

FOOTHILLS METROPOLITAN DISTRICT

8390 E. CRESCENT PKWY., STE. 300
GREENWOOD VILLAGE, CO 80111
303-779-5710 (O) 303-779-0348 (F)

NOTICE OF REGULAR MEETING AND AGENDA

DATE: December 6, 2023
TIME: 2:30 p.m.
LOCATION: Microsoft Teams

1. Online Microsoft Teams Meeting – via link below

ACCESS: https://teams.microsoft.com/l/meetup-join/19%3ameeting_NzdkZjg4YzctMTYyMS00NDMxLWEwNDEtYjZiMjAzYThIMzg4%40thread.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d

To attend via telephone, dial 720-547-5281 and enter the following additional information: Conference ID: 864 970 286#

<u>Board of Directors</u>	<u>Office</u>	<u>Term Expires</u>
Rishi Loona	President	May 2027
Josh Kane	Treasurer	May 2025
Dan Doherty	Vice President/Secretary	May 2025
Patrick Bunyard	Assistant Secretary	May 2027
Tim DePeder	Assistant Secretary	May 2027

I. ADMINISTRATIVE MATTERS

- A. Call to Order
- B. Disclosures of Potential Conflicts of Interest
- C. Approval of Agenda
- D. Public Comment – Members of the public may express their views to the Board on matters that affect the District that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person.

II. CONSENT AGENDA

- A. Review and Approve Minutes of the October 9, 2023 Special Meeting (enclosure).

- B. Ratify Elevation Holiday Lighting Agreement for Tree Lighting on College Avenue and East Lawn (enclosure).
- C. Ratify Tierra Agreement to Serve as Municipal Financial Advisor (enclosure).
- D. Ratify Agreement with Mountain West Landscapes, LLC for Snow & Ice Management Services (enclosure).
- E. Consider Approval of Resolution 2023-12-__ Annual Resolution (enclosure).
- F. Consider Approval of Resolution 2023-12-__ 2024 Meeting Resolution (enclosure).
- G. Consider Approval of Resolution 2023-12-____ First Amendment to Second Amended and Restated Public Records Policy (enclosure).

III. FINANCIAL MATTERS

- A. Review and Ratify Prior Claims (enclosure).
- B. Review and Consider Acceptance of September 30, 2023 Cash Position Schedule (to be distributed).
- C. Consider approval of Engagement Letter with Fiscal Focus Partners LLC to prepare the 2023 Audit (enclosure).
- D. Conduct Public Hearing to consider amendment of the 2023 Budget. If necessary, consider adoption of Resolution No. 2023-12-__ to Amend the 2023 Budget.
- E. Conduct Public Hearing on the proposed 2024 Budget and consider adoption of Resolution No. 2023-12-__ to Adopt the 2024 Budget and Appropriate Sums of Money and Set Mill Levies (enclosure).

IV. MANAGER MATTERS

- A. Consider Approval of CliftonLarsonAllen LLP Master Service Agreement and Related Statements of Work (enclosure).

V. LEGAL MATTERS

- A. Consider Approval of Second Amendment to 2022 Funding and Reimbursement Agreement with Fort Collins, LLC for Operations Costs (enclosure).
- B. Consider Approval of Second Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with MXD Fort Collins, LLC for Capital Costs.
- C. Review and Consider Approval of Service Agreement with Russell + Mills for Overall Development Plan (ODP) and Miscellaneous Tasks in the amount not to exceed \$40,000 (enclosure).

VI. DIRECTOR MATTERS

VII. OTHER BUSINESS

A. Executive Session pursuant to Section 24-6-402(4)(e), C.R.S., if needed.

VIII. ADJOURNMENT

There are no remaining scheduled meetings for 2023.

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
FOOTHILLS METROPOLITAN DISTRICT (THE “DISTRICT”)
HELD
OCTOBER 9, 2023

A special meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the “Board”) was convened on Monday, October 9, 2023 at 12:00 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors in Attendance Were:
Dan Doherty, Vice President/Secretary
Patrick Bunyard, Assistant Secretary
Tim DePeder, Assistant Secretary

Directors Rishi Loona and Josh Kane were absent and excused.

Also in Attendance Were:
Denise Denslow, Carrie Bartow & Sandy Brandenburger; CliftonLarsonAllen LLP (“CLA”)
Alan Pogue; Icenogle Seaver Pogue, P.C.
Mike McBride, Clyde Wood, Mike Tonniges, McWhinney

ADMINISTRATIVE
MATTERS

Call to Order: Ms. Denslow called the meeting to order at 12:01 p.m.

Disclosures of Potential Conflicts of Interest: Attorney Pogue noted that disclosures had been filed.

Approval of Agenda: The Board requested to add the updated proposal received from Tiera for discussion in Item 3 E, and determined this will be added to the next meeting for ratification. Upon a motion duly made by Director DePeder, seconded by Director Doherty and, upon vote, unanimously carried, the Board approved the agenda as amended.

Public Comment: None.

CONSENT AGENDA

Minutes of the September 22, 2023 Regular Meeting:

Upon a motion duly made by Director DePeder, seconded by Director Doherty and, upon vote, unanimously carried, the Board approved the consent agenda item as presented.

MANAGER
MATTERS

Russell + Mills Memorandum of Contract Adjustment and Approval on Second Amendment to Service Agreement with Russell + Mills Studios:

Mr. Denslow reviewed with the Board. Mr. McBride explained the public/private work outline and scopes as well as their desire to contract into one. Attorney Pogue reiterated Director Kane's request to place all work on hold until hearing from the City. Mr. Wood asked about the approval of contracts until work begins. The Board responded to pursue ODP and then pause. No action was taken.

Kimley Horn Letter Agreement for Providing Dry Utility Consulting Services for Foothills Mall Redevelopment: The Board tabled this item.

First Amendment to Farnsworth Group Change Order No. 2: Ms. Denslow noted the amounts do not match what CLA has on file. Change Order No. 2 will be kept out of 2024 budget. No action was taken.

Environmental Designs, LLC Winter Floral Agreement: Ms. Denslow reviewed the agreement with the Board. Following discussion, upon a motion duly noted by Director DePeder, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Environmental Designs, LLC Winter Floral Agreement.

Update on Proposals for Financial Advisor: Ms. Denslow reviewed the post packet item from Tierra referred by Wells Fargo and will be brought back to the next Board meeting. Director DePeder asked about the Finance Committee for the District. Ms. Denslow and Attorney Pogue will discuss further proposal requests.

LEGAL
MATTERS

The Board discussed next development steps with legal counsel. Attorney Pogue briefly discussed the items that may be the subject of a Service Plan amendment.

DIRECTOR MATTERS

None.

OTHER BUSINESS

Executive Session pursuant to Section 24-6-402(4)(e), C.R.S., if needed: Not needed.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 12:35 p.m.

Respectfully submitted,

By _____
Secretary for the Meeting

DISTRICT SERVICE AGREEMENT

THIS DISTRICT SERVICE AGREEMENT (“Agreement”) is made and entered into on this 1st day of November, 2023, by and between Foothills Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and Elevation Holiday Lighting (“Contractor”), collectively the “Parties”.

RECITALS

WHEREAS, the District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities, improvements, and infrastructure in accordance with its approved service plan; and

WHEREAS, pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts affecting the affairs of the District; and

WHEREAS, the District desires to procure certain operational and/or maintenance services, for certain District facilities, improvements and infrastructure; and

WHEREAS, Contractor has experience and resources to provide such services and is willing and able to provide such services to the District for reasonable consideration; and

WHEREAS, the District desires to engage Contractor to render such services as needed by the District; and

WHEREAS, the Parties desire to enter into this Agreement to establish the terms and conditions by which Contractor shall provide such services to the District.

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

AGREEMENT

1. Scope of Services. Contractor shall perform such services for the District as outlined in the Scope of Services attached hereto as **Exhibit A** and incorporated herein by reference (“Services”). Contractor shall, at its own expense, provide all Services in a good and workmanlike manner and in accordance with any and all approved plans, documents, and specifications described in Contractor’s proposal to provide such Services to the District; furnish, or cause to be furnished, all labor, materials, equipment, permits and accessories, as necessary, to provide such Services; and take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required by Paragraph 3 of this Agreement.

2. Compensation. The District hereby agrees to pay to Contractor the amounts required for the completed Services at the unit prices set forth in Contractor’s proposal/quote

attached hereto as Exhibit A. It is specifically understood and agreed that **Contractor's quotation dated** October 26, 2023, and attached hereto as Exhibit A, with the Scope of Services to be performed hereunder, are each and all included in and made a part of this Agreement.

a. Invoices. Invoicing shall be done on a monthly basis reflecting completed and accepted work done on a progress of completion basis. Invoices shall be submitted to the District by the 5th of the month for work completed in the preceding month. The invoices will be reviewed for accuracy and processed for payment.

b. Inspection of Services. The District reserves the right to inspect all services completed and invoiced for payment to ensure services have been provided in accordance with this Agreement. In the event inspected services are not accepted for payment by the District, the District shall notify Contractor in writing that Contractor is in default and has two (2) days to cure said default. The District shall be entitled to pursue all remedies provided by law and in equity if Contractor fails to cure the default.

3. Insurance.

A. Minimum Scope and Limits of Insurance. Contractor shall acquire and maintain in full force and effect during the entire term of this Agreement, and at its sole cost and expense, including any extensions of this Agreement, the minimum insurance coverages and limits set forth in this Paragraph 3.A., to provide protection from claims that may arise out of or result from Contractor's performance or obligations pursuant to this Agreement, whether such performance is by Contractor, by anyone directly or indirectly employed by Contractor, or by anyone who acts on behalf of Contractor, including any subcontractors of Contractor. The minimum insurance coverages and limits to be acquired by Contractor are as follows:

(1) Commercial General Liability Insurance:

General Aggregate	\$ 2,000,000
Products and Completed Operations	\$ 1,000,000
Personal and Advertising Injury	\$ 1,000,000
Each Occurrence	\$ 1,000,000
Damage to Rented Premises	\$ 100,000
Medical Expenses (Any one person)	\$ 5,000

(2) Comprehensive Automobile Liability Insurance shall include all motor vehicles owned, hired, leased, or borrowed, with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence.

(3) Workmen's Compensation and Employer Liability Insurance

Worker's Compensation	Per Colorado Statutes
Employers' Liability	\$ 1,000,000 each accident

All policies listed herein shall be on an occurrence basis.

B. Waiver of Subrogation. All coverages specified herein shall waive any right of subrogation against the District and its directors, officers, employees, and agents.

C. Additional Insured Parties. The District shall be named as an additional insured on all policies (with the exception of workers' compensation insurance). Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available insurance sources.

D. Certificates of Insurance. Contractor shall provide to the District certificates of insurance showing the insurance coverages and required endorsements described above, prior to performing any Services pursuant to this Agreement.

4. Term. The term of this Agreement shall commence on November 1, 2023 and shall terminate by January 30, 2024. Funding for this Agreement shall be subject to annual appropriations by the District as provided in Paragraph 8 herein.

5. Termination. The District shall have the right to terminate this Agreement, with or without cause, at any time, by providing written notice to Contractor of such termination and specifying the effective date of termination. Contractor may terminate this Agreement, with cause, by delivery of written notice of termination to the District at least thirty (30) days prior to the effective date of termination. Contractor shall stop rendering services pursuant to this Agreement upon the effective date of termination. Contractor shall be entitled to receive compensation in accordance with Paragraph 2 of this Agreement for any satisfactory work completed pursuant to the terms of this Agreement through the effective date of termination. Upon termination and payment of all amounts owed to Contractor, Contractor shall deliver to the District all work product, as described in Paragraph 7 hereof.

6. Notice. Any notices, demands, or other communications required or permitted to be given by any provision of this Agreement shall be in writing and may be personally delivered; sent by certified mail, return receipt requested; sent by electronic mail, delivery receipt requested; or sent by a nationally recognized receipted overnight delivery service for earliest delivery the next day. Any such notice shall be deemed to have been given as follows: when personally delivered to the party to whom it is addressed; when mailed, three delivery (3) days after deposit in the United States mail, postage prepaid; when by electronic mail, on the day sent if sent on a day during regular business hours (9 a.m. to 5 p.m.) of the recipient, otherwise on the next day at 9 a.m.; and when by overnight delivery service, one (1) day after deposit in the custody of the delivery service. The addresses for mailing, transmitting, or delivering notices shall be as follows:

If to the District:

Foothills Metropolitan District
c/o CliftonLarsonAllen
Attention: Denise Denslow
8990 East Crescent Parkway, Suite 300
Greenwood Village, CO 80111
Email: denise.denslow@CLAconnect.com

If to Contractor: Elevation Holiday Lighting
Attn: Michael Szymanski, Owner
300 Magnolia Drive
Nederland, CO 80466
Email: mike@elevationholidaylighting.com

7. Instruments of Service. For purposes of this Agreement, Instruments of Service includes the following: any and all finished or unfinished design, development and/or construction documents, if any, drawings, reports, writings, data, studies, graphics, maps, plans, specifications, electronic files and other documents, materials and information, in every form and/or format, which Contractor created, prepared and/or produced in connection with this Agreement. Contractor owns the Instruments of Service, including all associated copyrights and the right of reuse at the discretion of the Contractor. Contractor shall continue to own the Instruments of Service and all associated rights whether or not the Services are completed. The District may make and retain copies of Instruments of Service for information and reference in connection with the use of the Instruments of Service on the Services. Contractor grants the District a limited license to use the Instruments of Service on the Services, extensions of the Services, and for related uses of the District, subject to receipt by Contractor of full payment due and owing for all Services, and subject to the following limitations: (a) the District acknowledges that such Instruments of Service are not intended or represented to be suitable for use on the Services unless completed by the Contractor, or for use or reuse by the District or others on extensions of the Services, on any other project, or for any other use or purpose, without written verification or adaptation by the Contractor; (b) any such use or reuse, or any modification of the Instruments of Service, without written verification, completion, or adaptation by the Contractor, as appropriate for the specific purpose intended, will be at the District's sole risk and without liability or legal exposure to the Contractor or to its officers, directors, members, partners, agents, employees, and subconsultants; and (c) such limited license to the District shall not create any rights in third parties.

8. Subject to Annual Appropriations. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The District's payment obligations hereunder are subject to annual appropriations. The District has appropriated sufficient funds for this Agreement for the current fiscal year.

9. Independent Contractor. Contractor is and shall be considered an independent contractor pursuant to this Agreement. Nothing herein contained shall constitute or designate Contractor or any of its employees or agents as employees or agents of the District, nor shall Contractor be deemed or considered to be a partner of the District. Contractor shall have full power and authority to select the means, manner, and method of performing its duties pursuant to this Agreement without detailed control or direction of the District except as set forth in this Agreement. It shall be Contractor's responsibility as an independent contractor to pay any and all taxes on payments which it receives pursuant to this Agreement and to pay its own costs and expenses incurred in connection with performance of this Agreement.

10. Indemnification. Contractor shall indemnify, assume all responsibility for, and hold harmless the District and each of its directors, officers, consultants, employees, servants, agents, and authorized volunteers, from and against any and all claims, demands, suits, actions, proceedings, judgments, losses, damages, injuries, penalties, costs, and expenses (including reasonable attorneys' fees), and liabilities arising, or alleging to arise, directly or indirectly, in whole or in part, from the intentional or negligent acts or omissions of Contractor or any of its subcontractors, agents or employees, in connection with Contractor's performance, duties, and obligations pursuant to this Agreement; provided, however, that Contractor shall not be liable for any claim, loss, damage, injury or liability caused by the negligence or fault of the District or any third party under the control or supervision of the District. The obligations of the indemnifications extended by Contractor to the District under this Paragraph 10 shall survive termination or expiration of this Agreement.

11. Governmental Immunity. Nothing in this Agreement shall be construed to be a waiver, in whole or in part, of any right, privilege, or protection afforded the District or its Board of Directors, officers, employees, servants, agents, or authorized volunteers, pursuant to the Colorado Governmental Immunity Act, Section 24-10-101, *et seq.*, C.R.S.

12. Modification. This Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and Contractor.

13. Assignment. No portion of the Agreement shall be sublet, assigned or otherwise disposed of by Contractor except with the written consent of the District, and such consent when given shall not be construed to relieve Contractor of any responsibility for the fulfillment of this Agreement. Any attempted assignment or transfer shall be void and shall constitute a breach of the Agreement and cause for termination of this Agreement.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

15. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance.

16. Attorneys' Fees. In the event that litigation is brought by either party hereto in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any terms, conditions, or provisions hereof.

17. Binding Agreement. This Agreement shall inure to and be binding upon the respective Parties hereto and their successors and permitted assigns.

18. Entire Agreement. This Agreement, including all Exhibits attached hereto, constitutes the entire Agreement between the Parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK.)

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

DISTRICT:

FOOTHILLS METROPOLITAN DISTRICT

DocuSigned by:
Kishi Loona

CBEED8BFFDF84E3...

By: _____

Its: President

CONTRACTOR:

ELEVATION HOLIDAY LIGHTING

DocuSigned by:

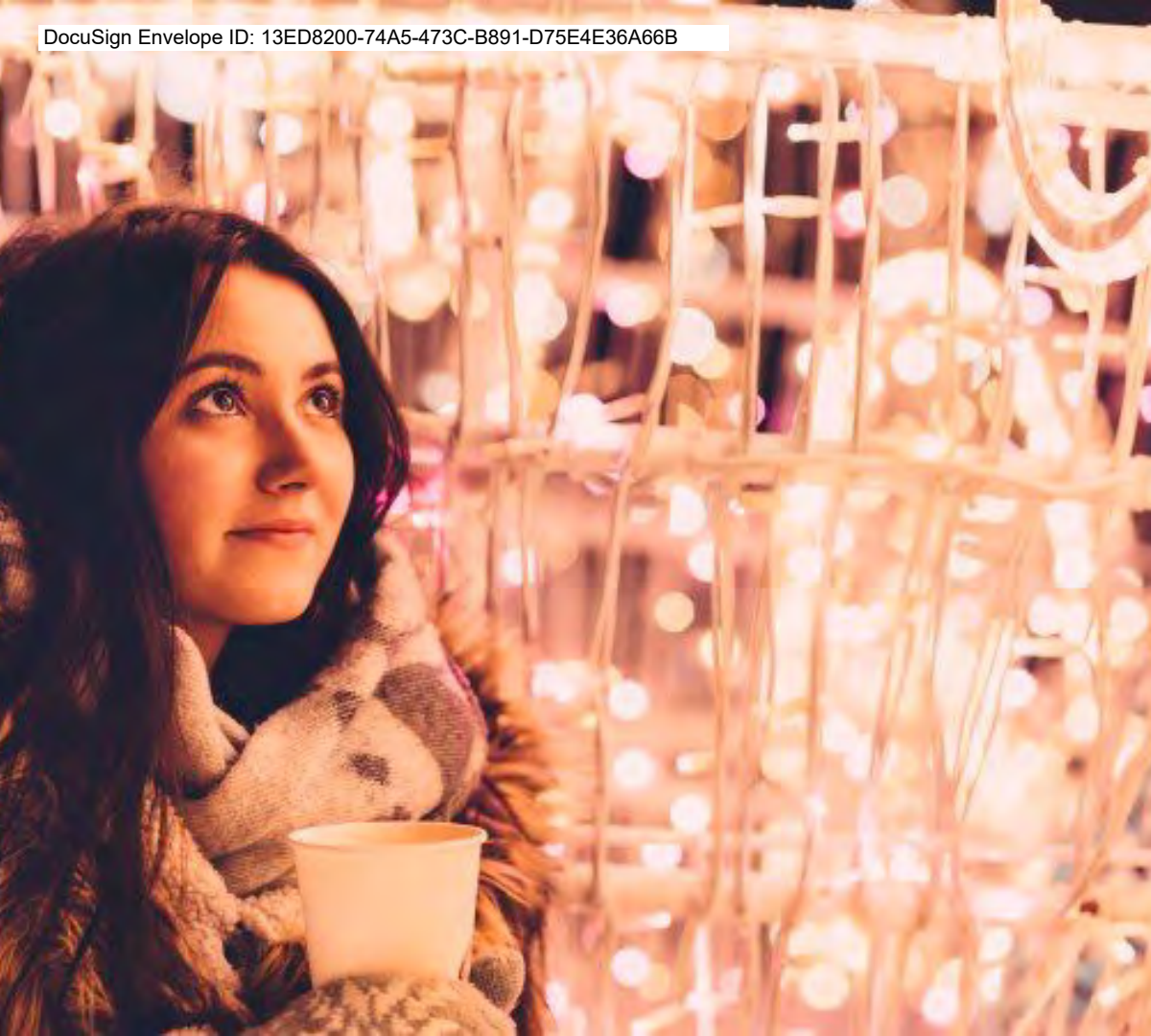
Michael Szymanski

D959CFD4B90247E...

By: _____

Its: Owner

EXHIBIT A



FOOTHILLS

By



Elevation Holiday Lighting

The Concept: Classic Holiday

Immersive lighting experience hosted at Foothills encouraging Walkability and Exploration.

Classic and elegant Densely lit trees with warm-white c9 lights in the canopy in all areas with power available.

Goals:

- Placemaking
- Activation Throughout Foothills
- Classic Elegant Look
- Brighten Entire Center
- Encourage Visitors to Explore

Classic Lighting

- Trees Lit with C9s in the Canopy
- Focus On College Ave Shops, East Lawn



(Elevation Holiday Lighting Project - Town of Breckenridge)



*Places that
Inspire*

Total Project Budget: \$15,000

Metro District: Tree lights along College Ave and West Lawn

Questions? Please contact:

Owner

Michael Szymanski

(720) 460-1707

mike@elevationholidaylighting.com

300 Magnolia Drive, Nederland, CO 80466



Elevation Holiday Lighting

Foothills Metropolitan District

Proposal to Serve as Municipal Advisor

October 8, 2023



Disclaimer

This proposal was prepared exclusively for the benefit of and internal use by the recipient for the purpose of considering the transaction or transactions contemplated herein. This presentation is confidential and proprietary to Tierra Financial Advisors, LLC ("Tierra Financial Advisors") and may not be disclosed, reproduced, distributed, or used for any other purpose by the recipient without Tierra Financial Advisors' express written consent.

By acceptance of these materials, and notwithstanding any other express or implied agreement, arrangement, or understanding to the contrary, Tierra Financial Advisors, its affiliates and the recipient agree that the recipient (and its employees, representatives, and other agents) may disclose to any and all persons, without limitation of any kind from the commencement of discussions, the tax treatment, structure or strategy of the transaction and any fact that may be relevant to understanding such treatment, structure or strategy, and all materials of any kind (including opinions or other tax analyses) that are provided to the recipient relating to such tax treatment, structure, or strategy.

