate performance of the irrigation system due to the Contractor's negligence.

Water Conservation:

The District and the Contractor agree that water is an important resource that needs to be managed and conserved. During extended cold or rainy periods, the Contractor shall shut down the irrigation system on the Property. Occasional rain storms or cold weather may not constitute an adequate reason for full irrigation system shutdown/protection. The Contractor shall protect exposed parts of the irrigation system to avoid sudden freeze damage.

Activation:

- Seasonal activation of the irrigation system on the Property will be performed by the Contractor as part of this Agreement. The Contractor will be responsible for determining when to activate the system.
- The Contractor will staff an onsite, qualified irrigation technician seven (7) days a week from May to October to timely process the District's requests including but not limited to irrigation repairs, work orders, emergency irrigation alerts and trash policing. Trash policing is defined as cleaning up loose trash and plant debris on streets, sidewalks and or lawn areas of the Property.
- The irrigation system on the Property will be continuously monitored and maintained for both above and below ground system operations maintenance to confirm a fully operational and properly functioning system exists, including adjustments as required to maintain overall efficiency of the system and to eliminate stress areas.
- The Contractor agrees to work with the District in seeking alternative methods to lower irrigation water usage on the Property.
- Any damage to the irrigation system resulting from or caused by the Contractor, his employees or a sub-contractor in the performance of his duties, including, but not limited to snow removal and mowing operations, shall be repaired by the Contractor to the District's satisfaction at no expense to the District.
- Damages caused by the Contractor during the normal course of operating the irrigation system on the Property will be repaired by the Contractor in a prompt manner at no expense to the District.
- **Additional Work:** Upon written approval by the District, the Contractor may perform repairs and/or replacements to the irrigation system. The Contractor will utilize the onsite, qualified irrigation technician for such repairs and/or replacements and the District will be billed for materials only. The Contractor is authorized to perform any one single repair that is reasonably expected to be less than \$1,000 without further authorization from the District. Any single repair in excess of \$1,000 shall be authorized by the District before commencing repair work, except in cases of emergency. The Contractor will invoice such Additional Work to be paid by the District.
- **Additional Work:** Upon written approval by the District, the Contractor may perform testing on backflow prevention devices. The Contractor will invoice such Additional Work to be paid by

the District.

Deactivation/Winterization:

- Seasonal deactivation and winterization of the irrigation system on the Property will be performed by the Contractor in the fall of each year, typically in October or November, depending on weather conditions. The irrigation system will be drained of water and will have forced air injected into the lateral and pressure lines.
- Any damages attributable to improper winterization of the system will be paid for in full, by the Contractor.

Emergency Service Calls and Best Management Practices (BMP):

- **Additional Work:** Upon written approval by the District, the Contractor may respond to emergency service calls. Emergencies are defined as after-hours calls between the hours of 6:00 p.m. and 8:00 a.m. from May to October, all day Saturday and Sunday from November to April and recognized holidays and are to be paid by the District. The Contractor shall respond to all such emergency calls within sixty (60) minutes of the receipt of the call and thereafter have ninety (90) minutes to “cure” noted violations, such as but not necessarily limited to, stuck valves, line breaks, etc. The Contractor will invoice such Additional Work to be paid by the District.

IX. Landscape/ Debris Cleanup, Maintenance Programs:

All landscape areas on the Property shall be inspected by the Contractor on days of service and excess landscape debris cleaned up and removed, including vendor and/or political yard signs placed on the Property. In-scope sidewalk and curb areas on the Property will be kept clean by the Contractor with the use of power operated blowers. Weeds shall be removed from the Property by the Contractor to provide a weed-free landscape, using either chemical or manual means. Weeds in paved areas of the Property, including sidewalks and curbs shall be included in the Contractor’s weed control program.

X. Aeration:

Aeration has been proven to improve water and fertilization penetration to the root zone. It also reduces run-off and assists in conserving water use. All turf areas in the Property will be aerated twice a year, once in the spring, prior to June 15 and once in the fall prior to October 31.