The information and any analyses contained in this presentation are taken from, or based upon, information obtained from the recipient or from publicly available sources, the completeness and accuracy of which has not been independently verified and cannot be assured by Tierra Financial Advisors. The information and any analyses in these materials reflect prevailing conditions and Tierra Financial Advisors' views as of this date, all of which are subject to change.

To the extent projections and financial analyses are set forth herein, they may be based on estimated financial performance prepared by or in consultation with the recipient and are intended only to suggest reasonable ranges of results. The printed presentation is incomplete without reference to the oral presentation or other written materials that supplement it.

IRS Circular 230 Disclosure: Tierra Financial Advisors and its affiliates do not provide tax advice, and nothing contained herein should be construed as tax advice. Any discussion of U.S. tax matters contained herein (including any attachments) (i) was not intended or written to be used, and cannot be used, by you for the purpose of avoiding tax penalties; and (ii) was written in connection with the promotion or marketing of the matters addressed herein. Accordingly, you should seek advice based upon your particular circumstances from an independent tax advisor.

Disclosures

Tierra Financial Advisors is registered with the Securities and Exchange Commission and the MSRB. The website for the MSRB can be located at: <http://www.MSRB.org>. On the homepage of the MSRB website there is a link to an investor brochure that describes protections that may be provided by the MSRB Rules and how to file a complaint with an appropriate regulatory authority.

Tierra Financial Advisors serves a wide variety of other clients that may from time to time have interests that could have a direct or indirect impact on the interests of the Client such as seeking to access the new issue market with advantageous timing and with limited competition at the time of the offering. None of these other engagements or relationships would impair Tierra Financial Advisors' ability to fulfill its regulatory duties to the Client.

Tierra Financial Advisors, LLC is a wholly owned subsidiary of D.R. Horton, Inc. D.R. Horton, Inc. is a publicly traded corporation whose stock is listed on the New York Stock Exchange.

From time to time, D.R. Horton, Inc., may engage broker-dealers, commercial banks, and/or other financial institutions while conducting regular business operations. D.R. Horton, Inc. is a national homebuilder that is primarily engaged in the acquisition and development of land and the construction and sale of residential homes. D.R. Horton, Inc. is not registered as a municipal advisor, and therefore does not engage in municipal advisory services.

MSRB Rule G-42 requires that municipal advisors provide to their client's certain disclosures of legal or disciplinary events material to its client's evaluation of the municipal advisor or the integrity of the municipal advisor's management or advisory personnel.

There are no legal or disciplinary events that Tierra Financial Advisors deems material to the Client's evaluation of Tierra Financial Advisors, or the integrity of Tierra Financial Advisors management or advisory personnel assigned to the Client.

The SEC requires Tierra Financial Advisors as a registered municipal advisor and its individual employees who are registered as municipal advisors to file certain items of information on the SEC's Form MA or MA-I. Tierra Financial Advisors most recent Form MA and each most recent Form MA-I filed with the SEC are available on the SEC's EDGAR system at <http://www.sec.gov/cgi-bin/browseedgar?action=getcompany&CIK=0000050916&type=&dateb=&owner=include&count=40>.

Tierra Financial Advisors has not made any material legal or disciplinary event disclosures on Form MA or any Form MA-I filed with the SEC.

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Proposal Summary

Tierra Financial Advisors, LLC ("Tierra Financial Advisors" or "Tierra") is pleased to submit this proposal to provide municipal advisory services to Foothills Metropolitan District (the "District"). Tierra offers exceptional qualifications to serve the District as municipal advisor as summarized below and further described in this proposal.

Understanding Foothills Metropolitan District. Tierra Financial Advisors has gained a solid understanding of the District and its history by reviewing the District's Service Plan, Series 2014 Limited Offering Memorandum, budgets, annual financial statements, Forms DLG-32, continuing disclosure reports, quarterly filings, and other publicly available information.

Currently, the District has \$67.49 million of bond debt outstanding from their \$72.95 million Series 2014 Special Revenue Bonds financing. This debt has an optional redemption of December 1, 2024.

The District is limited in its ability to issue new money debt. The District's 2014 bond sale funded \$53 million in net proceeds which utilized 100% of the capacity in the Redevelopment Agreement and Service Plan. Any future debt issuance must be approved by the City of Fort Collins (the "City").

Prepared to Serve Foothills Metropolitan District. If selected as municipal advisor, Tierra Financial Advisors is ready to get to work. In preparing this proposal, we built a dynamic, bespoke financial analysis and structuring model for the District. As a fiduciary to the District, our goal in creating this model is to be able to verify financing structures, terms, conditions, and pricings for any proposed financings. We want to be able to give you independent advice that is borne from our own analysis. In the section entitled *Current District Situation and Future Financing Options* we present a handful of financing scenarios.

We understand the District has already selected Wells Fargo as underwriter. Over the last 3 years, we have worked on several financings with their special district team and value their professionalism and underwriting capabilities.

Municipal Advisor to Colorado Special Districts. Tierra Financial Advisors has recently served as municipal advisor to six different Colorado special districts, all of which have financed debt. The districts have raised new money proceeds to reimburse developers, refunded outstanding debt, defeased bank loans and tendered for bonds.

Currently, Tierra Financial Advisors is working on ten different Colorado special district projects that are in various stages, including preparing potential refinancings.

The Districts Municipal Advisory Team. Tierra Financial Advisors has first-rate knowledge in all the different areas the District is seeking advisement. We have strong experience leading complex debt financings, working on multiphase projects with commercial and residential components, public finance laws, and pricing and cost leadership across the municipal markets.

Tierra serves as municipal advisor to 35 development districts in Texas, Colorado and Utah and is working on other development projects throughout the country. All the firm's time and energy are spent serving development districts, district board members and local municipal partners. Our experience across different markets allows us to bring best-in class service and strategy to support transactions and make them successful.

Creative Solutions for Clients and Superior Technical Capabilities. Tierra Financial Advisor's works hard to solve our clients most challenging financing situations. We do this by providing creative solutions, backed by our deep municipal industry experience, and through our superior technical capabilities.

Firm Information and Personnel

Tierra Financial Advisors is a municipal advisory firm that specializes in municipal development finance. The Districts municipal advisory team has a combined 30 years of municipal finance experience and has served clients throughout the country including in Colorado. When serving clients as a municipal advisor, we maintain our fiduciary duty of loyalty and care. We always put the goals of our clients first.

Tierra Financial Advisors, LLC

1341 Horton Circle
Arlington, Texas 76011
P: 817-390-8372

Evan Kist, *Managing Director and Principal* of Tierra Financial Advisors will serve as the lead municipal advisor to the District and assume all day-to-day responsibilities related to the forthcoming financing. Mr. Kist will be assisted by Mr. Prugar who will serve as the backup contact for the District. Please find detailed resumes for both individuals below.

Evan Kist, CFA, Managing Director and Principal of Tierra Financial Advisors
Primary Contact / Municipal Advisor to the District
Arlington, Texas

Evan has 18 years of public finance experience and currently manages Tierra's municipal advisory business and strategy. He is the firm's Principal and directs the supervisory procedures and legal, compliance and regulatory requirements for the organization. He also leads the firm's quantitative development, structuring and solution delivery for existing and new clients.

Evan has served as municipal advisor to the following Colorado special districts: Liberty Ranch Metropolitan District, Parkside Metropolitan District, Heritage Ridge Metropolitan District, Northridge Estates Metropolitan District No. 3, Cottonwood Greens Metropolitan District No. 2, and **Mulberry Metropolitan District No. 2 (located in the City of Fort Collins)**. Currently, he serves as municipal advisor to St. Vrain Lakes Metropolitan District No. 2 and Serratoga Falls Metropolitan District No. 1.

Prior to joining Tierra in August 2019, Evan worked for RBC Capital Markets, where he served as municipal advisor to cities, counties, state-level agencies, regional water authorities, transportation systems and school districts.

In total, Evan has over 20 years of diverse finance experience, including: investment banking, debt structuring and origination, equity derivatives trading and risk management. He spent 10 years working for Merrill Lynch (now Bank of America) in their New York and Chicago offices covering municipal issuers throughout the country. During that time, Evan covered a broad base of sectors, including power and energy, transportation, water, infrastructure, and special situation borrowers. He worked on over 50 senior managed public finance transactions totaling \$8 billion.

Evan Kist graduated Phi Beta Kappa with a degree in Economics and minor in Finance from the University of New Mexico and is also a Chartered Financial Analyst ("CFA") charter holder. He is a SEC registered municipal advisor holding the Series 50 and 54 licenses.

Chris Prugar, *Managing Director*, Tierra Financial Advisors

Backup Contact / Municipal Advisor to the District

Houston, Texas

Chris has over 14 years of public finance experience and has served in a wide variety of roles structuring, executing, and managing municipal bond transactions. Chris joined Tierra in April 2022 and serves as municipal advisor to many special districts located in Texas.

Prior to joining Tierra, Chris worked for BofA Securities where he sourced negotiated bond transactions for special districts, water and sewer authorities, cities, counties, school districts, and special projects. Chris' experience includes detailed cash flow modeling, client presentation, and transaction execution. Focused primarily on Texas and other southwest states, Chris has been involved in over \$20 billion of transactions for a range of issuers with different financing objectives and execution strategies.

Chris graduated cum laude from Washington and Lee University with a Bachelor of Science in Business Administration. He is a SEC registered municipal advisor holding the Series 50 license.

Experience with Colorado Special Districts

Currently, Tierra Financial Advisors is working on ten different Colorado special district projects and has served as municipal advisor to six different districts that have financed debt.

Additionally, Tierra serves as municipal advisor to 28 special districts in Texas and one in Utah. Each one of these districts are multiphase and require thoughtful planning and execution. Specific services Tierra provides to these districts include leading the district's yearly bond financing process, tax rate management and yearly tax rate setting, involvement in political negotiations, securitization of developer incentives, cash flow management and presentations to resident boards.

Please find below select examples of Tierra Financial Advisors Colorado special district experience and details regarding each financing.

Mulberry Metropolitan District No. 2 (City of Fort Collins)

\$11,750,000 Senior Limited Tax General Obligation Bonds, Series 2022A

\$5,000,000 Subordinate Limited Tax General Obligation Bonds, Series 2022B

\$17,000,000 Capital Facilities Fee Revenue Bonds, Series 2022

Purpose: New Money

Role of Tierra Financial Advisor: Municipal Advisor

Rating: Non-Rated

In September 2022, Mulberry Metropolitan District No. 2 (the "District") sold \$11.750 million of senior lien bonds, \$5 million of subordinate lien bonds, and \$17 million of revenue bonds through a negotiated underwriting. Proceeds from the financing were used to fund public improvements related to the development, including securing water rights.

The residential subdivision called "Bloom" is in the City of Fort Collins. The development within the District is expected to be complete in 2031. At the time of the financing, the development projections included 340 Condominiums, 547 single-family residential units, 400 apartment units, and 40 affordable housing units. This District is part of a master-planned mixed-use development anticipated to contain approximately 229 acres, approximately 1,900 residential units and commercial space developed over several years.

The District sold bonds during a particularly challenging time in the capital markets, including for issuers of high yield special district debt. There were many last-minute decisions regarding the structure, financing size and security features that required focused attention and problem-solving.

Heritage Ridge Metropolitan District

\$11,265,000 Senior Limited Tax General Obligation Refunding Bonds, Series 2021A

\$4,735,000 Subordinate Limited Tax General Obligation Refunding Bonds, Series 2021B

Purpose: Refunding of 2018 Bank Loan and Tender of 2019 Subordinate Bonds

Role of Tierra Financial Advisor: Municipal Advisor

Rating: Non-Rated (Underlying) / AA (BAM Insured)

In December 2021, Heritage Ridge Metropolitan District (the "District") sold \$11.265 million of senior lien bonds through a negotiated underwriting. The bonds are limited tax general obligations of the District secured by pledged revenues consisting of (i) required property tax levied by the District of 50 mills, and (ii) Specific Ownership Tax. Concurrently, with the negotiated financing, the District also executed a

successful bond tender for all of their outstanding 2019 Subordinate Bonds. These bonds became the District's Series 2021B Subordinate Lien bonds.

The District levies an Operations & Maintenance Tax of 15 mills. In modeling future District expenses, it was determined that this levy would not be sufficient to cover those projected expenses. Working closely with the District Manager and underwriter, Tierra and the group decided to carve out a certain amount of debt mill levy revenues and apply them to operations and maintenance expenses. Upon the termination date, the carved-out debt service mill revenues will be pledged back to the bonds.

The District is a substantially complete residential subdivision located in the Town of Berthoud. The development is planned to contain 382 detached single-family homes and approximately 50 single-family attached townhomes. All the lots have been sold to homebuilders.

The proceeds of the refunding were used to redeem the 2018 Bank Loan and pay costs of issuance. **The District was able to refinance the bonds for total gross savings of \$23.3 million or \$5.2 million on a present value basis or 33.09% of the outstanding par amount.** The Series 2021 bonds were financed over a 30-year period.

Tierra Financial Advisors was engaged as municipal advisor by the District in the summer of 2021. As the tax-exempt high-yield market continued to evolve through the fall and winter, Tierra worked on bond structures that would be marketable and provide the District with the greatest savings. Tierra worked closely with the underwriter to engage consultants for the market study and financial forecast and assisted in putting together a package of information to be send to potential municipal bond insurers. The District was able to secure bond insurance which improved the District's borrowing costs and increased debt service savings during a challenging time in the high yield market.

Liberty Ranch Metropolitan District

\$13,180,000 Limited Tax General Obligation Refunding Bonds, Series 2021A₍₃₎

Purpose: Refunding of Series 2017A Senior, 2017B Subordinate and 2017C Junior Bonds

Role of Tierra Financial Advisor: Municipal Advisor

Rating: Non-Rated

In November 2021, Liberty Ranch Metropolitan District (the "District") sold \$13.180 million of senior lien cashflow bonds through a negotiated underwriting. The bonds are limited tax general obligations of the District secured by pledged revenues consisting of (i) required property tax levied by the District of 50 mills, (ii) Specific Ownership Tax, and (iii) the revenue received from the Mead Urban Renewal Area Cooperation Agreement. The District levies an Operations & Maintenance Tax of 8.7 mills.

The District is a partially built-out, mixed use residential and commercial subdivision located in the Town of Mead. The development is planned to contain 216 detached single-family homes, approximately 17 acres of commercial development, and approximately 78 single-family attached townhomes.

The proceeds of the refunding were used to discharge the Series 2017A Senior Bonds, Series 2017B Subordinate Lien Bonds, the Series 2017C Junior Lien Bonds and pay costs of issuance. **Even with a premium call, the District was able to refinance the bonds for total gross savings of \$9.1 million or \$1.2 million on a present value basis or 11.49% of the outstanding par amount.** Capitalizing on low rates and favorable market conditions, the District was able to obtain such savings results by creating additional capacity in its senior lien bonds and "pull up" the Series 2017B and Series 2017C bonds into the 2021 Senior Lien Bond series. The Series 2021 bonds were financed over a 30-year period.

Throughout the summer leading up to the bond sale, in collaboration with the underwriter, Tierra worked on different financing structures that would provide the District with the greatest savings and best market access. Additionally, Tierra worked closely with the underwriter to engage consultants for the market study, oil and gas report and financial forecast. Based on the Districts actual valuation of \$85 million (\$7.1mm assessed valuation), the financing team decided not to pursue a bond rating for the District.

References

Below are references for developers and consultants working on Colorado special district projects who can opine on Tierra Financial Advisors capabilities as a municipal advisor.

CO Special Districts	Various Projects Throughout Colorado
Contact:	Bill Carlisle, Vice President of Land, D.R. Horton 9555 South Kingston Ct, Englewood, CO 80112 (407) 375-0658
Role:	Developer

CO Special District	Liberty Ranch Metropolitan District
Contact:	Jeffrey Mark, President of Landhuis Company 212 N. Wahsatch Ave., Suite 301 Colorado Springs, CO 80903 (719) 635-3200
Role:	Developer

CO Special Districts	Mulberry MD No. 2 / Heritage Ridge MD / Liberty Ranch MD
Contact:	K.C. Veio, Kline Alvarado Veio, P.C. 1775 Sherman St., Suite 1790 Denver, CO 80203 (303) 534-3390
Role:	Bond Counsel to Districts

CO Special Districts	Northridge Estates MD No. 3
Contact:	David Greher, Cockrel Ela Glesne Greher & Ruhland, P.C. 44 Cook Street, Suite 620 Denver, CO 80206 (303) 218-7200
Role:	General Counsel to Districts

Why Select Tierra Financial Advisors as Municipal Advisor?

Tierra Financial Advisors is excited about the opportunity to work for the District and assist, along with other District consultants, in exploring refinancing and new money opportunities. We are familiar with the District's Service Plan, Redevelopment Agreement, Series 2014 Special Revenue Bonds, District budgets, and other relevant information. In other words, we are ready to get to work.

Tierra Financial Advisors has leadership qualities, experiences, and capabilities that distinguish us from other municipal advisors. Most relevant to the District are:

- Experience serving as municipal advisor to Colorado special districts;
- Extensive knowledge of municipal finance;
- Experience with complex, multiphase commercial and residential projects;
- Proven track record of providing clients with innovative ideas and solutions;
- Superior technical abilities (as it relates to financial modeling and bond structuring);
- Knowledge of the trading levels and the market for tax-exempt, taxable, and high-yield bonds

Experience Serving as Municipal Advisor to Colorado Special Districts. Currently, Tierra Financial Advisors is working on ten different Colorado special district projects located throughout the State.

Recently, Tierra Financial Advisors has served as municipal advisor on six Colorado special district financings. These transactions have raised new money proceeds to reimburse developers for infrastructure improvements, refunded outstanding District debt, defeased bank loans and facilitated bond tenders.

Tierra Financial Advisors specializes in providing municipal advisory services to municipal entities involved in development finance. This is the only area of municipal finance we operate in and have a long-term commitment to the space.

Extensive Public Finance Experience. The District's municipal advisory team has over 30 years of combined municipal finance experience and have served as a trusted advisor (underwriter or municipal advisor) on over 100 deals with a total par amount in excess of \$30 billion.

Our expertise, market knowledge and extensive experience with the bond issuance process allows us to deliver a full range of municipal advisory services promptly and efficiently to District.

Experience with Complex, Multiphase Projects for Special Districts. Tierra serves as municipal advisor to 35 development districts in Texas, Colorado, and Utah. We are fully engaged within these projects and work very closely with developers and their consultant partners. Our services to these districts include creating long-term capital plans to coincide with development projections, modeling the timing and amount of developer reimbursements/funding events, structuring yearly debt financings, leading the public sale process for their debt, managing the District's debt service and operations and maintenance tax rates, analyzing the cashflows of the district, and meeting with resident board members.

Creative Solutions and Technical Capabilities. Tierra Financial Advisor's works hard to solve our clients most challenging financing situations. We do this by providing creative solutions with skills that we have developed over years in the municipal industry, and through our superior technical capabilities.

Knowledgeable of Current Market Conditions. Tierra Financial Advisors has a strong understanding of and familiarity with debt capital markets, especially the municipal markets. We stay current with markets and trading levels through the deals we advise on, market research and professional relationships. As it relates to Colorado special districts, we also maintain an active deal database for comparable special district financings.

Proposed Compensation

For any issuance of new money, refunding, privately placed or short-term obligations, the fee shall be one-tenth of one percent (0.100% or \$1.00 per \$1,000 of bonds) of such principal amount, per series and per financing (e.g., Special Revenue Bonds Series A & B would be considered two separate financings), with a minimum fee amount of \$40,000 and a maximum fee, per series, of \$100,000.

Upon the successful closing of the District's bond financing, Tierra will invoice the District. If the District does not complete a financing, Tierra will not charge a fee to the District.

Please see the table below for examples of our fee based on varying par amounts.

Debt Issuance Type	Amount Issued	Amount per \$1,000 Issued
Special Revenue Bonds	\$50,000,000	\$1.00 per Bond / \$50,000
	\$75,000,000	\$1.00 per Bond / \$75,000
	\$100,000,000	\$1.00 per Bond / \$100,000
	\$125,000,000	\$0.80 per Bond / \$100,000
	\$150,000,000	\$0.67 per Bond / \$100,000

Current District Situation and Future Financing Options

Background. Certain property within the District, Foothills Fashion Mall, has a history that dates back over 50 years. Over the last half century there has been four owners of the property, with the most recent owners, McWhinney (the “Developer”), purchasing the property (and surrounding shops) out of receivership in February 2021 and closing on the property June 2021.

Original Debt Issuance and the Walton Street Capital Redevelopment Plan. In October 2014, the District closed on \$72.95 million of special revenue bonds which provided \$53 million in net proceeds for the redevelopment of the property. The bonds are payable from the following pledged revenues: (a) District Debt Service Mill Levy Revenues in the amount of 50 mills on all taxable property within the District; (b) District Specific Ownership Tax Revenues; (c) Property Tax Increment Revenues; (d) Add-on Public Improvement Fee Revenues of 1% imposed by the Developer and; (e) Sales Tax Increment Revenues generated by the City of Fort Collins’s 2.25% sales tax within the TIF District.

Major parts of the redevelopment plan included taking the existing mall and redeveloping it primarily as a retail development containing a partially new and partially renovated indoor mall, retail stores, multi-family residential units and common areas. The development planned for 642,802 sq. ft. of retail (127,971 sq. ft. for Macy’s and 514,831 sq. ft. of new development) and 446 multifamily units of residential. The 514,831 sq. ft. of new development included a partially renovated indoor mall (232,646 sq. ft.), College Ave, Shops (170,303 sq. ft), three separate retail buildings on the “West Lawn” (30,212 sq. ft.), three separate retail buildings on the “East Lawn” (37,885 sq. ft.) and a planned movie theatre (43,655 sq. ft.) also on the “East Lawn.”

Debt Outstanding. Currently, the District has \$67.49 million of bonds outstanding from the 2014 issuance. These bonds are callable on December 1, 2024, at par in the amount of \$63.89 million.

Issue	Bond Type	Security	Original Par Amount (\$)	Amount Outstanding (\$)	Callable Par Amount (\$)	Call Date	Tax Status	Est. Remaining Avg. Life	Weighted Average Rate	Final Maturity
Series 2014	Fixed Rate	Various Revenue Streams	72,950,000	67,490,000	63,885,000	12/1/2024 @ 100%	TE	9.96yrs	11.574%	12/1/38

McWhinney Redevelopment Plan and Future Bonds. From the development information recently provided by CliftonLarsonAllen, it appears that the McWhinney redevelopment plan calls for the Macy’s building (Macy’s was an anchor tenant in the existing mall. In March 2023, Macy’s closed after McWhinney bought out the store’s lease) to be demolished and large portions of the “Main Enclosed Mall” to be demolished as well. The College Ave Shops (169,332 sq. ft.), Dick’s Sporting Goods (34,840 sq. ft.), surrounding property retail buildings and mall areas (137,510 sq. ft.) and the movie theatre (43,655 sq. ft.) totaling 385,337 sq. ft. will remain. New planned commercial development will be an office building (86,800 sq. ft.) and retail and food and beverage buildings (60,000 sq. ft.). Additionally, there is planned residential development which will include 392 multifamily units and 236 townhomes.

Executing this redevelopment plan will most likely require the aid of debt issued by the District. Currently, the District does not have the ability to issue new money bonds without the approval of Fort Collins Urban Renewal Authority (“FCURA”) and the City. Specifically, as it relates to debt financings, the main challenges that the District faces are the following:

1. Service Plan

- a. \$53 million Net Proceeds Cap Limit (100% used in 2014 bonds)
- b. \$180 million Net Debt Service Limitation (\$45 million used to date from 2014 bonds)

2. Redevelopment Agreement

- a. FCURA Approval for Additional Bonds (New Money or Refunding)
- b. City Approval for Additional Bonds (New Money or Refunding)

Given that the District is forming a financing team, we assume that McWhinney and its consultant partners have had discussions with FCURA and the City regarding their development plans and potential sources of funding that could help pay for a portion of the improvements. Based on this assumption, below we present four financing scenarios, although a myriad amount exist.

Bond Financing Scenarios. In the following scenarios, we have made many broad-brush assumptions to present potential financing options for the District. All these options require the District to have varying levels of success in negotiating with FCURA and the City. Below, we have highlighted, in the salmon-colored areas, restrictions that are either enforced or enhancements gained through amendments made to existing agreements. These different scenarios do not contemplate the repayment of developer advances which are currently estimated at \$2.14 million (includes accrued interest) according to the District's most recent quarterly filings.

	Scenario 1: Current Refunding	Scenario 2: Current Refunding + New Money (2038 Final Maturity)	Scenario 3: Current Refunding + New Money + Debt Extension (2049 Final Maturity)	Scenario 4: Current Refunding + New Money + Debt Extension (2049 Final Maturity) + Increment Revenue Extension
Purpose	Near-term debt service relief. Avoid potential default	New Money	New Money	New Money
Overall Assumptions				
Restrictions on Debt (2014 Bond Deal)				
Net Proceeds Cap (\$53mm)	N/A	Slightly Increased	Increased	Increased
Net Debt Service Limitation (\$180mm)	N/A	Enforced	Unrestricted	Unrestricted
Have City/FCURA Approval (Needed)?	Yes	Yes	Yes	Yes
Final Maturity for Debt (25 years)	N/A	25 years	25 years	25 years
Security Pledge	2014 Pledged Revenues	2014 Pledged Revenues	2014 Pledged Revenues	2014 Pledged Revenues
Revenues for Bonds	Developer Projections	Developer Projections	Developer Projections	Developer Projections
Restrictions on Pledged Revenues (2014 Bond Deal)				
District Debt Service Mill Levy	50 Mills (Adjusted)	50 Mills (Adjusted)	50 Mills (Adjusted)	50 Mills (Adjusted)
Specific Ownership Tax Revenues	6.00%	6.00%	6.00%	6.00%
Property Tax Increment Revenues from FCURA	2038 Sunset	2038 Sunset	2038 Sunset	2049 Sunset
Sales Tax Increment (2.25% within TIF District)	2038 Sunset	2038 Sunset	2038 Sunset	2049 Sunset
Add-on PIF	1.00%	1.00%	1.00%	1.00%
Total Net New Money Proceeds to Developer	\$0	\$6,551,847	\$26,357,420	\$46,897,462
Sources of Funds				
2024 Senior Par Amount	\$66,910,000	\$85,634,000	\$111,571,000	\$138,567,000
2014 DSRF	\$7,295,000	\$7,295,000	\$7,295,000	\$7,295,000
Surplus Funds on Hand	\$736,517	\$736,517	\$736,517	\$736,517
Total Sources	\$74,941,517	\$93,665,517	\$119,602,517	\$146,598,517
Use of Funds				
Estimated New Money Proceeds	\$0	\$6,551,847	\$26,357,420	\$46,897,462
Refunding Escrow Deposits (Series 2024A Bonds)	\$66,849,694	\$66,849,694	\$66,849,694	\$66,849,694
Debt Service Reserve Fund	\$6,689,500	\$7,030,000	\$9,206,000	\$11,501,000
Capitalized Interest	\$0	\$10,967,956	\$14,362,873	\$17,943,451
Underwriters' Discount	\$1,002,323	\$1,866,020	\$2,426,530	\$3,006,910
Costs of Issuance	\$400,000	\$400,000	\$400,000	\$400,000
Total Uses	\$74,941,517	\$93,665,517	\$119,602,517	\$146,598,517
Structuring Assumptions				
Delivery Date	9/5/2024	9/5/2024	9/5/2024	9/5/2024
Final Maturity	12/1/2038	12/1/2038	12/1/2049	12/1/2049
Debt Service Coverage (Senior/Subs)	N/A	1.30x / 1.00x	1.30x / 1.00x	1.30x / 1.00x
Biennial Reassessment	2.00%	2.00%	2.00%	2.00%
Bond Statistics				
Average Coupon (Senior)	7.000%	7.000%	7.000%	7.000%
Gross Debt Service Savings (2024 - 2027)	\$6,739,458	N/A	N/A	N/A
Net Present Value Savings (2024 - 2038)	(\$5,827,003)	N/A	N/A	N/A

Scenario 1: Current Refunding. The immediate goal of a current refunding would be to provide near term debt service relief to the District and to avoid a potential future default. Per the District's disclosures, since June 2020, the District has made \$2.39 million in draws on its surplus and reserve funds.

This scenario assumes that negotiations fall short with the City and FCURA. However, to execute even this scenario, we believe some level of revision will need to occur regarding the Redevelopment Agreement. In the Redevelopment Agreement it mentions that if FCURA agrees to pledge revenues to future bonds, “as a condition to such pledge, it may in its discretion impose conditions and limitations in any such refunding District Bonds that were not applicable to the District’s Bonds being refunded.”

In our proposed 2024 current refunding financing, we have restructured the District’s outstanding debt to amortize principal from 2028 – 2038. **This would provide the District with \$6.74 million in upfront debt service savings during the redevelopment period.** If allowed to extend the final maturity of the current refunding bonds, the District could get even more upfront relief. Regardless of the current refunding structure, the tradeoff is near term debt service relief at the cost of higher total debt service over the life of the financing.

Scenario 2: Current Refunding + New Money (2038 Final Maturity). The goal of this scenario is to deliver some new money proceeds to the District even if most of the Service Plan, Redevelopment Agreement and 2014 bond deal restrictions remain in place. We assumed the property tax increment revenues from FCURA and the sales tax increment revenues (within the TIF) from the City sunset in 2038, the original final maturity of the debt is enforced and the total net debt service limitation of \$180 million is kept in place. Since 2014, \$45.43 million in principal and interest payments have come due on the bonds. Given this assumption, only \$134.57 million in total debt service capacity remains for any restructured refunding and new money financing. We structured this current refunding and new money financing with that limitation. **The new money proceeds back to the developer would be \$6.55 million.** Given the size and scope of the redevelopment, this amount of new money proceeds may not provide much value.

The scenario assumes that FCURA and the City stand firm to their original restrictions. However, we do not see this scenario being very likely. If the District can negotiate an increase in new money capacity, then most likely the District will also get the ability to eliminate the total net debt service limit and have a fresh shot clock on the final term of future debt.

Scenario 3: Current Refunding + New Money + Debt Extension (2049 Final Maturity). This scenario sets out to deliver greater new money proceeds to the District, than *Scenario 2*, while managing the 2038 sunset of the tax increment revenues. In order to accomplish this, the development team will need to have a high-level of success in negotiations with FCURA and the City.

The financing scenario is estimated to provide **the developer with \$26.35 million in new money proceeds.** This would require a reset (or confirmation) of a new final maturity for the debt of 2049 (25-year final maturity to mirror the original limitation). Current service plans for Colorado special districts usually allow for the issuance of 30-year debt. **Being able to issue debt with a final maturity of 2054 would add another \$3.92 million in new money proceeds, or in total, \$30.28 million.**

Scenario 4: Current Refunding + New Money + Debt Extension (2049 Final Maturity) + Tax Increment Revenue Extension. This scenario assumes the District gets a fresh start regarding future bonds and even gets a 10-year extension on the property tax increment revenues from FCURA and the sales tax increment revenues from the City. The extension of the tax increment revenues may be aspirational.

This financing scenario provides the most favorable economic results for the developer. It is estimated that the **developer would receive \$46.89 million in new money proceeds. Being able to issue debt with a final maturity of 2054 would add another \$4.36 million in new money proceeds, or in total, \$51.26 million.**

DISTRICT SERVICE AGREEMENT

THIS DISTRICT SERVICE AGREEMENT (“Agreement”) is made and entered into on this 1st day of October, 2023, by and between Foothills Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and Mountain West Landscapes, LLC (“Contractor”), collectively the “Parties”.

RECITALS

WHEREAS, the District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities, improvements, and infrastructure in accordance with its approved service plan; and

WHEREAS, pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts affecting the affairs of the District; and

WHEREAS, the District desires to procure certain operational and/or maintenance services, for certain District facilities, improvements and infrastructure; and

WHEREAS, Contractor has experience and resources to provide such services and is willing and able to provide such services to the District for reasonable consideration; and

WHEREAS, the District desires to engage Contractor to render such services as needed by the District; and

WHEREAS, the Parties desire to enter into this Agreement to establish the terms and conditions by which Contractor shall provide such services to the District.

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

AGREEMENT

1. Scope of Services. Contractor shall perform such services for the District as outlined in the Scope of Services attached hereto as **Exhibit A** and incorporated herein by reference (“Services”). Contractor shall, at its own expense, provide all Services in a good and workmanlike manner and in accordance with any and all approved plans, documents, and specifications described in Contractor’s proposal to provide such Services to the District; furnish, or cause to be furnished, all labor, materials, equipment, permits and accessories, as necessary, to provide such Services; and take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required by Paragraph 3 of this Agreement.

2. Compensation. The District hereby agrees to pay to Contractor the amounts required for the completed Services at the unit prices set forth in Contractor’s proposal/quote

attached hereto as Exhibit A. It is specifically understood and agreed that **Contractor's quotation dated _____, 20__**, and attached hereto as Exhibit A, with the Scope of Services to be performed hereunder, are each and all included in and made a part of this Agreement.

a. Invoices. Invoicing shall be done on a monthly basis reflecting completed and accepted work done on a progress of completion basis. Invoices shall be submitted to the District by the 5th of the month for work completed in the preceding month. The invoices will be reviewed for accuracy and processed for payment.

b. Inspection of Services. The District reserves the right to inspect all services completed and invoiced for payment to ensure services have been provided in accordance with this Agreement. In the event inspected services are not accepted for payment by the District, the District shall notify Contractor in writing that Contractor is in default and has two (2) days to cure said default. The District shall be entitled to pursue all remedies provided by law and in equity if Contractor fails to cure the default.

3. Insurance.

A. Minimum Scope and Limits of Insurance. Contractor shall acquire and maintain in full force and effect during the entire term of this Agreement, and at its sole cost and expense, including any extensions of this Agreement, the minimum insurance coverages and limits set forth in this Paragraph 3.A., to provide protection from claims that may arise out of or result from Contractor's performance or obligations pursuant to this Agreement, whether such performance is by Contractor, by anyone directly or indirectly employed by Contractor, or by anyone who acts on behalf of Contractor, including any subcontractors of Contractor. The minimum insurance coverages and limits to be acquired by Contractor are as follows:

(1) Commercial General Liability Insurance:

General Aggregate	\$ 2,000,000
Products and Completed Operations	\$ 1,000,000
Personal and Advertising Injury	\$ 1,000,000
Each Occurrence	\$ 1,000,000
Damage to Rented Premises	\$ 100,000
Medical Expenses (Any one person)	\$ 5,000

(2) Comprehensive Automobile Liability Insurance shall include all motor vehicles owned, hired, leased, or borrowed, with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence.

(3) Workmen's Compensation and Employer Liability Insurance

Worker's Compensation	Per Colorado Statutes
Employers' Liability	\$ 1,000,000 each accident

All policies listed herein shall be on an occurrence basis.

B. Waiver of Subrogation. All coverages specified herein shall waive any right of subrogation against the District and its directors, officers, employees, and agents.

C. Additional Insured Parties. The District shall be named as an additional insured on all policies (with the exception of workers' compensation insurance). Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available insurance sources.

D. Certificates of Insurance. Contractor shall provide to the District certificates of insurance showing the insurance coverages and required endorsements described above, prior to performing any Services pursuant to this Agreement.

4. Term. The term of this Agreement shall commence on October 1, 2023 and shall terminate by May 15, 2024. Funding for this Agreement shall be subject to annual appropriations by the District as provided in Paragraph 8 herein.

5. Termination. The District shall have the right to terminate this Agreement, with or without cause, at any time, by providing written notice to Contractor of such termination and specifying the effective date of termination. Contractor may terminate this Agreement, with cause, by delivery of written notice of termination to the District at least thirty (30) days prior to the effective date of termination. Contractor shall stop rendering services pursuant to this Agreement upon the effective date of termination. Contractor shall be entitled to receive compensation in accordance with Paragraph 2 of this Agreement for any satisfactory work completed pursuant to the terms of this Agreement through the effective date of termination. Upon termination and payment of all amounts owed to Contractor, Contractor shall deliver to the District all work product, as described in Paragraph 7 hereof.

6. Notice. Any notices, demands, or other communications required or permitted to be given by any provision of this Agreement shall be in writing and may be personally delivered; sent by certified mail, return receipt requested; sent by electronic mail, delivery receipt requested; or sent by a nationally recognized receipted overnight delivery service for earliest delivery the next day. Any such notice shall be deemed to have been given as follows: when personally delivered to the party to whom it is addressed; when mailed, three delivery (3) days after deposit in the United States mail, postage prepaid; when by electronic mail, on the day sent if sent on a day during regular business hours (9 a.m. to 5 p.m.) of the recipient, otherwise on the next day at 9 a.m.; and when by overnight delivery service, one (1) day after deposit in the custody of the delivery service. The addresses for mailing, transmitting, or delivering notices shall be as follows:

If to the District:

Foothills Metropolitan District
c/o CliftonLarsonAllen
Attention: Denise Denslow
8990 East Crescent Parkway, Suite 300

Greenwood Village, CO 80111
Email: denise.denslow@CLAconnect.com

If to Contractor: Mountain West Landscapes, LLC
Attn: Greg Brown, President
PO Box 272471
Fort Collins, CO 80527
Email: greg@mountainwest.us

7. Instruments of Service. For purposes of this Agreement, Instruments of Service includes the following: any and all finished or unfinished design, development and/or construction documents, if any, drawings, reports, writings, data, studies, graphics, maps, plans, specifications, electronic files and other documents, materials and information, in every form and/or format, which Contractor created, prepared and/or produced in connection with this Agreement. Contractor owns the Instruments of Service, including all associated copyrights and the right of reuse at the discretion of the Contractor. Contractor shall continue to own the Instruments of Service and all associated rights whether or not the Services are completed. The District may make and retain copies of Instruments of Service for information and reference in connection with the use of the Instruments of Service on the Services. Contractor grants the District a limited license to use the Instruments of Service on the Services, extensions of the Services, and for related uses of the District, subject to receipt by Contractor of full payment due and owing for all Services, and subject to the following limitations: (a) the District acknowledges that such Instruments of Service are not intended or represented to be suitable for use on the Services unless completed by the Contractor, or for use or reuse by the District or others on extensions of the Services, on any other project, or for any other use or purpose, without written verification or adaptation by the Contractor; (b) any such use or reuse, or any modification of the Instruments of Service, without written verification, completion, or adaptation by the Contractor, as appropriate for the specific purpose intended, will be at the District's sole risk and without liability or legal exposure to the Contractor or to its officers, directors, members, partners, agents, employees, and subconsultants; and (c) such limited license to the District shall not create any rights in third parties.

8. Subject to Annual Appropriations. The District does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The District's payment obligations hereunder are subject to annual appropriations. The District has appropriated sufficient funds for this Agreement for the current fiscal year.

9. Independent Contractor. Contractor is and shall be considered an independent contractor pursuant to this Agreement. Nothing herein contained shall constitute or designate Contractor or any of its employees or agents as employees or agents of the District, nor shall Contractor be deemed or considered to be a partner of the District. Contractor shall have full power and authority to select the means, manner, and method of performing its duties pursuant to this Agreement without detailed control or direction of the District except as set forth in this Agreement. It shall be Contractor's responsibility as an independent contractor to pay any and all

taxes on payments which it receives pursuant to this Agreement and to pay its own costs and expenses incurred in connection with performance of this Agreement.

10. Indemnification. Contractor shall indemnify, assume all responsibility for, and hold harmless the District and each of its directors, officers, consultants, employees, servants, agents, and authorized volunteers, from and against any and all claims, demands, suits, actions, proceedings, judgments, losses, damages, injuries, penalties, costs, and expenses (including reasonable attorneys' fees), and liabilities arising, or alleging to arise, directly or indirectly, in whole or in part, from the intentional or negligent acts or omissions of Contractor or any of its subcontractors, agents or employees, in connection with Contractor's performance, duties, and obligations pursuant to this Agreement; provided, however, that Contractor shall not be liable for any claim, loss, damage, injury or liability caused by the negligence or fault of the District or any third party under the control or supervision of the District. The obligations of the indemnifications extended by Contractor to the District under this Paragraph 10 shall survive termination or expiration of this Agreement.

11. Governmental Immunity. Nothing in this Agreement shall be construed to be a waiver, in whole or in part, of any right, privilege, or protection afforded the District or its Board of Directors, officers, employees, servants, agents, or authorized volunteers, pursuant to the Colorado Governmental Immunity Act, Section 24-10-101, *et seq.*, C.R.S.

12. Modification. This Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and Contractor.

13. Assignment. No portion of the Agreement shall be sublet, assigned or otherwise disposed of by Contractor except with the written consent of the District, and such consent when given shall not be construed to relieve Contractor of any responsibility for the fulfillment of this Agreement. Any attempted assignment or transfer shall be void and shall constitute a breach of the Agreement and cause for termination of this Agreement.

14. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

15. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance.

16. Attorneys' Fees. In the event that litigation is brought by either party hereto in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any terms, conditions, or provisions hereof.

17. Binding Agreement. This Agreement shall inure to and be binding upon the respective Parties hereto and their successors and permitted assigns.

18. Entire Agreement. This Agreement, including all Exhibits attached hereto, constitutes the entire Agreement between the Parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK.)

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

DISTRICT:


FOOTHILLS METROPOLITAN DISTRICT

DocuSigned by:
Kishi Loona
CBEED8BFFDF84E3...

By: _____
Its: President

CONTRACTOR:

MOUNTAIN WEST LANDSCAPES, LLC

DocuSigned by:

8AB5FF533275464...

By: _____
Its: President

EXHIBIT A

SCOPE OF SERVICE AND CONTRACTOR'S QUOTE

In consideration of the mutual promises contained herein, Contractor agrees to perform the following work:

Snow & Ice Solutions of Colorado hereby proposes to supply all labor, equipment and materials necessary to perform snow &/or salting/anti-icing and de-icing services:

1) Contractor will perform Snow & Ice Management Services on the drives and parking lots of the Property ("Scope of Work").

Mountain West will utilize different crews for the two different entities at the Foothills Mall. A parking lot crew and pedestrian zone crew will be designated for the Metro District and separate crews for the MXD. We also use equipment GPS and GPS on our sprayer systems to accurately monitor product application.

2) Pre-treatment, post-treatment, liquid anti-icing or deicing or pre-treatment, post-treatment salting will all be performed at the discretion of Mountain West Landscapes

3) Snowplowing operations will commence automatically when any accumulation on sidewalks and pedestrian walkways or drive lanes and with accumulations of 4" in the parking areas as determined by contractor and with ownership approval; irrespective of time of day or day of week and including all weekends and holidays. Commencements of plowing and ice-control operations are at the discretion of the Contractor, based upon prevailing conditions on the Property. Contractor will make all commercially reasonable efforts to perform snowplowing of the drives and parking lots at the Property early in the morning. Contractor shall coordinate with Property maintenance staff as needed to ensure the work is coordinated.

4) Mountain West will utilize different crews for the two different entities at the Foothills Mall. A parking lot crew and pedestrian zone crew will be designated for the Metro District and separate crews for the MXD. We also use equipment GPS and GPS on our sprayer systems to accurately monitor product application.

1) MOUNTAIN WEST shall provide all snowplowing throughout the contract period.

2) MOUNTAIN WEST shall apply liquid anti-icing material or post de-icing materials at any time required to mitigate risk.

3) MOUNTAIN WEST shall commence snow removal at trace accumulation and continue thereafter as storm conditions permit.

4) MOUNTAIN WEST shall plow all open parking stalls at time of plowing roadways and isles when snow accumulations reach 4" with ownership approval. Post storm clean-up as required or otherwise noted will be done within 48 hours after a storm has ended.

5) MOUNTAIN WEST shall perform automatic 'ice watch' service during freeze/thaw cycles and post- storm property Inspection. MOUNTAIN WEST will treat as necessary to reduce slip and fall risks as required based on the 'Time and Material' rates.

6) MOUNTAIN WEST shall provide sidewalk service.

7) If the service provided by MOUNTAIN WEST is considered sub-standard, the owner/ management company representative must notify MOUNTAIN WEST immediately of the problem, by phone or email. MOUNTAIN WEST maintains the right to remedy any non-hazardous condition within 24 hours.



Snow Removal Rates 2023-2024 Season

Sidewalk Resources

Item Description	Hourly Rate	Quantity Type
Shoveler	\$65.00	Per Hour
Shoveler w/backpack blower	\$93.00	Per Hour
Boss Snowrator	\$145.00	Per Hour
Ventrac (Blade or Broom)	\$150.00	Per Hour
ATV w/plow	\$95.00	Per Hour
UTV w/plow	\$105.00	Per Hour

Parking Lot Plowing

Item Description	Hourly Rate	Quantity Type
Plow Truck	\$127.00	Per Hour
Skid-Steer w\ 10' Blade	\$185.00	Per Hour
Small Wheel Loader w\ 14' Plow	\$237.00	Per Hour
Large Wheel Loader w\ 16' Plow	\$260.00	Per Hour

Ice Management Solutions

Item Description	Hourly Rate	Quantity Type
Salt Application	\$240.00	Per Ton
Bagged Ice Melt	\$38.50	Per Bag
Brine Applied	\$3.25	Per Gallon

*Please note – all equipment pricing includes operator pricing

**Please contact us about Seasonal Rates

> Skid Steers have options of 100" snow buckets & 8, 10, & 12' containment pushers

> Wheel Loaders have options of 12, 14, & 16' containment pushers

RESOLUTION NO. 2023-12-06
FOOTHILLS METROPOLITAN DISTRICT
2024 ANNUAL ADMINISTRATIVE MATTERS RESOLUTION

WHEREAS, the Board of Directors (the “Board”) of the Foothills Metropolitan District (the “District”) are required to perform certain administrative obligations during each calendar year to comply with certain statutory requirements, as further described below, and to assure the efficient operations of the District; and

WHEREAS, the Board desires to set forth such obligations herein and to designate, where applicable, the appropriate person or person(s) to perform such obligations on behalf of the District; and

WHEREAS, the Board further desires to acknowledge and ratify herein certain actions and outstanding obligations of the District.