XI. Winter Services:

The Contractor’s bi-weekly trash policing of landscaped areas on the Property from November through March shall be included in this Agreement. Trash policing is defined as cleaning up loose trash and plant debris on streets, sidewalks and or lawn areas of the Property.

XII. Bio-Hazards: [Do you have a contractor you recommend for these services?]

The Contractor shall not be responsible for policing, picking up, removing or disposing of certain materials that may be bio-hazards on the District’s Property. This includes, but is not limited to items such as dead/dying animals, hypodermic needles (sharps/needles will not be handled by the Contractor’s employees at any time), condoms, feminine hygiene products, clothing or materials used in the process of cleaning up bodily fluids. The Contractor shall only be obligated to report/communicate any observations of potential biohazards to the District for their appropriate removal by others, unless previously arranged by the District and Contractor.

XIII. Damages:

No liability for any damages or injury resulting from unauthorized tampering or use of the Contractor's equipment while located on the Property shall be assumed by the District. The Contractor shall indemnify and hold harmless the District from any and all claims, damages, losses, liability, demands, costs or expenses, including attorney's fees and costs of litigation caused in whole or in part or in any way attributable to the Contractor's activities or those of its employees, agents, subcontractors or contractor's presence on the site. The Contractor shall take every precaution to avoid damage to District's Property. Damage to District's Property due to any negligent act, intentional or unintentional, or omission by the Contractor, its employees, agents or subcontractors shall be the responsibility of the Contractor. Such damages may be referred to the Contractor's insurance carrier for payment at the Contractor's discretion, but the Contractor's liability will not be limited by the amount of insurance proceeds available. Any disputes regarding responsibility for damages will first be handled through professional mediation between the District and the Contractor. After notifying the Contractor of damages to the District's

Property, the District may, at its discretion, authorize the Contractor to repair the damages or request repair from other sources and deduct the cost for the repairs from payment to the Contractor.

XIV. General Items:

Insurance/Licenses/Taxes:

- The Contractor shall maintain commercial general liability, property damage, and automotive liability insurance in the minimum amount of five hundred thousand dollars (\$500,000) for bodily injury, death, or damage to property of any person and two million dollars (2,000,000) for bodily injury, death, or damage to property of more than one person, or the maximum amount that may be recovered under the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., as from time to time amended (the “CGIA”), whichever is higher.
- The Contractor will maintain workman's compensation, unemployment insurance and any other insurance required by law and/or the District.
- All insurance policies (except workman’s compensation and unemployment) shall include the District and its elected officials and employees as additional insureds.
- Prior to commencing work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement as well as the amounts of coverage for the respective types of policies, which certificate(s) shall be attached hereto and incorporated herein as Exhibit C.
- The District is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, defenses and protections provided by the CGIA or otherwise available to the District or its officers or employees.
- The Contractor agrees to obtain and pay for all licenses required by City, County, State or Federal governments that are necessary to provide the services described by this Agreement.
- The District is a governmental entity and is therefore exempt from state and local sales and use tax. The District will not pay for or reimburse any sales or use tax that may not directly be imposed against the District. The Contractor shall use the District’s sales tax exemption for the purchase of any and all products and equipment on behalf of the District.

Workmen and Equipment:

The Contractor's supervisor will be experienced in landscape maintenance and should preferably have an education in ornamental horticulture. All of the Contractor's employees will be neat and clean.

OSHA Regulations:

- The Contractor will meet all OSHA requirements as part of this contract and supply a MSDS sheets.
- The Contractor and his employees will conduct themselves in a professional and workmanlike manner while working on or about the Property.
- The Contractor will furnish and maintain all equipment necessary to properly accomplish the duties of this Agreement. Special care will be given to the operation of hazardous machinery and the use of chemicals including, but not limited to: lawn chemicals, insecticides, fuels, mowing machines, edgers, weed eaters, cultivating and aerating machines, etc. Such equipment and materials will be used in such a way that they are not left unattended or otherwise allowed to present a health and safety hazard to workmen, residents, or guests; with special consideration for children. All breaks and or lunches taken in the community by the Contractor and/or the Contractor's employees, must be done at a mutually agreed upon location, of which locations around any clubhouse facility and/or surrounding grounds will not be allowed as applicable.
- All fueling of machinery will be done on paved areas or parking lots.