NOW, THEREFORE, THE BOARD OF DIRECTORS OF FOOTHILLS METROPOLITAN DISTRICT HEREBY RESOLVES AS FOLLOWS:

1. The Board directs the legal counsel to prepare and file either an accurate map as specified by the Colorado Division of Local Government (the “Division”) or a notice that the District’s boundaries have not changed since the filing of the last map for the District, with the Division, the Larimer County Clerk and Recorder, and the Larimer County Assessor on or before January 1, 2024, as required by Section 32-1-306, C.R.S.

2. Pursuant to Section 24-32-116(3)(b), C.R.S, the Board directs legal counsel to update the Division with any of the following information previously provided to the Division, in the event such information changes: (i) the official name of the District; (ii) the principal address and mailing address of the District; (iii) the name of the District’s agent; and (iv) the mailing address of the District’s agent.

3. The Board directs legal counsel to prepare, no more than sixty (60) days prior to and not later than January 15, 2024, the District’s annual transparency notice containing the information set forth in Section 32-1-809(1), C.R.S., and to provide such notice to the eligible electors of the District in one of the manners set forth in Section 32-1-809(2), C.R.S. In addition, legal counsel is directed to file a copy of the notice with the Larimer County Board of County Commissioners, the Larimer County Assessor, the Larimer County Treasurer, the Larimer County Clerk and Recorder’s Office, the City of Fort Collins City Council (“City Council”), and the Division as set forth in Section 32-1-104(2), C.R.S. A copy of the notice shall be made available for public inspection at the principal business office of the District.

4. The Board directs the District’s accountant to submit a proposed 2025 budget for the District to the Board on or before October 15, 2024, to schedule a public hearing on the proposed budget, prepare a final budget, and budget resolution, including certification of mill levies and amendments to the budget if necessary; to certify the mill levy to Larimer County Assessor on or before December 15, 2024 in accordance with Section 39-5-128, C.R.S.; and to file

the approved budgets and amendments thereto with the proper governmental entities in accordance with the Local Government Budget Law of Colorado, Sections 29-1-101 to 29-1-115, C.R.S.

5. In the event additional real property is included into the boundaries of the District in the future, the District authorizes legal counsel to record the special district public disclosure document and a map of the new boundaries of the District concurrently with the recording of the order for inclusion in the Larimer County Clerk and Recorder's office, in accordance with Section 32-1-104.8(2), C.R.S.

6. The Board directs legal counsel to notify the City Council of any alteration or revision of the proposed schedule of debt issuance set forth in the financial plan attached to the District's Service Plan, as required by Section 32-1-202(2)(b), C.R.S.

7. The Board hereby authorizes the District's accountant to prepare and file an audit exemption and resolution for approval of audit exemption with the Colorado State Auditor by March 31, 2024, as required by Section 29-1-604, C.R.S.; or, if required by Section 29-1-603, C.R.S., the Board authorizes that an audit of the financial statements be prepared and submitted to the Board before June 30, 2024 and filed with the State Auditor by July 31, 2024. In addition, if the District has authorized but unissued general obligation debt as of the end of the fiscal year, the District's accountant shall cause to be submitted to the Board of County Commissioners or the governing body of the municipality that adopted a resolution of approval of the District, the District's audit report or a copy of its application for exemption from audit in accordance with Section 29-1-606(7), C.R.S.

8. If the District holds property presumed abandoned and subject to custody as unclaimed property pursuant to the Unclaimed Property Act (§§38-13-101 *et seq.*, C.R.S.), the Board directs legal counsel to prepare an unclaimed property report that covers the twelve months preceding July 1, 2024 and submit the report to the Colorado State Treasurer by November 1, 2024, in accordance with Section 38-13-401 *et seq.*, C.R.S.

9. The Board directs the District's accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the District within sixty (60) days of the close of the fiscal year, as required by Sections 11-58-101 *et seq.*, C.R.S.

10. The Board directs legal counsel to oversee the preparation of any continuing annual disclosure report required to be filed pursuant to a continuing disclosure agreement, in accordance with the Securities Exchange Commission Rule 15c2-12 and pursuant to any authorizing resolution, indenture, pledge agreement, loan document, and/or any other document related to the issuance of any general or special obligation bonds, revenue bonds, loans from financial institutions or other multiple fiscal year obligations by the District and any refundings thereof.

11. The Board designates the Secretary of the District as the official custodian of "public records," as such term is used in Section 24-72-202(2), C.R.S. Public records may also be maintained at the office of Icenogle Seaver Pogue, P.C. and the offices of the District Manager.

12. The Board directs legal counsel to advise it on the requirements of the Fair Campaign Practices Act, Sections 1-45-101 *et seq.*, C.R.S., when applicable.

13. The Board directs that all legal notices shall be published in accordance with Section 32-1-103(15), C.R.S., in a paper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District including, but not limited to, *Fort Collins Coloradoan*.

14. The Board determines that each director will receive compensation for services as directors pursuant to Section 32-1-902(3)(a)(II), C.R.S. in the amount of \$100 per meeting. The Board directs the District's accountant to withhold federal employment taxes from the amount that the directors receive in compensation and to furnish each director with an annual IRS W-2 form.

15. The District hereby acknowledges, in accordance with Section 32-1-902, C.R.S., the following officers for the District:

Chairman/President:	Rishi Loona
Vice President/Secretary:	Dan Doherty
Treasurer:	Josh Kane
Assistant Secretary:	Patrick Bunyard
Assistant Secretary:	Tim DePeder
Recording Secretary:	District Manager or its designee

The Board acknowledges that the Board may elect new officers during the fiscal year if new directors are elected or appointed to the Board, or if any director or officer resigns from the Board. Any change in officers shall be recorded in the meeting minutes in which the new officers are elected.

16. The Board hereby determines that each member of the Board shall execute an Affidavit of Qualification of Director at such time the member is either elected or appointed to the Board. Such forms shall be retained in the District's files. Section 32-1-103(5), C.R.S. sets forth the qualifications required. Pursuant to Section 32-1-901, C.R.S., the Board directs legal counsel to prepare, administer and file an oath of office and a certificate of appointment, if applicable, and procure a surety bond for each Director, and to file copies of each with the Clerk of the Court and with the Division.

17. The Board confirms its obligations with regards to the defense and indemnification of its public employees, which by definition, includes elected and appointed officers, as set forth in the Indemnification Resolution adopted by the Board on November 1, 2021, and hereby specifically appropriates sufficient funds for such purpose.

18. Pursuant to Section 32-1-1101.5, C.R.S., the Board directs legal counsel to certify the results of any special district ballot issue elections to incur general obligation indebtedness by certified mail to the City Council and to file a copy of the certification with the Colorado Division of Securities within forty-five (45) days after the election. Furthermore, whenever the District authorizes or incurs a general obligation debt, the Board authorizes legal counsel to record notice

of such action and a description of such debt, in a form prescribed by the Division, in the Larimer County Clerk and Recorder's office within thirty (30) days after authorizing or incurring the debt in accordance with Section 32-1-1604, C.R.S. Furthermore, whenever the District incurs general obligation debt, the Board directs legal counsel to submit a copy of the recorded notice to the City Council within thirty (30) days after incurring the debt in accordance with Section 32-1-1101.5(1), C.R.S.

19. The Board directs legal counsel to prepare and file an application for a quinquennial finding of reasonable diligence with the City Council, if requested, in accordance with Section 32-1-1101.5(1.5) & (2), C.R.S.

20. The Board directs legal counsel to prepare and file the special district annual report in accordance with the District's Service Plan and Section 32-1-207(3)(c), C.R.S.

21. The Board has determined that legal counsel will file conflicts of interest disclosures provided by board members with the Colorado Secretary of State seventy-two (72) hours prior to each meeting of the Board, in accordance with Sections 32-1-902(3)(b) and 18-8-308, C.R.S. Annually, legal counsel shall request that each Board member submit updated information regarding actual or potential conflicts of interest. Additionally, at the beginning of every term, legal counsel shall request that each Board member submit information regarding actual or potential conflicts of interest.

22. The District is currently a member of the Special District Association ("SDA") and is insured through the Colorado Special Districts Property and Liability Pool. The Board directs the District's accountant to pay the annual SDA membership dues and insurance premiums in a timely manner. The Board and District consultants will biannually review all insurance policies and coverage in effect to determine appropriate insurance coverage is maintained.

23. The Board hereby opts to include elected or appointed officials as employees within the meaning of Section 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs the District Manager to obtain workers' compensation coverage for the District.

24. Pursuant to Section 32-1-104.5(3)(a), C.R.S., the Board hereby designates the District's official website as <https://www.foothillsmetrodistrict.org/>. The Board directs the District manager to maintain and update the official website of the District in compliance with Section 32-1-104.5(3)(a), C.R.S.

25. The Board members have reviewed the minutes from the December 7, 2022 through October 9, 2023 meetings of the Board, which minutes are attached hereto as Exhibit A. The Board, being fully advised of the premises, hereby ratifies and affirms each and every action of the Board taken at said meetings.

26. Pursuant to Section 24-6-402(2)(d.5)(II)(E), C.R.S., the Board hereby declares that all electronic recordings of executive sessions shall be retained for purposes of the Colorado Open Meetings Law for ninety (90) days after the date of the executive session. The Board further directs the custodian of the electronic recordings of the executive session to systematically delete

all such recordings made for purposes of the Colorado Open Meetings Law at its earliest convenience after the ninetieth (90th) day after the date of the executive session.

27. The District hereby acknowledges, agrees and declares that the District's policy for the deposit of public funds shall be made in accordance with the Public Deposit Protection Act (Sections 11-10.5-101 *et seq.*, C.R.S.). As provided therein, the District's official custodian may deposit public funds in any bank which has been designated by the Colorado Banking Board as an eligible public depository. For purposes of this paragraph, "official custodian" means a designee with plenary authority including control over public funds of a public unit which the official custodian is appointed to serve. The District hereby designates the District's accountant as its official custodian over public deposits.

(Signatures Begin Next Page.)

ADOPTED AND APPROVED THIS 6TH DAY OF DECEMBER, 2023.

FOOTHILLS METROPOLITAN DISTRICT

By: Rishi Loona, President

EXHIBIT A

**Minutes from the
December 7, 2022 through
October 9, 2023
Meetings of the Board**

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
FOOTHILLS METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
DECEMBER 7, 2022

A regular meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the "Board") was convened on Wednesday, December 7, 2022, at 2:30 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors in Attendance Were:

Rishi Loona, President
Josh Kane, Treasurer
Clyde Wood, Secretary
Patrick Bunyard, Assistant Secretary
Tim DePeder, Assistant Secretary

Also in Attendance Were:

Denise Denslow, Carrie Bartow & Curtis Bourgoquin; CliftonLarsonAllen LLP ("CLA")
Alan Pogue; Icenogle Seaver Pogue, P.C.

ADMINISTRATIVE
MATTERS

Call to Order: Director Bunyard called the meeting to order at 2:33 p.m.

Disclosures of Potential Conflicts of Interest: Mr. Pogue noted that disclosures had been filed.

Approval of Agenda: Upon a motion duly made by Director DePeder, seconded by Director Kane and upon vote, unanimously carried, the Board approved the Agenda as amended to include an amendment to the 2022 Budget.

Public Comment: None.

Discuss and consider approval of 2023 insurance renewal and authorize 2023 membership to the Special District Association: Upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board approved the 2023 insurance renewal and membership to Special District Association, subject to final review of the property schedule by Director Bunyard.

CONSENT AGENDA

Minutes of the October 5, 2022 Regular Meeting:
Ratification of Claims Totaling \$299,385.33:
Consider and Approval of 2023 Annual Administrative Matters Resolution 2022-12-01:

**Consideration and Approval of 2023 Meeting Resolution 2022-12-02:
Consideration and Approval of Resolution 2022-12-03, Calling May 2, 2023
Directors' Regular Election for May 2023 Election:**

Upon a motion duly made by Director Kane, seconded by Director Loona and, upon vote, unanimously carried, the Board approved the Consent Agenda items with the insertion of the regular meeting dates on the first Wednesday of even numbered months at 2:30 p.m. via Microsoft TEAM, and to be adjusted as necessary.

**FINANCIAL
MATTERS**

October 31, 2022 Unaudited Financial Statements and December 2022 Cash Position Report: Ms. Bartow reviewed with the Board. Discussion followed regarding the schedule of developer advances and the operational costs. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Wood and, upon vote, unanimously carried, the Board accepted the October 31, 2022 Unaudited Financial Statements and December 2022 Cash Position Report as presented.

Fiscal Focus Partners LLC Engagement Letter to Perform 2022 Audit: Ms. Bartow reviewed the engagement letter with the Board and informed the Board of an increase in fee of \$650. Following review, upon a motion duly made by Director Kane, seconded by Director Loona and, upon vote, unanimously carried, the Board approved the Fiscal Focus Partners LLC engagement letter to perform the 2022 Audit in the amount of \$7,050 as presented.

Conduct Public Hearing to Consider Adoption of 2023 Budget: Upon a motion duly made by Director Wood, seconded by Director Kane and, upon vote, unanimously carried, the Board opened the public hearing at 2:55 p.m. for both the consideration of the 2023 proposed Budget as well and a 2022 Budget amendment.

It was noted that publication of notice stating that the Board would consider approval of the 2023 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

Ms. Bartow reviewed the draft 2023 Budget with the Board. Discussion followed regarding engineering costs and whether or not they should be moved to the Capital Projects Fund. It was noted for the Board that the existing Service Plan does have limits in it regarding the mill levy rates. The Board requested that CLA provide a comparison of mill levies for similar properties.

Following discussion, the Board determined that since the draft budget did not contain amounts in the Capital Projects Fund for 2023, a modification needed to

be made in the amount of \$800,000 in expenditures with the same offset on the revenue side in developer advances.

1. **Consider Adoption of Resolution 2022-12-04, Adopting 2023 Budget, Appropriating Expenditures and Certifying Mill Levies:** Upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board adopted Resolution 2022-12-04, Adopting 2023 Budget, Appropriating Expenditures and Certifying Mill Levies, subject to modifications to reflect activity in the Capital Projects Fund.

Appointment of Board member and/or General Counsel to sign DLG-70 Certification of Tax Levies: Ms. Bartow informed the Board that CLA would sign the DLG-70 form upon completion and file as necessary.

Conduct Public Hearing to Consider Amendment of 2022 Budget: It was noted that publication of notice stating that the Board would consider amendment of the 2022 Budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to the public hearing.

1. **Consider Adoption of Resolution 2022-12-05 to Amend 2022 Budget:** Ms. Bartow informed the Board that the 2022 Capital Projects Fund would need to be amended to reflect expenditures anticipated through the end of the year. Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board Adopted Resolution 2022-12-05 to Amend the 2022 Budget's Capital Projects Fund from \$219,303 to \$450,000.

The Board closed the public hearing.

Other: None.

FINANCIAL
MATTERS

LEGAL
MATTERS

Consideration and Approval of First Amendment to 2022 Funding and Reimbursement Agreement with MXD Fort Collins, LLC for Operation Costs: Attorney Pogue informed the Board noting that the 2022 agreement does not include costs for 2023. Therefore, the term needs to be extended, and the amount of the funding amount increased. Discussion followed regarding interest rates in both this agreement and the Capital Funding Agreement. The Board determined that the interest rate, if there are no provisions in the existing Service Plan to limit it, should be the greater of the prime plus 2 or 6, not to exceed 8%, with no compounding.

Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board approved the First Amendment to 2022 Funding and Reimbursement Agreement with MXD Fort Collins, LLC for Operation Costs to extend the term to December 31, 2023, increase the funding amount by \$60,000 to cover expenditures and confirm interest rate, subject to legal review of the interest rate provisions of the Service Plan.

Consideration and Approval of First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with MXD Fort Collins, LLC for Capital Costs: Attorney Pogue informed the Board noting that the 2022 agreement does not include costs for 2023. Therefore, the term needs to be extended, and the amount of the funding amount increased. Discussion followed regarding the same topics in prior agenda item. Following discussion, upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board approved the First Amendment to Improvement Acquisition, Advance and Reimbursement Agreement with MXD Fort Collins, LLC for Capital Costs to extend the term to December 31, 2023, increase the funding amount by \$800,000 to cover expenditures, and confirm interest rate, subject to legal review of the interest rate provisions of the Service Plan.

Ratify Event Holiday Lights Agreement: Upon a motion duly made by Director Bunyard, seconded by Director Kane and, upon vote, unanimously carried, the Board ratified approval of the Event Holiday Lights Agreement.

Ratify Tree Lighting Agreement: Upon a motion duly made by Director Bunyard, seconded by Director Kane and, upon vote, unanimously carried, the Board ratified approval of the Tree Lighting Agreement.

Ratify Mountain West Landscapes, LLC Snow Agreement: Upon a motion duly made by Director Bunyard, seconded by Director Kane and, upon vote, unanimously carried, the Board ratified approval of the Mountain West Landscapes, LLC Snow Agreement.

Consider Approval of Consent Resolution to Entitle the Metro District Surface Parking: Attorney Pogue noted that this item includes all metro district property and is not confined to the surface parking area as noted in the agenda item. Following discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Consent Resolution to entitle the Metro District Surface Parking.

CONSTRUCTION

None.

REPORT

MANAGER
ITEMS

Approval of CliftonLarsonAllen LLP 2023 Statements of Work: Ms. Denslow reviewed with the Board. Following review, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved CliftonLarsonAllen LLP 2023 Statements of Work as presented.

DIRECTOR
ITEMS

Other: None.

OTHER
BUSINESS

None.

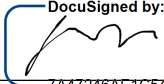
EXECUTIVE
SESSION

Executive Session pursuant to Section 24-6-402(4)(e), C.R.S. if needed:
Executive Session was not needed.

ADJOURNMENT

There being no further business to come before the Board, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the meeting was adjourned at 3:34 p.m.

Respectfully submitted,

By  _____
Secretary for the Meeting

MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
FOOTHILLS METROPOLITAN DISTRICT (THE “DISTRICT”)
HELD
FEBRUARY 17, 2023

A special meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the “Board”) was convened on Friday, February 17, 2023 at 1:30 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors in Attendance Were:

Rishi Loona, President
Josh Kane, Treasurer
Clyde Wood, Secretary
Patrick Bunyard, Assistant Secretary

Director Tim DePeder was absent and excused

Also in Attendance Were:

Denise Denslow, Carrie Bartow & Curtis Bourgoquin; CliftonLarsonAllen LLP (“CLA”)
Alan Pogue; Icenogle Seaver Pogue, P.C.

ADMINISTRATIVE
MATTERS

Call to Order: Director Bunyard called the meeting to order at 1:34 p.m.

Disclosures of Potential Conflicts of Interest: Mr. Pogue noted that disclosures had been filed.

Approval of Agenda: Upon a motion duly made by Director Kane, seconded by President Loona and, upon vote, unanimously carried, the Board approved the Agenda as presented.

Public Comment: None.

CONSENT AGENDA

**Minutes of the December 7, 2022 Regular Meeting:
Ratification of Claims Totaling \$171,099.57:**

Upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Consent Agenda items as presented.

FINANCIAL
MATTERS

December 31, 2022 Unaudited Financial Statements and February 2023 Cash Position Report: Mr. Bourgoquin reviewed with the Board. Discussion followed regarding the timing of property tax receipts and expenditures in both

the General Fund and Capital Projects Fund. Following review and discussion, upon a motion duly made by Director Kane, seconded by President Loona and, upon vote, unanimously carried, the Board accepted the December 31, 2022 Unaudited Financial Statements and February 2023 Cash Position Report as presented.

Other: The 2023 Budget was revisited with discussion following regarding the composition of anticipated developer advances for capital projects.

LEGAL MATTERS

Other: None.

CONSTRUCTION REPORT

No report.

MANAGER ITEMS

None.

DIRECTOR ITEMS

Consider Approval of Environment Designs Inc. 2023 Landscape Maintenance Agreement and Pond Cleaning Services Addendum: Ms. Denslow briefly review the two service agreements. Director Kane inquired if they were within budget and if the agreements have provisions for termination if the services were not performed to satisfaction. Both questions were affirmed. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Environment Designs Inc. 2023 Landscape Maintenance Agreement and Pond Cleaning Services Addendum.

Other: None.

OTHER BUSINESS

None.

EXECUTIVE SESSION

Executive Session pursuant to Section 24-6-402(4)(e), C.R.S., if needed: Not needed.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 2:02 p.m.

Respectfully submitted,

By Patrick Bunyard
Secretary for the Meeting

DocuSigned by:

Patrick Bunyard

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MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
FOOTHILLS METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
APRIL 5, 2023

A regular meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the "Board") was convened on Wednesday, April 5, 2023 at 2:30 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors in Attendance Were:

Rishi Loona, President
Josh Kane, Treasurer
Patrick Bunyard, Assistant Secretary
Tim DePeder, Assistant Secretary

Also in Attendance Were:

Denise Denslow, Carrie Bartow, Curtis Bourgouin & Sandy Brandenburger;
CliftonLarsonAllen LLP ("CLA")
Alan Pogue; Icenogle Seaver Pogue, P.C.

ADMINISTRATIVE
MATTERS

Call to Order: Ms. Denslow called the meeting to order at 2:33 p.m.

Disclosures of Potential Conflicts of Interest: Mr. Pogue noted that disclosures had been filed.

Approval of Agenda: Upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board amended the Agenda with the addition of the Colorado Asphalt Works Inc Proposal review under Manager Items.

Public Comment: None.

Acceptance of Clyde Wood's Resignation: Following discussion, upon a motion duly made by Director Kane, seconded by President Loona and, upon vote, unanimously carried, the Board accepted Clyde Wood's resignation.

CONSENT AGENDA

Minutes of the February 17, 2023 Special Meeting:
Ratification of Claims Totaling \$171,099.57:

Ms. Denslow reviewed with the Board. Director Kane inquired about security invoices. The Board discussed the bill.com process due to Clyde Wood's resignation from the Board. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote,

unanimously carried, the Board approved the Consent Agenda items as presented.

FINANCIAL
MATTERS

February 28, 2023 Unaudited Financial Statements and April 2023 Cash Position Report: Mr. Bourgouin reviewed with the Board. Attorney Pogue relayed discussion regarding new expectations with McWhinney. Director Kane requested that Attorney Pogue set up meeting with Clyde Wood, Mike Tonniges and CLA to have further discussions. Following review and discussion, upon a motion duly made by Director DePeder, seconded by Director Bunyard and, upon vote, unanimously carried, the Board accepted the February 28, 2023 Unaudited Financial Statements and April 2023 Cash Position Report as presented.

Other: The 2023 Budget was revisited with discussion following regarding the composition of anticipated developer advances for capital projects.

LEGAL
MATTERS

Other: Attorney Pogue informed the Board that the May 2, 2023 Election has been cancelled, and Directors Bunyard, DePeder and Loona will be up for re-election.

MANAGER
ITEMS

Ratify Green Thumb Plantscape Maintenance Agreement: Ms. Denslow reviewed the agreement with the Board. Following review, upon a motion duly made by Director Kane, seconded by President Loona and, upon vote, unanimously carried, the Board ratified the Green Thumb Plantscape Maintenance Agreement as presented.

Ratify Green Thumb Plantscape Exterior Annuals Agreement: Ms. Denslow reviewed the agreement with the Board. Following review, upon a motion duly made by Director Kane, seconded by President Loona and, upon vote, unanimously carried, the Board ratified the Green Thumb Plantscape Exterior Annuals Agreement as presented

Other: Review Colorado Asphalt Works Inc. Proposal for Repairs: Ms. Denslow reviewed with the Board. Following review, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Colorado Asphalt Works Inc. Proposal as presented. CLA will send the formal prepared contract for signatures and will bring back to the June meeting for ratification of approval.

DIRECTOR
ITEMS

Discuss Vacant Director Position: Attorney Pogue noted that Clyde Wood's seat would be re-filled after the May 2, 2023 Election and his office will publish a Notice of Vacancy to fill the seat.

OTHER
BUSINESS

None.

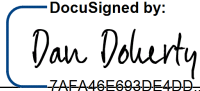
EXECUTIVE
SESSION

Executive Session pursuant to Section 24-6-402(4)(e), C.R.S., if needed: Not needed.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 3:14 p.m.

Respectfully submitted,

By  7AFA48E693DE4DD...
Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF
THE BOARD OF DIRECTORS OF THE
FOOTHILLS METROPOLITAN DISTRICT (THE "DISTRICT")
HELD
JUNE 7, 2023

A regular meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the "Board") was convened on Wednesday, June 7, 2023 at 2:30 p.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors in Attendance Were:

Rishi Loona, President
Josh Kane, Treasurer
Patrick Bunyard, Assistant Secretary
Tim DePeder, Assistant Secretary

Also in Attendance Were:

Denise Denslow, Curtis Bourgouin & Sandy Brandenburger;
CliftonLarsonAllen LLP ("CLA")
Alan Pogue; Icenogle Seaver Pogue, P.C.
Dan Doherty; McWhinney arrived at 3:05 p.m.
Mike Tonniges; McWhinney arrived at 3:34 p.m.

ADMINISTRATIVE MATTERS

Call to Order: Ms. Denslow called the meeting to order at 2:35 p.m.

Disclosures of Potential Conflicts of Interest: Mr. Pogue noted that disclosures had been filed.

Approval of Agenda: Upon a motion duly made by Director Bunyard, seconded by Director DePeder and, upon vote, unanimously carried, the Board approved the Agenda.

Public Comment: None.

Appointment of Director and Election of Officers: Attorney Pogue informed the Board that a Notice of Vacancy had been published. He stated that Dan Doherty is qualified to be appointed to the Board. Following discussion, upon a motion duly made by Director DePeder, seconded by Director Bunyard and, upon vote, unanimously carried, the Board appointed Dan Doherty to the Board and elected his seat of office as Vice President/Secretary. The slate remains the same for the rest of the directors.

RECORD OF PROCEEDINGS

CONSENT AGENDA

Minutes of the April 5, 2023 Regular Meeting: Ratification of Claims Totaling \$123,292.77:

Ms. Denslow reviewed the consent agenda with the Board. Following review and discussion, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board approved the Consent Agenda items as presented.

FINANCIAL MATTERS

April 30, 2023 Unaudited Financial Statements and June 2023 Cash Position Report: Mr. Bourgoiu reviewed with the Board. Following review, upon a motion duly made by Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board accepted the April 30, 2023 Unaudited Financial Statements and June 2023 Cash Position Report as presented.

2022 Audit: Mr. Bourgoiu informed the Board that the 2022 Audit has been drafted and is in the review phase, and then will be sent to the Auditor (Fiscal Focus Partners) to receive their opinion.

Bond Discussion: Director Kane stated that the District is in a position to potentially consider a refinancing of the existing debt. Discussion followed. The Board requested that CLA finalize and distribute an RFP for Financial Advisor and Underwriter services to be considered at the next board meeting.

LEGAL MATTERS

None.

MANAGER ITEMS

Ratify District Service Agreement with Asphalt Works Inc.: Ms. Denslow reviewed the agreement with the Board. Following review, upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board ratified the District Service Agreement with Asphalt Works Inc., as presented.

Ratify Russell + Mills Services Contract for Landscape Architect: Ms. Denslow reviewed the agreement with the Board. Director Kane raised concerns regarding the ratification due to the Board not reviewing and being aware of the contents without knowing if work went out for bid and discussions of contract not reviewed ahead of the meeting. The Board requested that Mike Tonniges join the meeting to provide further clarification. Mr. Tonniges reviewed/explained to the Board that the design work scope had stepped down from a full redevelopment master plan and thus the need for a change in vendor as the previous contractor was selected specifically for that master plan level service.

RECORD OF PROCEEDINGS

Following discussion, Attorney Pogue suggested to ratify the agreement, subject to due diligence and negotiations between the District and Developer with possible future reimbursements if needed.

Upon a motion duly made by Director Kane, seconded by Director Bunyard and, upon vote, unanimously carried, the Board ratified the Russell + Mills Services Contract for Landscape Architect, subject to negotiation with MDX regarding future reimbursement.

DIRECTOR
ITEMS

None.

OTHER
BUSINESS

Executive Session pursuant to Section 24-6-402(4)(e), C.R.S., if needed: Not needed.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 3:56 p.m.

Respectfully submitted,

By _____
DocuSigned by:
Dan Dolerty
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Secretary for the Meeting

RECORD OF PROCEEDINGS

MINUTES OF SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE FOOTHILLS METROPOLITAN DISTRICT (THE "DISTRICT") HELD SEPTEMBER 22, 2023

A special meeting of the Board of Directors of the Foothills Metropolitan District (referred to hereafter as the "Board") was convened on Friday, September 22, 2023 at 9:00 a.m. This District Board meeting was held via Microsoft Teams. The meeting was open to the public.

ATTENDANCE

Directors in Attendance Were:

Rishi Loona, President
Josh Kane, Treasurer
Dan Doherty, Vice President/Secretary
Tim DePeder, Assistant Secretary

Director Patrick Bunyard was absent and excused.

Also in Attendance Were:

Denise Denslow, Curtis Bourgoquin & Sandy Brandenburger;
CliftonLarsonAllen LLP ("CLA")
Alan Pogue; Icenogle Seaver Pogue, P.C.

ADMINISTRATIVE MATTERS

Call to Order: Ms. Denslow called the meeting to order at 9:04 a.m.

Disclosures of Potential Conflicts of Interest: Mr. Pogue noted that disclosures had been filed.

Approval of Agenda: Upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board approved the Agenda.

Public Comment: None.

CONSENT AGENDA

Minutes of June 7, 2023 Regular Meeting: Upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board approved the June 7, 2023 Regular Meeting Minutes.

LEGAL MATTERS

Ratify June 19, 2023 Ground Engineering Service Agreement Regarding Foothills Mall Redevelopment 2023 Improvements: Upon a motion duly made by Director Kane, seconded by Director DePeder and, upon vote, unanimously carried, the Board ratified the June 19, 2023 Ground Engineering Service Agreement Regarding Foothills Mall Redevelopment 2023 Improvements as presented.

RECORD OF PROCEEDINGS

Ratify First Amendment to Services Agreement with Russell + Mills

Studios: Director Kane questioned the amount of money being spent and requested due to amount, to stop all work.

Review and Consider Proposals for Financial Advisor and Underwriter

Services: Ms. Denslow reviewed the proposals with the Board.

D.A. Davidson
Piper Sandler
Stifel
Wells Fargo

Following discussion, Director DePeder would like to reach out to Jonathan and Key for MA work. Director Kane is not sold on doing MA and stated this maybe needed for reassessment later.

Upon a motion duly made by Director Loona, seconded by Director Kane and, upon vote, unanimously carried, the Board approved Wells Fargo as underwriter as the lowest proposal submitted. The Board will reach out to others for MA work.

**DIRECTOR
MATTERS**

None.

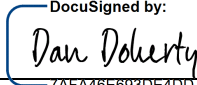
**OTHER
BUSINESS**

Executive Session pursuant to Section 24-6-402(4)(e), C.R.S., if needed.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 9:38 am.

Respectfully submitted,

By  _____
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Secretary for the Meeting

**RESOLUTION OF
THE BOARD OF DIRECTORS OF
FOOTHILLS METROPOLITAN DISTRICT**

2024 MEETING RESOLUTION

WHEREAS, Foothills Metropolitan District (the “District”) was organized pursuant to Section 32-1-101 *et seq.*, C.R.S. of the “Special District Act;” and

WHEREAS, on December 7, 2022, the District adopted a 2023 Meeting Resolution designating the time and place of regular meetings, posting locations for meeting notices, and requirements for emergency meetings (the “Prior Meeting Resolution”); and

WHEREAS, pursuant to Section 32-1-903(1), C.R.S., the Board of Directors (the “Board”) of the District shall meet regularly at a “Location” to be designated by the Board; and

WHEREAS, pursuant to Section 32-1-903(5)(a), C.R.S., the term “Location” means the physical, telephonic, electronic, other virtual place, or combination of such means where a meeting can be attended; and

WHEREAS, Section 32-1-903(1.5), C.R.S., requires that all meetings of the Board that are held solely at physical locations must be held at physical locations that are within the boundaries of the District or which is within the boundaries of any county in which the District is located, in whole or in part, or in any county so long as the meeting location does not exceed twenty (20) miles from the District’s boundaries; and

WHEREAS, the provisions of Section 32-1-903(1.5), C.R.S. may be waived only if the following criteria are met: (a) The proposed change of the physical location of the Board appears on the agenda of a meeting of the Board, and (b) A resolution is adopted by the Board stating the reason for which meeting of the Board is to be held in a physical location under than the provisions of Section 32-1-903(1.5), C.R.S., and further stating the date, time, and physical location of such meeting; and

WHEREAS, pursuant to Section 32-1-903(2)(a), C.R.S., special meetings may be held as often as the needs of the District require, upon notice to each director, and may include study sessions at which a quorum of the Board are in attendance, and at which information is presented but no official action can be taken by the Board; and

WHEREAS, Sections 32-1-903(2) and 24-6-402(2)(c), C.R.S. govern meeting notices provided by special districts for all public meetings as set forth below; and

WHEREAS, pursuant to Section 32-1-903(2), C.R.S. notice of the time and location designated for all regular and special meetings of the Board shall be provided in accordance with Section 24-6-402, C.R.S.; and

WHEREAS, Section 24-6-402(2)(c)(I), C.R.S. requires the District to annually designate one public place within the boundaries of the District where notice of the Board’s meetings shall

be posted no less than twenty-four (24) hours prior to the Board's meetings, and where possible, the posting shall include specific agenda information; and

WHEREAS, pursuant to Section 24-6-402(2)(c)(III), C.R.S., the District shall be deemed to have given full and timely notice of a public meeting if the District posts the notice, with specific agenda information if available, no less than twenty-four (24) hours prior to the meeting on the public website of the District; and

WHEREAS, if the District posts notice on the District's public website pursuant to Section 24-6-402(2)(c)(III), C.R.S., the District must also designate a public place within its boundaries at which the District may post a notice no less than twenty-four (24) hours prior to a meeting if the District is unable to post notice online in exigent or emergency circumstances; and

WHEREAS, the meeting notice of all meetings of the Board that are held telephonically, electronically, or by other means not including physical presence must include the method or procedure, including the conference number or link, by which members of the public can attend the meeting in accordance with Section 32-1-903(2)(a), C.R.S.; and

WHEREAS, Section 32-1-903(6)(a), C.R.S. requires that the Board hold an annual meeting at a time and location to be designated by the Board and such location may be in person, virtual, or in person and virtual; provided that if the annual meeting is held solely in person, then it must be held at a physical location within the boundaries of the District, within the boundaries of any county in which the District is located, in whole or in part, or within any other county so long as the physical location does not exceed five (5) miles from the District's boundaries; and

WHEREAS, the Board desires to designate the time and place of all regular meetings, and to set forth specific requirements for the Board to call emergency meetings when such meetings are deemed necessary for the immediate protection of the public health, safety, and welfare of the property owners and residents of the District for the ensuing year of 2024, pursuant to this 2024 Meeting Resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF FOOTHILLS METROPOLITAN DISTRICT THAT:

1. The Board hereby determines to hold regular meetings on the first Wednesday of even numbered months at 2:30 P.M. The location of all regular and special meetings of the Board shall be held electronically via MS Team or other reliable virtual or telephonic platform.
2. The Board hereby determines to hold its annual meeting as required by Section 32-1-903(6), C.R.S. prior to or after the meeting at which the District adopts its 2025 budget via MS Team or other reliable virtual or telephonic platform.
3. The meeting notice of all meetings of the Board that are held telephonically, electronically, or by other means not including physical presence shall include the method or procedure, including the conference number or link, by which members of the public can attend the meeting.

4. The Board hereby designate the District's public website, <https://www.foothillsmetrodistrict.org/>, as the twenty-four (24) hour posting location for all meeting notices. The Board hereby designates the posting location along Peakview near the Curb Cut as the posting location for meeting notices if the District is unable to post a notice online in exigent or emergency circumstances.

5. The designations set forth in Paragraph 4 are hereby deemed to be the Board's annual designation of the location where notices of meetings shall be posted twenty-four (24) hours in advance of said meetings and shall be effective until such time as the Board determine to designate a new posting location.

6. Emergency meetings may be called by the District without notice, if notice is not practicable, by the President or any two (2) Board members in the event of an emergency that requires the immediate action of the Board in order to protect the public health, safety, and welfare of the property owners and residents of the District. If possible, notice of such emergency meeting may be given to the members of the Board by telephone or whatever other means are reasonable to meet the circumstances of the emergency, and shall be provided to the public via any practicable means available, *if any*, including, but not limited to, posting notice of such emergency meeting on the District's website. At such emergency meeting, any action within the power of the Board that is necessary for the immediate protection of the public health, safety and welfare may be taken; provided however, that any action taken at an emergency meeting shall be ratified at the first to occur: (a) the next regular meeting of the District's Board, or (b) the next special meeting of the District's Board.

7. This Resolution shall repeal, supersede, and replace the Prior Meeting Resolution and any and all previous resolutions or provisions of previous resolutions adopted by the Board concerning meeting location, time, and posting of notices.

8. This Resolution shall take effect as of January 1, 2024.

(Signature Page Follows.)

ADOPTED AND APPROVED THIS 6TH DAY OF DECEMBER 2023.

FOOTHILLS METROPOLITAN DISTRICT

By: _____
Rishi Loona, President

Signature Page to 2024 Meeting Resolution

**RESOLUTION
OF THE BOARD OF DIRECTORS OF
FOOTHILLS METROPOLITAN DISTRICT**

A RESOLUTION ADOPTING AND APPROVING A FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED PUBLIC RECORDS POLICY REGARDING THE INSPECTION, RETENTION AND DISPOSAL OF PUBLIC RECORDS

WHEREAS, the Colorado Open Records Act (“Open Records Act”), as set forth in Section 24-72-200.1, *et seq.*, C.R.S., as amended, requires all public records of political subdivisions of the State to be open for inspection by any person at reasonable times except as otherwise provided in the Open Records Act; and

WHEREAS, on November 1, 2021, via resolution, the Board of Directors (the “Board”) for Foothills Metropolitan District (the “District”) adopted a Second Amended and Restated Public Records Policy Regarding the Inspection, Retention and Disposal of Public Records in compliance with the Open Records Act (the “Public Records Policy”); and

WHEREAS, the Board desires to amend the Public Records Policy to clarify when a public records request is deemed received by the District in accordance with the Open Records Act.

NOW THEREFORE, THE BOARD OF DIRECTORS OF FOOTHILLS METROPOLITAN DISTRICT HEREBY ADOPTS THE FOLLOWING FIRST AMENDMENT TO THE PUBLIC RECORDS POLICY:

1. Amendment to Public Records Policy. The Public Records Policy is hereby amended to add the following language:

Upon the receipt of a written request to inspect Public Records, the Official Custodian or his or her designee shall set a date and hour at which time the requested Public Records will be available for inspection, which date and hour of inspection shall be between the hours of 8:00 A.M. and 5:00 P.M., Mountain Standard Time, three (3) working days or less from the date such Public Records were requested for inspection unless extenuating circumstances exist as provided in Section 24-72-203(3)(b), C.R.S. The day the public records request is received, weekends, and legally recognized holidays shall not count as a working day for the purposes of computing the date set for inspection of Public Records.

2. Future Amendments to Public Records Policy. The Board of the District may further amend the Public Records Policy from time to time as the Board deems necessary.

3. Effective Date. This Resolution shall take effect on the date and at the time of its adoption.

(Signature Page Follows.)

APPROVED AND ADOPTED THIS 6TH DAY OF DECEMBER, 2023.

FOOTHILLS METROPOLITAN DISTRICT

By: _____
Rishi Loona, President

Foothills Metro District
Claims Listing 6/7/23 to 12/1/23

<u>Process Date</u>	<u>Vendor</u>	<u>Invoice Number</u>	<u>Amount</u>
6/23/2023	Advantage Security Inc.	Multiple	\$ 8,843.96
6/23/2023	All Sweep Inc	23-410	2,424.00
6/23/2023	CliftonLarsonAllen LLP	Multiple	4,128.14
6/23/2023	Colorado Hardscapes	2776	1,530.00
6/23/2023	Dogwood Forestry	163	700.00
6/23/2023	Environmental Design Inc.	166733	5,520.55
6/23/2023	Federal Building Services Inc.	0129470-IN	4,504.24
6/23/2023	Fort Collins Utilities	Multiple	5,724.95
6/23/2023	Green Thumb Plantscape	40787	22,975.27
6/23/2023	Icenogle Seaver Pogue	23618	2,993.44
6/23/2023	KONE	871063627	2,679.42
6/23/2023	McWhinney Real Estate Services	389435	254.00
7/28/2023	Advantage Security Inc.	470213	2,158.15
7/28/2023	Advantage Security Inc.	470057	2,158.15
7/28/2023	Advantage Security Inc.	469893	2,158.15
7/28/2023	Advantage Security Inc.	469738	2,158.15
7/28/2023	Advantage Security Inc.	470384	2,322.95
7/28/2023	All Sweep Inc	23-539	2,424.00
7/28/2023	CliftonLarsonAllen LLP	3763291	911.40
7/28/2023	CliftonLarsonAllen LLP	3765331	1,814.51
7/28/2023	CliftonLarsonAllen LLP	3765108	3,467.70
7/28/2023	Colorado Hardscapes	2816	1,530.00
7/28/2023	Environmental Design Inc.	167425	815.32
7/28/2023	Environmental Design Inc.	168305	5,520.55
7/28/2023	Federal Building Services Inc.	0130325-IN	4,504.24
7/28/2023	Fort Collins Utilities	725633-88394 JULY	2,187.13
7/28/2023	Green Thumb Plantscape	40943	3,630.27
7/28/2023	Icenogle Seaver Pogue	23844	2,111.50
7/28/2023	Redline Fire Services	FXS-230297	485.00
8/7/2023	Russell Mills Studios Inc.	523004	14,664.00
8/17/2023	Advantage Security Inc.	470799	2,158.15
8/17/2023	Advantage Security Inc.	470964	2,158.15
8/17/2023	Advantage Security Inc.	471121	2,158.15
8/17/2023	Advantage Security Inc.	471531	2,345.06
8/17/2023	All Sweep Inc	23-636	2,424.00
8/17/2023	CliftonLarsonAllen LLP	3802322	1,285.20
8/17/2023	CliftonLarsonAllen LLP	3800158	3,166.70
8/17/2023	CliftonLarsonAllen LLP	3802405	3,431.04
8/17/2023	CliftonLarsonAllen LLP	3831284	4,073.54
8/17/2023	Colorado Asphalt Works Inc.	70371	3,495.00
8/17/2023	Colorado Hardscapes	2907	1,530.00
8/17/2023	Environmental Design Inc.	169727	5,520.55
8/17/2023	Federal Building Services Inc.	0130933-IN	4,504.24

<u>Process Date</u>	<u>Vendor</u>	<u>Invoice Number</u>	<u>Amount</u>
8/17/2023	Green Thumb Plantscape	41098	3,400.00
8/17/2023	Icenogle Seaver Pogue	24000	8,989.50
8/29/2023	Russell Mills Studios Inc.	623038	3,751.00
8/29/2023	Russell Mills Studios Inc.	623039	5,626.50
9/6/2023	Farnsworth Group Inc.	243931	31,832.00
9/6/2023	Russell Mills Studios Inc.	823021	6,915.00
9/6/2023	Russell Mills Studios Inc.	723020	9,526.03
9/6/2023	Russell Mills Studios Inc.	823022	10,372.50
9/6/2023	Russell Mills Studios Inc.	723021	14,300.68
9/26/2023	Advantage Security Inc.	Multiple	11,079.22
9/26/2023	All Sweep Inc	23-735	2,424.00
9/26/2023	CliftonLarsonAllen LLP	Multiple	4,100.74
9/26/2023	Environmental Design Inc.	Multiple	11,680.96
9/26/2023	Federal Building Services Inc.	0131760-IN	4,504.24
9/26/2023	Fort Collins Utilities	Multiple	4,697.12
9/26/2023	Green Thumb Plantscape	41221	3,400.00
9/26/2023	KONE	871134253	2,826.78
10/31/2023	Advantage Security Inc.	Multiple	6,474.45
10/31/2023	All Sweep Inc	23-858	2,424.00
10/31/2023	CliftonLarsonAllen LLP	3872040	2,143.83
10/31/2023	CliftonLarsonAllen LLP	3870837	2,257.43
10/31/2023	CliftonLarsonAllen LLP	3870840	2,271.94
10/31/2023	Colorado Hardscapes	Multiple	3,060.00
10/31/2023	Environmental Design Inc.	Multiple	6,221.23
10/31/2023	Federal Building Services Inc.	0132543-IN	4,504.24
10/31/2023	Fiscal Focus Partners, LLC	23098	7,050.00
10/31/2023	Fort Collins Utilities	725633-88394 Oct23	2,249.34
10/31/2023	Green Thumb Plantscape	41346	3,400.00
10/31/2023	Icenogle Seaver Pogue	Multiple	12,276.50
10/31/2023	Redline Fire Services	FSI-230336	660.00
10/31/2023	UMB Bank, NA	958921	3,500.00
11/17/2023	Advantage Security Inc.	Multiple	8,920.92
11/17/2023	All Sweep Inc	23-956	2,424.00
11/17/2023	CliftonLarsonAllen LLP	3957611	2,419.56
11/17/2023	CliftonLarsonAllen LLP	3911817	3,045.00
11/17/2023	CliftonLarsonAllen LLP	3911818	3,160.88
11/17/2023	CliftonLarsonAllen LLP	3957441	4,633.26
11/17/2023	CliftonLarsonAllen LLP	3924215	4,772.98
11/17/2023	Colorado Hardscapes	3126	1,530.00
11/17/2023	Environmental Design Inc.	Multiple	18,729.05
11/17/2023	Federal Building Services Inc.	0133120-IN	4,504.24
11/17/2023	Icenogle Seaver Pogue	24550	828.50
11/17/2023	Mountain West Landscapes LLC	S2324-006-1	5,000.25
11/29/2023	Ground Engineering	230024.0-1	2,000.00
11/29/2023	McWhinney Real Estate Services	Multiple	3,157.50
11/29/2023	Russell Mills Studios Inc.	Multiple	38,417.50
		Total	\$ 457,011.79

October 13, 2023

To the Board of Directors and Management
Foothills Metropolitan District
Larimer County, Colorado

We are pleased to confirm our understanding of the services we are to provide Foothills Metropolitan District (the District) for the year ended December 31, 2023.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities and each major fund, and the disclosures, which collectively comprise the basic financial statements of the District as of and for the year ended December 31, 2023. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement the District's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. If the District elects to omit the MD&A, as in prior years, our report will contain a statement that the District has omitted MD&A. The Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual – General Fund, will be subjected to the auditing procedures applied in our audit of the financial statements.