Payment for Services:

- The total compensation for all services as outlined in this Agreement is **\$499,320.00** (the “**Total Agreement Price**”), payable in **TWELVE (12)** equal payments of **\$41,610.00** excluding those services that are terminated, identified as either material and/or labor costs or are agreed upon additional approved services. **This payment schedule is for the convenience of both parties and does not reflect the actual work done during a particular month.** The District shall provide no benefits to the Contractor other than the compensation stated above. Under this Agreement, invoices will be sent at the beginning of each month (in advance) for the

service month which is to be paid by the end of the invoiced month. All additional invoices will be submitted as they occur by the 24th of each month and will be paid by the District by the end of the invoiced month.

- All Additional Work requested by the District must be given to the Contractor in writing and issued by an authorized representative of the District. A payment request for each Additional Work must be submitted solely for that specific work order by the Contractor.
- Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) (“**W-9**”). No payments will be made to the Consultant until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as Exhibit D.

Annual Appropriation:

The District’s obligations hereunder are subject to the annual appropriation of funds necessary for the performance thereof, which appropriations shall be made in the sole discretion of the District’s Board of Directors.

Modification:

Terms and conditions of this Contract can be modified by the District in all case(s) of eliminating a specific contractual service, but to add or modify a service the proposed change must be mutually agreed upon by both the District and Contractor in writing.

Default:

Each and every term and condition hereof shall be deemed to be a material element of this Agreement. In the event either party should fail or refuse to perform according to the terms of this Agreement, such party may be declared in default.

Remedies:

In the event a party declares a default by the other party, such defaulting party shall be allowed a period of 10 days within which to cure said default. In the event the default remains uncorrected, the party declaring default may elect to (a) terminate the Agreement and seek damages; (b) treat the Agreement as continuing and require specific performance; or (c) avail itself of any other remedy at law or equity.

Term, Termination:

This Agreement shall be for **TWELVE (12)** months commencing **April 1, 2024** and ending on **March 31, 2025**, with an automatic one-year renewal with a 5% increase in total price and same conditions unless otherwise provided in writing by either party within sixty (60) days of the end of the term of the Agreement period. Termination may be accomplished in writing by either party with thirty (30) days’ notice. Work will continue during the notice period unless otherwise agreed by both parties.

Independent Contractor:

The services to be performed by the Contractor are those of an independent contractor and not of an employee of the District. **The Contractor is obligated to pay federal and state income tax on any moneys earned pursuant to this Agreement. Neither the Contractor nor its employees, if any, are entitled to workers’ compensation benefits from the District for the performance of the services specified in this Agreement.**

Compliance with Laws:

The Contractor is obligated to familiarize itself and comply with all laws applicable to the performance of the services under this Agreement.

Law; Venue:

The laws of the State of Colorado shall govern the construction, interpretation, execution and enforcement of this Agreement. Venue for any dispute between the parties arising out of or relating to this Agreement shall be in the State of Colorado District Court for the county in which the District’s mailing address is located.

Notices:

Any notices, demands, or other communications required or permitted to be given in writing under this

Agreement shall be delivered personally or sent by registered mail, postage prepaid, return receipt requested, addressed to the parties at the addresses set forth below, or at such other address as either party may hereafter or from time to time designate by written notice to the other party given in accordance herewith. Notice shall be considered given when personally delivered or mailed and shall be considered received by the party to whom it is addressed on the third day after such notice is given.