We have also been engaged to report on supplementary and other information, other than RSI, that accompanies the District's financial statements. We will subject the following supplementary information, as applicable, to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (GAAS), and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

- 1) Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Debt Service Fund
- 2) Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual – Capital Projects Fund
- 3) Schedule of Debt Service Requirements to Maturity, where applicable
- 4) Schedule of Assessed Valuation, Mill Levy, and Property Taxes Collected, where applicable

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; issue an auditor's report that includes our opinion about whether the District's financial statements are fairly presented, in all material respects in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement of a reasonable user made based on the financial statements.

Fiscal Focus Partners, LLC

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and will include tests of your accounting records and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS, we exercise professional judgement and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the District or to acts by management or employees acting on behalf of the District.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

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

We may from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of the financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the District and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of the District's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities for any nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with accounting principles generally accepted in the United States of America with the oversight of those charged with governance.

Management is responsible for making drafts of the financial statements, all financial records and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the District from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the District involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the District received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the District complies with applicable laws and regulations.

You are responsible for the preparation of the supplementary information in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Engagement Administration, Fees, and Other

We understand that your employees or consultants will prepare the financial statements and all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

The audit documentation for this engagement is the property of Fiscal Focus Partners, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will

be made available upon request and in a timely manner to an applicable regulator or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Fiscal Focus Partners, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to an applicable regulator or its designee. The applicable regulator or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on a date mutually agreed to by your accountants and our firm, and to issue our reports no later than July 31, 2024, or September 30, 2024 if the District is eligible for, and management requests, an extension of time from the state auditor. If the originally scheduled audit commencement date is not met due to delays in availability of required information and rescheduling is necessary, we will advise you of any change in anticipated report issuance dates. Eric Barnes, Lisa Pastore or Heather Prewitt will be the engagement partner and will be responsible for supervising the engagement and signing the report or authorizing another individual to sign it. Our audit engagement commences when all information necessary to conduct the audit is available and provided to us, and ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service. This engagement agreement may be cancelled by you or by us upon written notice provided at least 60 days prior to engagement commencement.

Our fee for these services will be \$7,300 plus out-of-pocket costs (such as postage, mileage, etc.). Our invoice for these fees will be rendered upon completion of fieldwork and in-house review and is payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel, contractors, and professionals, and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of the District’s financial statements. Our report will be addressed to the Board of Directors of the District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor’s report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or withdraw from this engagement.

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

Very truly yours,

Fiscal Focus Partners

Fiscal Focus Partners, LLC

RESPONSE:

This letter correctly sets forth the understanding of Foothills Metropolitan District.

Authorized signature: _____ Title: _____

Date: _____

FOOTHILLS METROPOLITAN DISTRICT
ANNUAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2024

**FOOTHILLS METROPOLITAN DISTRICT
SUMMARY
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 7/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 8,946,080	\$ 8,271,084	\$ 8,496,437	\$ 8,496,437	\$ 8,559,295	\$ 8,559,295
REVENUES						
Property taxes	762,136	759,840	754,618	759,840	581,637	578,950
Specific ownership taxes	152,242	152,030	91,266	152,030	58,198	58,085
FCURA - District property taxes	1,372,962	1,412,013	1,402,258	1,410,914	1,081,505	1,086,127
FCURA - Property Tax Increment	1,887,981	1,476,150	1,896,858	1,908,320	1,071,828	1,068,046
Sales Tax Revenue	523,072	550,000	807,961	807,961	825,000	825,000
Interest income	156,981	155,371	239,873	326,270	313,679	312,779
Developer advance	-	860,000	95,000	261,000	342,000	342,000
Other revenue	24,816	36,000	7,755	10,000	15,000	15,000
PIF revenue	1,166,269	975,000	593,442	975,000	1,000,000	1,000,000
Total revenues	6,046,459	6,376,404	5,889,031	6,611,335	5,288,847	5,285,987
TRANSFERS IN	167,275	-	-	-	-	-
Total funds available	15,159,814	14,647,488	14,385,468	15,107,772	13,848,142	13,845,282
EXPENDITURES						
General and administrative	223,620	248,302	166,004	280,715	318,226	318,226
Operations and maintenance	307,252	472,500	316,480	494,000	524,500	524,500
Debt service	5,580,613	5,670,812	1,990,406	5,670,812	5,807,088	5,807,088
Capital projects	384,617	800,000	79,700	102,950	-	-
Total expenditures	6,496,102	7,191,614	2,552,590	6,548,477	6,649,814	6,649,814
TRANSFERS OUT	167,275	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	6,663,377	7,191,614	2,552,590	6,548,477	6,649,814	6,649,814
ENDING FUND BALANCES	\$ 8,496,437	\$ 7,455,874	\$ 11,832,878	\$ 8,559,295	\$ 7,198,328	\$ 7,195,468
EMERGENCY RESERVE	\$ 16,600	\$ 18,000	\$ 15,900	\$ 16,500	\$ 12,900	\$ 12,900
AVAILABLE FOR OPERATIONS	6,725	326	203,188	473	1,243	827
DEBT SERVICE RESERVE	7,295,000	7,295,000	7,295,000	7,295,000	7,127,848	7,127,814
TOTAL RESERVE	\$ 7,318,325	\$ 7,313,326	\$ 7,514,088	\$ 7,311,973	\$ 7,141,991	\$ 7,141,541

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT
PROPERTY TAX SUMMARY INFORMATION
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 7/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
ASSESSED VALUATION						
Residential - Multi-family	\$ 7,355,205	\$ 6,995,160	\$ 6,995,160	\$ 6,995,160	\$ 7,599,799	\$ 7,526,778
Commercial	25,157,107	25,163,157	25,163,157	25,163,157	15,961,348	15,961,348
State assessed	46,037	62,045	62,045	62,045	64,211	64,211
Vacant land	-	122	122	122	140	140
	<u>32,558,349</u>	<u>32,220,484</u>	<u>32,220,484</u>	<u>32,220,484</u>	<u>23,625,498</u>	<u>23,552,477</u>
Adjustments	(21,018,629)	(20,947,894)	(20,947,894)	(20,947,894)	(15,367,239)	(15,367,239)
Certified Assessed Value	<u>\$ 11,539,720</u>	<u>\$ 11,272,590</u>	<u>\$ 11,272,590</u>	<u>\$ 11,272,590</u>	<u>\$ 8,258,259</u>	<u>\$ 8,185,238</u>
MILL LEVY						
General	15.000	15.555	15.555	15.555	16.253	16.322
Debt Service	50.363	51.851	51.851	51.851	54.178	54.409
Total mill levy	<u>65.363</u>	<u>67.406</u>	<u>67.406</u>	<u>67.406</u>	<u>70.431</u>	<u>70.731</u>
PROPERTY TAXES						
General	\$ 173,096	\$ 175,345	\$ 175,345	\$ 175,345	\$ 134,221	\$ 133,599
Debt Service	581,175	584,495	584,495	584,495	447,416	445,351
Levied property taxes	<u>754,271</u>	<u>759,840</u>	<u>759,840</u>	<u>759,840</u>	<u>581,637</u>	<u>578,950</u>
Adjustments to actual/rounding	4,411	-	(5,222)	-	-	-
Refunds and abatements	3,454	-	-	-	-	-
Budgeted property taxes	<u>\$ 762,136</u>	<u>\$ 759,840</u>	<u>\$ 754,618</u>	<u>\$ 759,840</u>	<u>\$ 581,637</u>	<u>\$ 578,950</u>
BUDGETED PROPERTY TAXES						
General	\$ 174,901	\$ 175,345	\$ 174,140	\$ 175,345	\$ 134,221	\$ 133,599
Debt Service	587,235	584,495	580,478	584,495	447,416	445,351
	<u>\$ 762,136</u>	<u>\$ 759,840</u>	<u>\$ 754,618</u>	<u>\$ 759,840</u>	<u>\$ 581,637</u>	<u>\$ 578,950</u>

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT
GENERAL FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 7/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 109,882	\$ 78,054	\$ 23,325	\$ 23,325	\$ 16,973	\$ 16,973
REVENUES						
Property taxes	174,901	175,345	174,140	175,345	134,221	133,599
Specific ownership taxes	34,938	35,083	21,061	35,083	26,879	26,910
FCURA - District property taxes	315,078	325,844	323,341	325,844	249,570	250,645
Interest income	2,508	1,000	703	1,000	1,500	600
Developer advance	-	60,000	95,000	161,000	342,000	342,000
Other revenue	24,816	36,000	7,755	10,000	15,000	15,000
Total revenues	552,241	633,272	622,000	708,272	769,170	768,754
Total funds available	662,123	711,326	645,325	731,597	786,143	785,727
EXPENDITURES						
General and administrative						
Accounting	32,153	34,500	26,245	40,000	44,000	44,000
Auditing	6,400	7,000	-	7,050	7,250	7,250
County Treasurer's fee	3,473	3,507	3,483	3,507	2,684	2,672
Directors' fees	2,300	3,000	800	1,800	3,000	3,000
Dues and membership	737	1,000	755	755	1,000	1,000
Insurance	18,628	25,000	20,560	20,560	25,000	25,000
District management	19,797	24,300	10,404	21,000	24,300	24,300
Legal	43,513	51,000	23,653	43,000	51,000	51,000
Miscellaneous	649	1,500	-	-	1,500	1,500
Collection Fee - URA	4,726	-	4,850	4,895	3,744	3,760
PIF collection	14,520	17,000	16,219	26,500	29,000	29,000
Payroll taxes	252	-	61	138	230	230
Election	1,833	2,500	2,019	2,019	-	-
Contingency	-	2,943	-	-	2,342	2,338
Property management fee	15,290	47,250	708	49,400	52,450	52,450
Operations and maintenance						
Repairs and maintenance	276,343	-	13,241	15,000	10,000	10,000
Landscaping	-	68,000	57,697	70,000	80,000	80,000
Landscape replacement	-	71,000	30,006	45,000	75,000	75,000
Detention pond maintenance	-	7,000	-	7,000	7,000	7,000
Holiday tree lights	-	15,000	7,500	15,000	17,500	17,500
Janitorial	-	52,000	31,530	54,000	58,000	58,000
Parking garage R&M	-	59,500	23,968	50,000	55,000	55,000
Fountain Maintenance	-	20,000	10,710	20,000	22,000	22,000
Security	-	95,000	65,976	105,000	110,000	110,000
Snow removal	-	45,000	62,530	85,000	60,000	60,000
Utilities	30,909	40,000	13,322	28,000	30,000	30,000
Total expenditures	471,523	693,000	426,237	714,624	772,000	772,000
TRANSFERS OUT						
Transfers to other fund	167,275	-	-	-	-	-
Total expenditures and transfers out requiring appropriation	638,798	693,000	426,237	714,624	772,000	772,000
ENDING FUND BALANCES	\$ 23,325	\$ 18,326	\$ 219,088	\$ 16,973	\$ 14,143	\$ 13,727
EMERGENCY RESERVE	\$ 16,600	\$ 18,000	\$ 15,900	\$ 16,500	\$ 12,900	\$ 12,900
AVAILABLE FOR OPERATIONS	6,725	326	203,188	473	1,243	827
TOTAL RESERVE	\$ 23,325	\$ 18,326	\$ 219,088	\$ 16,973	\$ 14,143	\$ 13,727

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT
DEBT SERVICE FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 7/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 8,617,038	\$ 8,193,030	\$ 8,470,432	\$ 8,470,432	\$ 8,542,322	\$ 8,542,322
REVENUES						
Property taxes	587,235	584,495	580,478	584,495	447,416	445,351
Specific ownership taxes	117,304	116,947	70,205	116,947	31,319	31,175
PIF revenue	1,166,269	975,000	593,442	975,000	1,000,000	1,000,000
FCURA - Property Tax Increment	1,887,981	1,476,150	1,896,858	1,908,320	1,071,828	1,068,046
FCURA - District property taxes	1,057,884	1,086,169	1,078,917	1,085,070	831,935	835,482
Sales Tax Revenue	523,072	550,000	807,961	807,961	825,000	825,000
Interest income	153,611	154,371	239,011	325,000	312,179	312,179
Total revenues	5,493,356	4,943,132	5,266,872	5,802,793	4,519,677	4,517,233
Total funds available	14,110,394	13,136,162	13,737,304	14,273,225	13,061,999	13,059,555
EXPENDITURES						
General and administrative						
County Treasurer's fee	11,661	11,690	11,610	11,690	8,948	8,907
Collection Fee - URA	44,188	-	44,637	44,901	28,569	28,553
Paying agent fees	3,500	3,500	-	3,500	3,500	3,500
Contingency	-	12,612	-	-	11,895	11,952
Debt Service						
Bond interest	4,060,613	3,980,812	1,990,406	3,980,812	3,892,088	3,892,088
Bond Principal	1,520,000	1,690,000	-	1,690,000	1,915,000	1,915,000
Total expenditures	5,639,962	5,698,614	2,046,653	5,730,903	5,860,000	5,860,000
Total expenditures and transfers out requiring appropriation	5,639,962	5,698,614	2,046,653	5,730,903	5,860,000	5,860,000
ENDING FUND BALANCES	\$ 8,470,432	\$ 7,437,548	\$ 11,690,651	\$ 8,542,322	\$ 7,201,999	\$ 7,199,555
DEBT SERVICE RESERVE	\$ 7,295,000	\$ 7,295,000	\$ 7,295,000	\$ 7,295,000	\$ 7,127,848	\$ 7,127,814
TOTAL RESERVE	\$ 7,295,000	\$ 7,295,000	\$ 7,295,000	\$ 7,295,000	\$ 7,127,848	\$ 7,127,814

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT
CAPITAL PROJECTS FUND
2024 BUDGET
WITH 2022 ACTUAL AND 2023 ESTIMATED
For the Years Ended and Ending December 31,**

10/15/23

	ACTUAL 2022	BUDGET 2023	ACTUAL 7/31/2023	ESTIMATED 2023	BUDGET 1 2024	BUDGET 2 2024
BEGINNING FUND BALANCES	\$ 219,160	\$ -	\$ 2,680	\$ 2,680	\$ -	\$ -
REVENUES						
Interest income	862	-	159	270	-	-
Developer advance	-	800,000	-	100,000	-	-
Total revenues	862	800,000	159	100,270	-	-
TRANSFERS IN						
Transfers from other funds	167,275	-	-	-	-	-
Total funds available	387,297	800,000	2,839	102,950	-	-
EXPENDITURES						
Capital Projects						
Engineering	193,734	-	-	-	-	-
Capital outlay	190,883	800,000	79,700	102,950	-	-
Total expenditures	384,617	800,000	79,700	102,950	-	-
Total expenditures and transfers out requiring appropriation	384,617	800,000	79,700	102,950	-	-
ENDING FUND BALANCES	\$ 2,680	\$ -	\$ (76,861)	\$ -	\$ -	\$ -

No assurance provided. See summary of significant assumptions.

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Services Provided

The District was organized on January 10, 2013, for the purpose of financing and providing public improvements and related operation and maintenance services within and outside of the boundaries of the District. The public improvements include streets, safety protection, park and recreation facilities, water, sanitation, storm sewer, transportation, fire protection, television relay and translation, security services and mosquito control. When appropriate, these improvements will be dedicated to the City of Fort Collins, Larimer County, or other such entities as appropriate for the use and benefit of the District taxpayers and service users. The District's service area is located within the City of Fort Collins, Larimer County, Colorado.

On November 6, 2012, District voters approved general obligation indebtedness of \$100,000,000 for street improvements, \$100,000,000 for parks and recreation, \$100,000,000 for water facilities, \$100,000,000 for sanitation system, \$100,000,000 for transportation, \$100,000,000 for fire protection facilities or services, \$100,000,000 for television relay and translation services, \$100,000,000 for security services, \$25,000,000 for mosquito control, \$100,000,000 for traffic and safety, \$100,000,000 for operations and maintenance, \$600,000,000 for intergovernmental contracts, \$100,000,000 for special assessment debt, \$100,000,000 for private agreements, \$100,000,000 for mortgages and \$600,000,000 for debt refunding. The election also approved an increase in ad valorem property taxes of up to \$20,000,000 annually and allows the District to collect fees of up to \$20,000,000 annually for operations and maintenance and \$100,000,000 in sales taxes not to exceed 3%.

Pursuant to the Service Plan, the District may issue bond indebtedness in an amount sufficient to produce (a) \$53,000,000 in net proceeds to fund the costs of the eligible improvements and (b) the costs of issuance of such bonds.

The District has no employees and all administrative functions are contractual.

The District prepares its budget on the modified accrual basis of accounting in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

FCURA

On January 17, 2014, the District entered into a Redevelopment and Reimbursement Agreement with Fort Collins Urban Renewal Authority ("FCURA"), the Developer, and the City of Fort Collins to redevelop Foothills Fashion Mall.

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues

Property Taxes

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year.

The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

The calculation of taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

Senate Bill 21-293 among other things, designates multi-family residential real property (defined generally, as property that is a multi-structure of four or more units) as a new subclass of residential real property. For tax collection year 2024, the assessment rate for single family residential property decreases to 6.765% from 6.95%. The rate for multifamily residential property, the newly created subclass, decreases to 6.765% from 6.80%. Agricultural and renewable energy production property remains the same as last year at 26.4%. Producing oil and gas remains at 87.5%. All other nonresidential property decreases to 27.90% from 29%.

The change in assessment ratio allows the District to adjust its mill levy. Accordingly, the District adjusted its mill levy to 16.253 for operations and 54.179 for debt service.

Property Tax Increment Revenue

FCURA will receive property tax revenue ("Pledged Property Tax Increment Revenue") from the Larimer County Treasurer in excess of the amount produced by the levy of those bodies that levy property taxes against the Property Tax Base Amount in the TIF District, excluding the mill levy override payments approved by the electors of Poudre School District in 2012 and subsequent years, the District operations and maintenance and debt service mill levies, FCURA administration and redevelopment fees. The remaining revenue received by FCURA, net of all costs, will be remitted to the District's Bond Trustee and pledged to the payment of the Bonds.

Specific Ownership Taxes

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 7.0% of the property taxes calculated from the gross assessed valuation.

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Revenues - (continued)

Net Investment Income

Interest earned on the District's available funds has been estimated based on an average fund balance at an interest rate of approximately 4.0%.

Sales Tax Increment Revenue

A major source of revenue or cash receipts will be incremental sales tax revenue. The Redevelopment Agreement provides that sales taxes collected by the City within the TIF District in excess of a sales tax base amount are payable to FCURA. Pursuant to the Redevelopment Agreement, FCURA has covenanted to deposit such incremental City sales taxes with the Trustee for payment on the Bonds. The City currently imposes a 2.25% sales tax. Retail sales are calculated on assumed sales per square foot of commercial space at a value that varies based on the type of commercial use. A lease-up percentage and a collection factor are also applied to the estimated sales.

Public Improvement Fees

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of 1%, in addition to all sales and use taxes that may be imposed and is collected by the retailers in the District and remitted to the District within 20 days after month end.

Expenditures

Administrative Expenditures

Administrative expenditures include the services necessary to maintain the administrative viability such as legal, accounting, insurance, and other administrative expenses of the District.

County Treasurer's Fees

County Treasurer's fees have been computed at 2% of property tax collections.

Operations and Maintenance

The district anticipates expenditures associated with the operation and maintenance of certain streets, landscaping and irrigation. The estimated cost of operations and maintenance of these areas are included in the general fund on page 3 of the budget.

Debt Service

Principal and interest payments in 2024 are provided based on the debt amortization schedule from the Series 2014 Bonds (discussed under Debt and Leases).

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases

On October 9, 2014, the District issued \$72,950,000 in Series 2014 Special Revenue Bonds for street park and recreation, water and sanitation improvements. Bond proceeds were also transferred by the bond resolution from the Capital Projects Fund to the Debt Service Fund to pay the bond interest for the subsequent construction period and to establish a reserve account. The interest rate ranges from 5.35 to 6.00%. Interest is payable semiannually on June 1 and December 1 and principal is payable annually on December 1. The bonds mature on December 1, 2038, and are term bonds subject to redemption, prior to maturity, at the option of the District, on December 1, 2024, upon payment of par and accrued interest, without redemption premium. The bonds maturing on December 1, 2024, are subject to mandatory sinking fund redemption. The Series 2014 Bonds were issued for the purpose of financing public improvements.

The Bonds are secured by and payable from the Pledged Revenue consisting of monies derived by the District from the following sources, net of any collection costs: 1) the Required Mill Levy, 2) the portion of the Specific Ownership tax which is collected as a result of the imposition of the Required Mill Levy, 3) Property Tax Increment revenues, 4) Add-On PIF revenues, 5) sales Tax Increment revenues and 6) any other legally available monies which the District determines to be treated as Pledged Revenue.

The District has no operating or capital leases.

Developer Advances

The District has entered into Reimbursement and Acquisition Agreements with the Developer as follows:

Funding and Reimbursement Agreement

On February 21, 2022, the District has entered into a Funding and Reimbursement Agreement with MXD Fort Collins, LLC (Developer) pursuant to which the District agrees to reimburse the Developer for advances made to the District to fund the operating, maintenance and general administrative expenses at a rate of 2% plus the Federal Reserve Bank Prime rate, or 6%, whichever is greater, not to exceed 8%, with a maximum principal amount of \$500,000.

Improvement Acquisition, Advance and Reimbursement Agreement

On February 21, 2022, the District entered into an Improvement Acquisition, Advance and Reimbursement agreement with MXD Fort Collins, LLC, pursuant to which the District agrees to reimburse the Developer for certain Certified District Eligible Costs of improvements constructed by MXD, and advances made to or on behalf of the District for costs related to the construction of public improvements subject to limitations set forth in the Service Plan. The note will bear interest at a rate of 2% plus the Federal Reserve Bank Prime rate, or 6%, whichever is greater, not to exceed 8%, with a maximum principal amount of \$1,500,000.

**FOOTHILLS METROPOLITAN DISTRICT
2024 BUDGET
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

Debt and Leases – (continued)

	Balance at December 31,			Balance at December 31,		
	2022	Additions	Reductions	2023	Additions	Reductions
Developer Advance - O&M	\$ -	\$ 161,000	\$ -	\$ 161,000		
Developer Advance - Capital	630,401	100,000	-	730,401		
Accrued Interest - Developer Advance - O&M	-	5,809	-	5,809		
Accrued Interest - Developer Advance - Capital	538,524	98,068	-	636,592		
Total	<u>\$ 1,168,925</u>	<u>\$ 364,877</u>	<u>\$ -</u>	<u>\$ 1,533,802</u>		

	Balance at December 31,			Balance at December 31,		
	2023	Additions	Reductions	2024	Additions	Reductions
Developer Advance - O&M	\$ 161,000	\$ 342,000	\$ -	\$ 503,000		
Developer Advance - Capital	730,401	-	-	730,401		
Accrued Interest - Developer Advance - O & M	5,809	13,345	-	19,154		
Accrued Interest - Developer Advance - Capital	636,592	109,359	-	745,951		
Total	<u>\$ 1,533,802</u>	<u>\$ 464,704</u>	<u>\$ -</u>	<u>\$ 1,998,506</u>		

Reserve Funds

Debt Service Reserves

The District maintains a Debt Service Reserve of \$7,295,000 as required with the issuance of the Series 2014 Bonds.

Emergency Reserve

The District has provided for an Emergency Reserve equal to at least 3% of the fiscal year spending for 2024, as defined under TABOR.

This information is an integral part of the accompanying budget.

**FOOTHILLS METROPOLITAN DISTRICT
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

\$72,950,000 Special Revenue Bonds

Dated October 9, 2014

Principal Due Annually December 1

Interest from 5.25 to 6.00%, Due June and December 1

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2024	1,915,000	3,892,088	5,807,088
2025	2,110,000	3,791,550	5,901,550
2026	2,365,000	3,670,225	6,035,225
2027	2,600,000	3,534,237	6,134,237
2028	2,895,000	3,384,738	6,279,738
2029	3,160,000	3,218,275	6,378,275
2030	3,490,000	3,036,575	6,526,575
2031	3,800,000	2,835,900	6,635,900
2032	4,180,000	2,607,900	6,787,900
2033	4,540,000	2,357,100	6,897,100
2034	4,970,000	2,084,700	7,054,700
2035	5,385,000	1,786,500	7,171,500
2036	5,870,000	1,463,400	7,333,400
2037	6,340,000	1,111,200	7,451,200
2038	12,180,000	730,800	12,910,800
Total	\$ 67,490,000	\$ 43,486,000	\$ 110,976,000

STATE OF COLORADO
 COUNTY OF LARIMER
 FOOTHILLS METROPOLITAN DISTRICT
 2024 BUDGET RESOLUTION

The Board of Directors of the Foothills Metropolitan District, Larimer County, Colorado held a special meeting on Wednesday, December 6, 2023 at the hour of 2:30 P.M. via MS Teams.

The following members of the Board of Directors were present:

Rishi Loona	President
Dan Doherty	Vice President/Secretary
Joshua Kane	Treasurer
Patrick Bunyard	Assistant Secretary
Timothy DePeder	Assistant Secretary

Also present were: Alan D. Pogue, Esq., Icenogle Seaver Pogue, P.C.

_____ reported that proper notice was made to allow the Board of Directors of the Foothills Metropolitan District to conduct a public hearing on the 2024 budget and, prior to the meeting, each of the directors had been notified of the date, time and place of this meeting and the purpose for which it was called. It was further reported that this meeting is a special meeting of the Board of Directors of the District and that a notice of special meeting was posted on a public website of the District/in the designated public place within the boundaries of the District no less than twenty-four hours prior to the holding of the meeting, and to the best of her/his knowledge, remains posted to the date of this meeting.

Thereupon, Director _____ introduced and moved the adoption of the following Resolution:

RESOLUTION

A RESOLUTION SUMMARIZING EXPENDITURES AND REVENUES FOR EACH FUND AND ADOPTING A BUDGET, APPROPRIATING SUMS OF MONEY TO EACH FUND IN THE AMOUNTS AND FOR THE PURPOSES SET FORTH HEREIN AND LEVYING GENERAL PROPERTY TAXES FOR THE YEAR 2023 TO HELP DEFRAY THE COSTS OF GOVERNMENT FOR THE FOOTHILLS METROPOLITAN DISTRICT, LARIMER COUNTY, COLORADO, FOR THE CALENDAR YEAR BEGINNING ON THE FIRST DAY OF JANUARY 2024 AND ENDING ON THE LAST DAY OF DECEMBER 2024.

WHEREAS, the Board of Directors (the “Board”) of the Foothills Metropolitan District (the “District”) has authorized its treasurer and accountant to prepare and submit a proposed budget to said governing body at the proper time; and

WHEREAS, the proposed budget was submitted to the Board for its review and consideration on or before October 15, 2023; and

WHEREAS, due and proper notice was published on November 22, 2023 in the *Coloradoan* indicating (i) the date and time of the hearing at which the adoption of the proposed budget will be considered; (ii) that the proposed budget is available for inspection by the public at a designated place; (iii) that any interested elector of the District may file any objections to the proposed budget at any time prior to the final adoption of the budget by the District; and (iv) if applicable, the amount of the District’s increased property tax revenues resulting from a request to the Division of Local Government pursuant to Section 29-1-302(1), C.R.S.; and an original publisher’s Affidavit of Publication is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the proposed budget was open for inspection by the public at the designated place; and

WHEREAS, a public hearing was held on Wednesday, December 6, 2023 and interested electors were given the opportunity to file or register any objections to said proposed budget and any such objections were considered by the Board; and

WHEREAS, the budget being adopted by the Board has been prepared based on the best information available to the Board regarding the effects of Section 29-1-301, C.R.S., and Article X, Section 20 of the Colorado Constitution; and

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

WHEREAS, pursuant to Section 29-1-113(1), C.R.S., the Board shall cause a certified copy of the budget, including the budget message and any resolutions adopting the budget, appropriating moneys and fixing the rate of any mill levy, to be filed with the Division of Local Government within thirty (30) days following the beginning of the fiscal year of the budget adopted; and

WHEREAS, pursuant to Section 32-1-1201, C.R.S., the Board shall determine in each year the amount of money necessary to be raised by taxation, taking into consideration those items required by law, and shall certify the rate so fixed to the board of county commissioners of each county within the District or having a portion of its territory within the District.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FOOTHILLS METROPOLITAN DISTRICT, LARIMER COUNTY, COLORADO:

Section 1. Summary of 2024 Revenues and 2024 Expenditures. That the estimated revenues and expenditures for each fund for fiscal year 2024, as more specifically set forth in the budget attached hereto as Exhibit B and incorporated herein by this reference, are accepted and approved.

Section 2. Adoption of Budget. That the budget as submitted, and if amended, then as amended, and attached hereto as Exhibit B and is approved and adopted as the budget of the District for fiscal year 2024. In the event the final assessed valuation provided by the Larimer County Assessor's Office differs from the assessed valuation used in the proposed budget, the District's accountant is hereby directed to modify and/or adjust the budget and mill levy certification as needed to reflect the final assessed valuation without the need for additional Board authorization.

Section 3. Appropriations. That the amounts set forth as expenditures and balances remaining, as specifically allocated in the budget attached, are hereby appropriated from the revenue of each fund, to each fund, for the purposes stated and no other.

Section 4. Budget Certification. That the budget shall be certified by Dan Doherty, Secretary of the District, and made a part of the public records of the District and a certified copy of the approved and adopted budget shall be filed with the Division of Local Government.

Section 5. 2024 Levy of General Property Taxes. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the General Fund for operating expenses is \$_____ and that the 2023 valuation for assessment, as certified by the Larimer County Assessor, is \$_____. That for the purposes of meeting all general operating expenses of the District during the 2024 budget year, there is hereby levied a tax of _____.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

Section 6. 2024 Levy of Debt Retirement Expenses. That the attached budget indicates that the amount of money from general property taxes necessary to balance the budget for the Debt Service Fund for debt retirement expense is \$0.00 and that the 2023 valuation for assessment, as certified by the Larimer County Assessor, is \$_____. That for the purposes of meeting all debt retirement expenses of the District during the 2024 budget year, there is hereby levied a tax of _____.000 mills upon each dollar of the total valuation of assessment of all taxable property within the District for the year 2024.

Section 7. 2024 Mill Levy Adjustment. The Board may adjust the mill levy, as specifically set forth in the District's Service Plan (the "Adjusted Mill Levy"). The Board hereby determines in good faith to establish the Adjusted Mill Levy as set forth in the mill levy certification attached hereto as Exhibit C pursuant to the authority granted by its Service Plan to ensure that the District's revenues shall be neither diminished nor enhanced as a result of the changes effecting the mill levy. Subject to adjustment and finalization by the District's accountant in accordance with Sections 2 and 3 hereof, the Board further authorizes that the Adjusted Mill Levy be reflected in the District's Certification of Tax Levies to be submitted to the Board of County Commissioners of Larimer County on or before December 15, 2023, for collection in 2024.

Section 8. Certification to County Commissioners. That the Board Secretary and/or District's accountant are hereby authorized and directed to immediately certify to the Board of County Commissioners of Larimer County, the mill levy for the District hereinabove determined and set. That said certification shall be in substantially the following form attached hereto as Exhibit C and incorporated herein by this reference.

[The remainder of this page is intentionally left blank.]

The foregoing Resolution was seconded by Director _____.

RESOLUTION APPROVED AND ADOPTED THIS 6TH DAY OF DECEMBER, 2023.

FOOTHILLS METROPOLITAN DISTRICT

By: Rishi Loona
Its: President

STATE OF COLORADO
COUNTY OF LARIMER
FOOTHILLS METROPOLITAN DISTRICT

I, Dan Doherty, hereby certify that I am a director and the duly elected and qualified Secretary of the Foothills Metropolitan District, and that the foregoing constitutes a true and correct copy of the record of proceedings of the Board of Directors of the District, adopted at a special meeting of the Board of Directors of the Foothills Metropolitan District, held on December 6, 2023, via MS Teams, as recorded in the official record of the proceedings of the District, insofar as said proceedings relate to the budget hearing for fiscal year 2024; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the official seal of the District this 6th day of December, 2023.

Dan Doherty, Secretary

[SEAL]

EXHIBIT A

Affidavit
Notice as to Proposed 2024 Budget

**NOTICE OF HEARING ON PROPOSED 2024 BUDGET
FOR
FOOTHILLS METROPOLITAN DISTRICT**

NOTICE IS HEREBY GIVEN that a proposed 2024 Budget has been submitted to the Board of Directors of the **FOOTHILLS METROPOLITAN DISTRICT**. A copy of the proposed 2024 Budget has been filed in the office of the District Manager at 8390 E. Crescent Parkway, Suite 300, Greenwood Village, CO 80111, where same is open for public inspection. Such proposed 2024 Budget will be considered at a regular meeting of the **FOOTHILLS METROPOLITAN DISTRICT**, to be held on December 6, 2023 at 2:00 p.m. via MS Teams:

https://teams.microsoft.com/l/meetup-join/19%3ameeting_ODA5NDM3NjgtZDQ4OS00NjQ5LTkyM2ItNzE3ZWFMNjU0MjE5%40thead.v2/0?context=%7b%22Tid%22%3a%224aaa468e-93ba-4ee3-ab9f-6a247aa3ade0%22%2c%22Oid%22%3a%22d42bab28-fbd8-4e65-a395-965cf9ef152f%22%7d

Call-in #: 720-547-5281; Meeting ID: 756 742 041#

Any interested electors within the **FOOTHILLS METROPOLITAN DISTRICT** may inspect the proposed 2024 Budget and file or register any objections at any time prior to the final adoption of the budget.

**BY ORDER OF THE BOARD OF DIRECTORS:
FOOTHILLS METROPOLITAN DISTRICT**

By: /s/ ICENOGLE SEAVER POGUE, P.C.

Published In: *The Fort Collins Coloradoan*
Published On: Wednesday, November 22, 2023

EXHIBIT B

Budget Document
Budget Message

EXHIBIT C

Certification of Tax Levy



Special Districts Master Services Agreement

Foothills Metro District
 8390 E. Crescent Pkwy., Ste.300, Greenwood Village, CO, 80111
 MSA Date: October 15, 2023

This master service agreement (“MSA”) documents the terms, objectives, and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for Foothills Metro District (“you,” “your,” “board of directors” or “the district”). The terms of this MSA will apply to the initial and each subsequent statement of work (“SOW”), unless the MSA is changed in a communication that you and CLA both sign or is terminated as permitted herein.

Scope of professional services

CLA will provide services as described in one or more SOW that will reference this MSA. The SOW will describe the scope of professional services; the nature, limitations, and responsibilities related to the specific services CLA will provide; and the fees for such services.

If modifications or changes are required during CLA’s performance of requested services, or if you request that we perform any additional services, we will provide you with a separate SOW for your signature. Such SOW will advise you of the additional fee and time required for such services to facilitate a clear understanding of the services.

Our services cannot be relied upon to disclose errors, fraud, or noncompliance with laws and regulations. Except as described in the scope of professional services section of this MSA or any applicable SOW, we have no responsibility to identify and communicate deficiencies in your internal control as part of any services.

Board of director responsibilities

The board of directors of the district acknowledge and understand that our role is to provide the services identified in one or more SOWs issued per this MSA and that the board of directors of the district has certain responsibilities that are fundamental to our undertaking to perform the identified services. The district may engage CLA to perform management functions to help the board of directors of the district to meet your responsibilities, but the board of directors of the district acknowledges its role in management of the district.

Responsibilities and limitations related to nonattest services

For all nonattest services we may provide to you, you agree to oversee all management services; evaluate

the adequacy and results of the services; ensure that your data and records are complete; and accept responsibility for the results of the services. CLA and the district agree that the foregoing sentence is not intended and shall not be construed to be a limitation of liability for the benefit of CLA nor an exculpatory clause for the benefit of CLA. CLA is and will remain liable to the district for CLA's negligence and gross negligence in the work that it performs under this MSA or under any SOW.

Fees and terms

See the applicable SOW for the fees for the services.

Work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagements will be deemed to have been completed even if we have not completed the services. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures permitted by this MSA through the date of termination.

Payments may be made utilizing checks, Bill.com, your online banking platform, CLA's electronic payment platform, or any other client initiated payment method approved by CLA. CLA's electronic online bill pay platform claconnect.com/billpay accepts credit card and Automated Clearing House (ACH) payments. Instructions for making direct bank to bank wire transfers or ACH payments will be provided upon request.

Other Fees

You also agree to compensate us for any time and expenses, including time and expenses of legal counsel, we may incur in responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings that we are asked to respond to on your behalf.

Finance charges and collection expenses

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one percent (1.00%), which is an annual percentage rate of 12%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable if and as provided by Colorado law.

Limitation of remedies

Each party agrees that in no event shall the other party be liable for any indirect, special, incidental, consequential, punitive or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages related to CLA's acts or omissions in performance of our duties under the terms of this MSA or any SOW issued under this MSA.

Time limitation

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. Any legal or equitable action brought by the district to recover on a dispute shall be commenced within the applicable statute of limitations under Colorado state statutes and case law.

CLA shall be authorized to the following cash access services:

- Using any or a combination of the following methods and approval processes, we will pay your vendors and service providers based upon invoices that you have reviewed and approved:
 - Paper checks – we will prepare the checks for your approval and wet ink signature
 - Payments using Bill.com – we will only release payments after you have electronically approved and authorized such payments
 - ACH/Wire – we will use this method as needed/as requested, with your approval

We understand that you will designate one or more members of the board of directors to approve disbursements using the above methods.

- If applicable, access the entity credit card for purposes of purchasing products and services on your behalf up to a certain limit that will be discussed with you and documented separately
- Obtain administrator access to your bank accounts for purposes of performing the duties documented in our engagement letter identified above
- Take deposits to the bank that include cash
- If applicable, have access to cash-in-kind assets, such as coupons
- If applicable, initiate direct deposits or sign checks as part of the payroll processing function

Board of Directors' responsibilities relevant to CLA's access to your cash

All members of your board of directors are responsible for the processes below; however, we understand that you will designate one or more board of directors to review and give approvals for disbursements. All approvals must be documented in writing, either electronically or manually, then formally ratified in board meetings and documented in the meeting minutes.

- Approve all invoices and check payments
- Approve all new vendors and customers added to the accounting system
- Approve non-recurring wires to external parties
- Pre-approve for recurring wires, then board of directors will ratify approval
- Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system
- Approve all credit card statements prior to those expenses being processed in the accounting system and subsequently paid

- Approve (or delegate to the CLA controller if applicable) all customer and vendor credit memos and accounts receivable amounts written off
- Review and approve (or delegate to the CLA controller if applicable) all bank statements and affiliated monthly reconciliations

Other provisions

Except as expressly permitted by the “Consent” section of this agreement, CLA shall not disclose any confidential, proprietary, or privileged information of the district or you to any person or party, unless the district or you authorizes us to do so, it is published or released by the district, it becomes publicly known or available other than through disclosure by us, or disclosure is required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.

Pursuant to authority given by law or regulation, we may be requested to make certain workpapers available to a regulator for its regulatory oversight purposes. We will notify you of any such request, if permitted by law. Access to the requested workpapers will be provided to the regulator under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected workpapers to such regulator. The regulator may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

You acknowledge and agree that this agreement and the pricing structure and billing rates of CLA are sensitive information which you shall not furnish or otherwise disclose to any third party without the prior written consent of CLA or as required by the Colorado Open Records Act, Section 24-72-200.1 et seq., C.R.S. (“CORA”).

Insurance:

CLA shall acquire and maintain in full force and effect, during the entire term of the MSA, the insurance coverages set forth in below in order to protect the district including its board of directors, and CLA from claims that arise out of or result from the operations under this MSA by the CLA or its affiliates or by anyone acting on their behalf or for which they may be liable. Failure to maintain the insurance policies shall be a material breach of this MSA and the district may request certificates of insurance reflecting the coverages outlined below.

- A. Workers’ Compensation Insurance
- B. Commercial General Liability Insurance
- C. Commercial Automobile Liability Insurance
- D. General Professional Liability
- E. Network Security (Cyber) Liability Insurance

F. Excess/Umbrella Liability Coverage

The relationship of CLA with the district shall be solely that of an independent contractor and nothing in this agreement shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

If applicable, accounting standards and procedures will be suggested that are consistent with those normally utilized in a district of your size and nature. Internal controls may be recommended relating to the safeguarding of the district's assets. If fraud is initiated by your employees or other service providers, your insurance is responsible for covering any losses.

The district agrees that CLA will assume fiduciary responsibility on the district's behalf during the course of this agreement only if provided in SOWs issued under this MSA; and the parties, in entering into this MSA, do not intend to create an overarching fiduciary relationship.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, it is not appropriate for you to upload protected health information using such applications. All protected health information contained in a document or file that you plan to transmit to us via a web application must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all protected health information, please contact us to discuss other potential options for transmitting the document or file.

Annual Appropriation and Budget

The district does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. CLA expressly understands and agrees that the district's obligations under this MSA shall extend only to monies appropriated for the purposes of this MSA by the board of directors and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this MSA shall be construed or interpreted as a delegation of governmental powers by the district, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the district or statutory debt limitation, including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. No provision of this MSA shall be construed to pledge or to create a lien on any class or source of district funds. The district's obligations under this MSA exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this MSA.

Governmental Immunity

Nothing in this MSA shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the district, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the district and, in particular, governmental immunity afforded or available to the district pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, et seq., C.R.S.

No Third-Party Beneficiaries

It is expressly understood and agreed that enforcement of the terms and conditions of this MSA, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained

in this MSA shall give or allow any such claim or right of action by any third party. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this MSA shall be deemed to be an incidental beneficiary only.

Personal Identifying Information

During the performance of this MSA, the district may disclose Personal Identifying Information to CLA. “Personal Identifying Information” means a social security number; a personal identification number; a password; a pass code; an official state or government-issued driver’s license or identification card number; a government passport number; biometric data, as defined in § 24-73-103(1)(a), C.R.S.; an employer, student, or military identification number; or a financial transaction device, as defined in § 18-5-701(3), C.R.S. In compliance with § 24-73-102, C.R.S., CLA agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to CLA; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

CLA agrees to report within twenty-four (24) hours to the district’s board of directors any Data Security Incidents that may result in the unauthorized disclosure of Personal Identifying Information. For the purposes of this MSA “Data Security Incident” is defined to mean any actual or reasonably suspected: (a) unauthorized use of, or unauthorized access to, CLA systems; (b) inability to access business and other proprietary information, data, or the CLA systems due to a malicious use, attack, or exploit of such business and other proprietary information or systems; (c) unauthorized access to, theft of, or loss of business and other proprietary information, or of storage devices that could reasonably contain such information; (d) unauthorized use of business and other proprietary information or data for purposes of actual or reasonably suspected theft, fraud, or identity theft; (e) unauthorized disclosure of business and other proprietary information or data.

Consent to use financial information

Annually, we assemble a variety of benchmarking analyses using data obtained through our client engagements. Some of this benchmarking information is published and released publicly. However, the information that we obtain is confidential, as required by the AICPA Code of Professional Conduct. Your acceptance of this MSA will serve as your consent to use of Foothills Metro District information, excluding Personal Identifying Information, in these cost comparison, performance indicator, and/or benchmarking reports.

Technology

CLA may, at times, use third-party software applications to perform services under this agreement. CLA can provide a copy of the application agreement at your request. You acknowledge the software vendor may have access to your data.