Contractor: Cox Professional Landscape Services LLC
14051 E Davies Ave, Unit A
Englewood, Colorado 80112
Attn: Randy Cox

District: Southshore Metropolitan District
c/o Cockrel Ela Glesne Greher & Ruhland
44 Cook Street, Suite 620
Denver, Colorado 80206
Attn: David Greher

Counterparts, Electronic Signatures and Electronic Records:

This Agreement may be executed in two counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same instrument. The parties consent to the use of electronic signatures and agree that the transaction may be conducted electronically pursuant to the Uniform Electronic Transactions Act, Section 24-71.3-101, *et seq.*, C.R.S. This Agreement and any other documents requiring a signature may be signed electronically by either party. The parties agree not to deny the legal effect or enforceability of the Agreement, solely because it is in electronic form or because an electronic record was used in its formation. The parties agree not to object to the admissibility of the Agreement in the form of an electronic record, a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature on the grounds that it is an electronic record or an electronic signature or that it is not in its original form or is not an original.

No Third-Party Beneficiaries:

The parties to this Agreement do not intend to benefit any person not a party to this Agreement. No person or entity, other than the parties to this Agreement, shall have any right, legal or equitable, to enforce any provision of this Agreement.

Severability:

In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision of this Agreement.

XV. Acknowledgment of Contract

We the undersigned, representing Southshore Metropolitan District and Cox Professional Landscape Services LLC agree to the terms and conditions as set by this Agreement with our signatures below, this _____ day of _____ 2024.

Southshore Metropolitan District, President

Southshore Metropolitan District, Secretary

Kevin A Cox *12/21/2023*

Cox Professional Landscape Services LLC, Authorized Representative
Kevin A Cox, President/CEO

EXHIBIT A
Property Map

2024

EXHIBIT B
Contractor Bill Back and Material Costs (Section VII)

Contractor Labor Rates
Effective for 2024 Landscape Season

ADDITIONAL SERVICES: (Upon Request)

| | |
|--|-----------------------|
| Soft Trail Maintenance – Skilled Labor plus Grey Breeze: | \$70/hour + \$82/ton |
| General Cleanup – General Labor plus dump fees: | \$60/hour + \$75/yard |
| Fertilization of Turf Grass areas (1 application): | \$8,000/application |
| Additional Aeration of Turf Grass areas: | \$6,000 each |
| Seasonal Cleanup – General Labor plus dump fees: | \$60/hour + \$75/yard |
| Estimated: | \$15,600 per cleanup |
| Chemical Weed Control – Chemical Labor plus materials: | \$90/hour + materials |
| Chemical Insect Control – Chemical Labor plus materials: | \$90/hour + materials |
| Native Broadleaf Weed Control (1 application): | \$30,000/application |
| Pruning – Skilled Labor plus dump fees: | \$70/hour + \$75/yard |
| Estimated: | \$18,000 per cycle |
| Backflow Insulation Install - Irrigation Labor plus materials: | \$125/device |
| Backflow Testing – per device | \$175/device |
| Tree & Shrub Removal – Skilled Labor plus dump fees: | \$70/hour + \$75/yard |
| Dog Waste Removal at Dog Park – per occurrence: | \$400 each |
| Dog Station Bags – per 200 bag roll: | \$15/each |
| Heavy Duty Trash Bags – per each: | \$1.50/each |

EQUIPMENT FEES: (Upon Request)

| | |
|--|------------------------------|
| Skid Steer with bucket or lift forks: | \$245/hour – 3 hours minimum |
| Skid Steer specialty attachments (trencher, snow thrower): | \$300/day minimum |
| Dump Trailer | \$245/hour – 3 hours minimum |
| Mini-Excavator: | \$800/day minimum |
| Large Format Native Tractor Mower: | \$600/day minimum |
| Large Format Air Compressor | \$300/day minimum: |

HOURLY LABOR RATES

| | |
|--|------------|
| Foreman: | \$70/hour |
| General Laborer: | \$60/hour |
| Landscape Designer/Irrigation Auditor: | \$150/hour |
| Native Mowing – Small Format 48”-60”: | \$90/hour |
| Skilled/Enhancement Labor: | \$70/hour |
| Irrigation Technician: | \$80/hour |
| Chemical Technician: | \$90/hour |
| Hand Watering w/ Water Truck: | \$95/hour |

Exhibit C
Contractor's Certificate of Insurance

EXHIBIT D
Contractor's W-9