Colorado law requires special districts to maintain websites and further requires that certain documents which may be prepared by CLA to be uploaded to those websites. CLA specifically acknowledges and agrees that the district may upload to its website any documents prepared by CLA for the district and further, that those documents may be used in public meetings hosted by or to which the district is a party.

Counterpart Execution

This MSA may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

Electronic Signatures

The parties consent to the use of electronic signatures pursuant to the Uniform Electronic Transactions Act, Sections 24-71.3-101, et seq., Colorado Revised Statutes, as may be amended from time to time. The MSA, and any other documents requiring a signature hereunder, may be signed electronically by the parties in a manner acceptable to the district. The parties agree not to deny the legal effect or enforceability of the MSA 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 MSA in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

MSA Modification

The MSA may not be amended, altered, or otherwise changed except by a written agreement signed by authorized representatives of the parties.

Termination of MSA

Either party may terminate this MSA at any time by giving 30 days written notice to the other party. In that event, the provisions of this MSA shall continue to apply to all services rendered prior to termination.

Agreement

We appreciate the opportunity to be of service to you and believe this MSA accurately summarizes the significant terms of our relationship. This MSA, along with the applicable SOW(s), constitute the entire agreement regarding services to be performed and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our relationship as described in this MSA, please sign, date, and return.

CliftonLarsonAllen LLP

Carrie Bartow

Principal

719-284-7239

carrie.bartow@CLAconnect.com

Response

This MSA correctly sets forth the understanding of Foothills Metro District and is accepted by:

CLA
CliftonLarsonAllen LLP

Carrie Bartow

Carrie Bartow, Principal

SIGNED 11/2/2023, 11:42:43 AM MDT

Client
Foothills Metro District

SIGN:

Rishi Loona, President

DATE:



Special Districts Public Management Services Statement of Work

Date: November 27, 2023

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Foothills Metro District (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

Scope of professional services

Denise Denslow is responsible for the performance of the engagement and other services identified in this agreement.

Scope of Management Services

CLA will perform the following services for the district:

District Board of Directors (“Board”) Meetings

- Coordination of board meetings
- Meeting attendance: district manager and/or designee will attend board meetings
- Preparation and distribution of agenda and informational materials as requested by the district
- Drafting of meeting minutes as assigned for approval by the board of directors
- Preparation and posting of notices required in conjunction with the meetings

Recordkeeping

- Maintain directory of persons and organizations for correspondence
- Repository of district records and act as custodian of records for purposes of CORA (as that term is defined in the district’s Resolution Designating an Official Custodian for Purposes of the Colorado Open Records Act, Sections 24-72-201 et seq., C.R.S.)

Communications

- 24/7 answering services
- Website administration; CLA will oversee maintenance of the district's website as needed and requested by the district
- Assist with or lead the coordination of communication with municipal, county, or state governmental agencies as requested by the district

General Administration

- Coordination with district's insurance provider including insurance administration, comparison of coverage, processing claims, and completion of applications
- Coordination of insurance policy renewals and updates for approval by the district's board of directors
- In collaboration with district counsel, ensure contractors and sub-contractors maintain the required insurance coverage as required by the district
- Under the direction of the board of directors, supervise project processes and vendors as assigned by the board
- Coordinate with legal, accounting, engineering, auditing and other consultants retained by the district as directed by the board (CLA itself will not and cannot provide legal services)
- Assist with or lead the coordination efforts with municipal, county, or state governmental agencies as requested by the district
- Coordinate the administration of the district's rules and regulations as requested by the board
- Under the direction of district legal counsel, coordinate election processes for the district; CLA will not serve as the Designated Election Official ("DEO")

Accounts Payable Services to be Provided

- Coordinate review and approval of invoices with district accountant and board to ensure timely payment to vendors

In addition to these services, when, in the professional opinion of the district manager, other services are necessary, the district manager shall recommend the same to the board or perform such services and report to the board the nature of such services, the reason they were required, and the result achieved; provided however, with the exception of emergencies, that if such additional services are expected to cost more than \$2,000, the district manager shall discuss such costs with the board and receive prior authorization to perform such services.

Fees and terms

Billing rates guaranteed through December 31, 2024:

Services performed by	Rate per hour
Principal	\$320-\$460
Public Manager	\$190-\$265
Assistant Public Manager	\$150-\$180
Public Management Analyst	\$145-\$170
District Administrator	\$140-\$180
Records Retention Professional	\$110-\$155

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Denise Denslow
Principal
303-265-7910
denise.denslow@CLAconnect.com

Response

This SOW correctly sets forth the understanding of Foothills Metro District and is accepted by:

CLA
CliftonLarsonAllen LLP

Denise Denslow

Denise Denslow, Principal

SIGNED 11/27/2023, 12:41:05 PM MST

Client
Foothills Metro District

SIGN:

Rishi Loona, President

DATE:



Special Districts Public Improvement Fee Statement of Work

Date: November 28, 2023

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Foothills Metro District (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

Scope of professional services

Carrie Bartow is responsible for the performance of the engagement and other services identified in this agreement.

Services to be Provided

PIF Receiving Agent Services

- Coordinate with leasing agent to obtain contact information on all new tenants
- Provide tenants with proper PIF documentation and placards for display
- Coordinate with tenants to ensure proper disclosure and calculation of PIF
- Receive, receipt and deposit PIF payments
- Maintain and monitor PIF receipts and records
- Quarterly compliance checks at retail locations
- Quarterly compliance checks and follow-up with retail locations as needed
- Coordination with leasing agent or legal counsel as needed

Fees and terms

Billing rates guaranteed through December 31, 2024:

Services performed by	Rate per hour
Additional Accounting Support	\$90-\$400
Supervisor/Director	\$200-\$240
Senior Technician	\$145-\$175
Technician	\$105-\$130

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the "Act"). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Carrie Bartow
Principal
719-284-7239
carrie.bartow@CLAconnect.com

Response

This SOW correctly sets forth the understanding of Foothills Metro District and is accepted by:

CLA
CliftonLarsonAllen LLP

Carrie Bartow

Carrie Bartow, Principal

SIGNED 11/28/2023, 10:51:13 AM MST

Client
Foothills Metro District

SIGN:

Rishi Loona, President

DATE:



Special Districts Payroll Services Statement of Work

Date: November 28, 2023

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Foothills Metro District (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

Scope of payroll services

We will provide the following payroll preparation services each pay period based on information you provide:

- Perform payroll calculations within ADP
- Facilitate ADP’s preparation of payroll checks and/or pay stubs
- Use ADP to initiate the electronic transfer of funds for employee net pay and payroll tax deposit

We will assist with the preparation of the following government forms, when applicable, for each calendar quarter-end and year-end with the understanding that ADP directly handles filing the payroll tax returns and payments:

- Form 941 – Employers Quarterly Tax Return
- State Employers Quarterly Withholding Return
- State Employers Quarterly Unemployment Return (SUTA)
- Form 940 – Employers Annual Federal Unemployment Tax Return
- All copies of required forms W-2 and W-3 – Transmittal of Tax and Wage Statements (annual)
- All necessary state forms (annual)

Our responsibility to you and limitations of the payroll services

We will prepare your federal and state (when applicable) payroll forms and tax returns.

We will not audit or otherwise verify the accuracy or completeness of the information we receive from you for the preparation of the payroll and related returns, and our engagement cannot be relied upon to uncover errors or irregularities in the underlying information. However, we will inform the appropriate level of management of any material errors and of any evidence or information that comes to our attention during the performance of our payroll preparation services that fraud may have occurred. In addition, we will inform you of any evidence or information that comes to our attention during the performance of our payroll preparation services regarding illegal acts that may have occurred, unless they are clearly inconsequential. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement. You agree that we shall not be responsible for any misstatements in the entity's payroll that we may not identify as a result of misrepresentations made to us by you.

If applicable, our payroll preparation services will include electronically transmitting management-approved information to taxing authorities and your financial institution to facilitate the electronic transfer of funds.

If applicable, our payroll preparation services will include transmitting management-approved federal Form W-2, federal Form 1099, and payroll data forms to federal and state taxing authorities on your behalf.

CLA's relationship with you shall be solely that of an independent contractor and nothing in the MSA or a SOW shall be construed to create or imply any relationship of employment, agency, partnership, or any relationship other than an independent contractor.

Your responsibilities

It is your responsibility to provide us with all of the information needed to prepare complete and accurate payrolls and to facilitate ADP's preparation of payroll tax returns. We will have no obligations with regards to a particular payroll or withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us.

Additionally, it is your responsibility to provide us with all of the information needed to facilitate ADP's preparation of payroll tax returns. We will have no obligations with regards to particular withholding taxes and filing returns in a particular state or local tax jurisdiction until you have provided such information to us.

Specifically, your responsibilities include:

- Accuracy of information used in the preparation of the payrolls and payroll tax returns.
- Review and approval of paychecks or paystubs prior to issuance, and payroll registers for each pay period prior to submission of payroll information to ADP.
- Evaluation of information used in the preparation and filing of all government forms for accuracy.

- Before submission of payroll information to ADP, review and approval of each electronic funds transfer to be initiated on your behalf for employee net pay amounts, payroll tax, withholding liabilities, and related benefit amounts.
- One-time authorization to your financial institution for it to make transfers and direct deposits in accordance with future instructions from ADP.
- One-time authorization for ADP to submit tax filings and complete electronic fund transfers on your behalf.
- Sign or approve ADP issuance of all physical and/or electronic payroll checks.

If applicable, we will advise you with regard to tax positions taken in the preparation of the payroll forms and tax returns, but the responsibility for the payroll forms and tax returns remains with you.

Even if you have authorized CLA to file your employment tax returns and make your business and/or employment tax payments for you, please be aware that you are responsible for the timely filing of employment tax returns and the timely payment of business and/or employment taxes. Therefore, the Internal Revenue Service recommends that you enroll in the U.S. Department of the Treasury Electronic Federal Tax Payment System (EFTPS) to monitor your account and ensure that timely tax payments are being made for you. You may enroll in the EFTPS online at www.eftps.gov, or call 800-555-4477 for an enrollment form. Individual states have similar programs that allow you to monitor your account. A list of links by state is provided online at <http://www.americanpayroll.org/weblink/state-local-wider/>.

Fees and terms

The billing rates (guaranteed through one year from 1st payroll live date) for these services are as follows:

Services performed by	Rate per hour
Payroll Analyst I	\$90-\$95
Payroll Analyst II	\$100-\$110
Senior Payroll Analyst	\$125-\$130

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees

billed.

This agreement will automatically renew for one year from the rate guarantee expiration date unless it is cancelled in writing at least 30 days prior to the expiration date or is changed by the mutual signing of a new SOW. The terms of the applicable MSA shall continue to govern this SOW if the SOW is automatically renewed.

We do not anticipate encountering the need to perform additional services beyond those described in this letter. Below are examples of services considered to be outside the scope of our engagement. We will bill you for additional services you would like us to provide at an hourly fee at periodic dates after the additional service has been performed.

- Reprocessing for corrected information provided to us subsequent to original payroll
- Preparation of non-standard reports
- Calculation of fringe benefit additions
- Processing retirement plan contribution payments
- Preparation of retirement plan and other census information
- Responding to workers compensation insurance audits
- Responding to employment verification requests
- Preparation of additional state tax registrations
- Preparation of amended payroll tax returns
- Responding to tax notices

Tax examinations

All government forms and returns are subject to potential examination by the IRS and state taxing authorities. In the event of an examination, we will be available, at your request, to assist or represent you subject to a separate SOW. Services in connection with tax examinations are not included in our fee for preparation of your payroll returns. Our fee for such services will be billed to you separately, along with any direct costs pursuant to a separate SOW.

Record retention

You are responsible for retaining all documents, records, payroll journals, canceled checks, receipts, or other evidence in support of information and amounts reported in your payroll records and on your quarterly and calendar year-end payroll forms and tax returns. These items may be necessary in the event the taxing authority examines or challenges your returns. These records should be kept for at least seven years. Your copy of the payroll forms and tax returns should be retained indefinitely.

In preparing the payrolls, payroll forms, and tax returns, we rely on your representation that you understand and have complied with these documentation requirements. You are responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of your financial records.

All of the records that you provide to us to prepare your payrolls and related forms and tax returns will be returned to you after our use. Our working papers, including any copies of your records that we chose to make, are our property and will be retained by us in accordance with our established records retention policy. This policy states, in general, that we will retain our working papers for a period of seven years. After this period expires, our working papers and files will be destroyed. Furthermore, physical deterioration or catastrophic events may shorten the time our records are available. The working papers and files of our firm are not a substitute for the records of you.

Tax consulting services

This SOW also covers tax consulting services that may arise for which the entity seeks our consultation and advice, both written and oral, that are not the subject of a separate SOW. These additional services are not included in our fees for the preparation of the payroll and related federal and state forms and tax returns.

We will base our tax analysis and conclusions on the facts you provide to us, and will not independently verify those facts. We will review the applicable tax authority rules, all of which are subject to change. At your request, we will provide a memorandum of our conclusions. Written advice provided by us is for the entity's information and use only and is not to be provided to any third party without our express written consent.

Unless we are separately engaged to do so, we will not continuously monitor and update our advice for subsequent changes or modifications to the tax regulations, or to the related judicial and administrative interpretations.

Legal compliance

The entity agrees to assume sole responsibility for full compliance with all applicable federal and state laws, rules or regulations, and reporting obligations that apply to the entity or the entity's business, including the accuracy and lawfulness of any reports the entity submits to any government regulator, authority, or agency. The entity also agrees to be solely responsible for providing legally sufficient substantiation, evidence, or support for any reports or information supplied by the entity to any governmental or regulatory body, or for any insurance reimbursement in the event that the entity is requested to do so by any lawful authority. CLA, its successors, affiliates, officers, and employees do not assume or undertake any duty to perform or to be responsible in any way for any such duties, requirements, or obligations.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Carrie Bartow
Principal
719-284-7239
carrie.bartow@CLAconnect.com

Response

This SOW correctly sets forth the understanding of Foothills Metro District and is accepted by:

CLA
CliftonLarsonAllen LLP

Carrie Bartow

Carrie Bartow, Principal

SIGNED 11/28/2023, 10:51:44 AM MST

Client
Foothills Metro District

SIGN:

Rishi Loona, President

DATE:



Special Districts Preparation Statement of Work

Date: November 6, 2023

This agreement constitutes a Statement of Work (“SOW”) to the Master Service Agreement (“MSA”) made by and between CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) and Foothills Metro District (“you,” “your,” “board of directors” or “the district”) dated October 15, 2023 or any superseding MSA. The purpose of this SOW is to outline certain services you wish us to perform through December 31, 2024 in connection with that agreement.

Scope of professional services

Carrie Bartow is responsible for the performance of the preparation engagement and other services identified in this agreement. They may be assisted by one or more of our authorized signers in the performance of the preparation engagement.

Ongoing normal accounting services:

- Outsourced accounting activities
 - For each fund of the district, CLA will generally prepare and maintain the following accounting records:
 - Cash receipts journal
 - Cash disbursements journal
 - General ledger
 - Accounts receivable journals and ledgers
 - Deposits with banks and financial institutions
 - Schedule of disbursements
 - Bank account reconciliations
 - Investment records
 - Detailed development fee records

- Process accounts payable including the preparation and issuance of checks for approval by the board of directors
- Prepare billings, record billings, enter cash receipts, and track revenues
- Reconcile certain accounts regularly and prepare journal entries
- Prepare depreciation schedules
- Prepare monthly financial statements and supplementary information, but not perform a compilation with respect to those financial statements; additional information is provided below
- Prepare a schedule of cash position to monitor the district's cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district's board of directors and in accordance with state law
- At the direction of the board of directors, assist with the coordination and execution of banking and investment transactions and documentation
- Prepare the annual budget and assist with the filing of the annual budget
- Assist the district's board of directors in monitoring actual expenditures against appropriation/budget
- If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district's auditors
- If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from Audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below
- Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required
- Review claims for reimbursement from related parties prior to the board of directors' review and approval
- Read supporting documentation related to the district's acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness
 - Procedures in excess of providing overall reasonableness and completeness will be subject to a separate SOW

- These procedures may not satisfy district policies, procedures, and agreements' requirements
 - Note: our procedures should not be relied upon as the final authorization for this transaction
- Attend board meetings as requested
 - Be available during the year to consult with you on any accounting matters related to the district
 - Review and approve monthly reconciliations and journal entries prepared by staff
 - Reconcile complex accounts monthly and prepare journal entries
 - Analyze financial statements and present to management and the board of directors
 - Develop and track key business metrics as requested and review periodically with the board of directors
 - Document accounting processes and procedures
 - Continue process and procedure improvement implementation
 - Report on cash flows
 - Assist with bank communications
 - Perform other non-attest services

Compilation services

If an audit is not required, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement with respect to the Application for Exemption from Audit.

Preparation services - financial statements

We will prepare the monthly financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable of the district, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; statement of cash flows for business type activities, if applicable; and required supplementary information.

Preparation services - annual

If an audit is required, we will prepare the year-end financial statements of the government wide governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information if applicable, and Management Discussion and Analysis, if applicable, which collectively comprise the basic financial statements of the district, and the related notes to the financial statements. The year-end financial statements, including the related notes to the financial statements, will be prepared for use by the district's auditors.

Preparation services – prospective financial information (i.e., unexpired budget information)

You have requested that we prepare the financial forecast, which comprises the forecasted financial statements identified below.

A financial forecast presents, to the best of management's knowledge and belief, the entity's expected financial position, results of operations, and cash flows for the forecast period. It is based on management's assumptions reflecting conditions it expects to exist and the course of action it expects to take during the forecast period.

The financial forecast will omit substantially all of the disclosures required by the guidelines for presentation of a financial forecast established by the American Institute of Certified Public Accountants (AICPA presentation guidelines) other than those related to the significant assumptions.

The supplementary information accompanying the financial forecast will be prepared and presented for purposes of additional analysis and is not a required part of the basic financial forecast. References to financial statements in the remainder of this SOW are to be taken as a reference to also include the prospective financial information, where applicable.

Engagement objectives and our responsibilities

The objectives of our engagement are to:

- a) Prepare monthly financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.
- b) As requested, apply accounting and financial reporting expertise to assist you in the presentation of your monthly financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.
- c) Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.
- d) Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material

modifications that should be made to the annual budget in order for the annual budget to be in accordance with requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.

- e) If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
- f) If applicable, we will complete the Application for Exemption from Audit in the form prescribed by the Colorado Office of the State Auditor and perform a compilation engagement on the application.

We will conduct our preparation and compilation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARSS) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

Engagement procedures and limitations

We are not required to, and will not, verify the accuracy or completeness of the information provided to us for the engagement or otherwise gather evidence for the purpose of expressing an opinion or a conclusion. Accordingly, we will not express an opinion, a conclusion, nor provide any assurance on the financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), the year-end financial statements (if an audit is required), and the supplementary information.

Our engagement cannot be relied upon to identify or disclose any misstatements in the monthly financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any wrongdoing within the district or noncompliance with laws and regulations. However, if any of the foregoing are identified as a result of our engagement, we will promptly report this information to the board of directors of the district. We have no responsibility to identify and communicate deficiencies in your internal control as part of this engagement, but will promptly report them to the board of directors of the district if they are identified. You agree that we shall not be responsible for any misstatements in the district's financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements that we may not identify as a result of misrepresentations made to us by you.

Our report

The compilation report on the Application for Exemption from Audit will state that management is responsible for the accompanying application included in the prescribed form, that we performed a compilation of the application, that we did not audit or review the application, and that, accordingly, we do not express an opinion a conclusion, nor provide any form of assurance on it. The report will also state that the Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America. The report will include a statement that the report is intended solely for the information and use of the Colorado Office of the State Auditor and is not intended to be and should not be used by anyone other than this specified party and may not be suitable for another

purpose.

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilation on the Application for Exemption from Audit (if an audit is not required), we will not issue report on the Application for Exemption from Audit as a result of this engagement.

No assurance statements

The monthly financial statements prepared for the district will not be accompanied by a report. However, management agrees that each page of the financial statements will include a statement clearly indicating that no assurance is provided on them.

As part of our preparation of financial statements each page of the financial statements and supplementary information will include the following statement: “No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted if applicable, For business type activities, the Statement of Cash Flows has been omitted”.

If an audit is required, the year-end financial statements prepared for use by the district’s auditors will not be accompanied by a report. However, management agrees that each page of the year-end financial statements will include a statement clearly indicating that no assurance is provided on them.

Management responsibilities

The financial statement engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare financial statements in accordance with U.S. GAAP and assist management in the presentation of the financial statements in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105 and assist management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105.

The Application for Exemption from Audit engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor and assist management in the presentation of the Application for Exemption from Audit in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

We are required by professional standards to identify management’s responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district’s operations and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

- a) The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.
- b) The preparation and fair preparation of the financial statements in accordance with U.S. GAAP, except as identified as above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29.1.105, and the preparation and fair presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.
- c) The presentation of the supplementary information.
- d) The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.
- e) The prevention and detection of fraud.
- f) To ensure that the entity complies with the laws and regulations applicable to its activities.
- g) The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.
- h) To provide us with the following:
 - i) Access to all information relevant to the preparation and fair presentation of the financial statements, and the annual budget, the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.
 - ii) Additional information that may be requested for the purpose of the engagement.
 - iii) Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

We understand that you are engaging us to make recommendations and perform services to help you meet your responsibilities relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable).

For all accounting services we may provide to you, including the preparation of your financial statements, the annual budget, and the Application for Exemption from Audit (if applicable), management agrees to assume all management responsibilities; oversee the services by designating an individual (i.e., the board treasurer); evaluate the adequacy and results of the services; and accept responsibility for the results of the services.

Fees and terms

Billing rates guaranteed through **December 31, 2024**:

Services performed by	Rate per hour
Principal	\$300-\$600
Consulting CFO	\$290-\$400
Consulting Controller	\$240-\$380
Assistant Controller	\$210-\$290
Senior	\$150-\$220
Staff	\$130-\$190
Administrative Support	\$120-\$170

Subsequent to the billing rate guarantee date, the rates may be adjusted as agreed between you and CLA through a new SOW.

Our professional fees will be billed based on the degree of responsibility and contribution of the professionals working on the engagement. We will also bill for expenses (including internal and administrative charges) plus a technology and client support fee of five percent (5%) of all professional fees billed.

Use of financial statements, the annual budget, the Application for Exemption from Audit

The financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) are for management's use. If you intend to reproduce and publish the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) and our report thereon, they must be reproduced in their entirety. Inclusion of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) in a document, such as an annual report or an offering document, should be done only with our prior approval of the document. You are responsible to provide us the opportunity to review such documents before issuance.

With regard to the electronic dissemination of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that have been subjected to a compilation engagement, including financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information in the electronic site with the original document.

We may issue preliminary draft financial statements to you for your review. Any preliminary draft financial

statements should not be relied on or distributed.

Municipal advisors

For the avoidance of doubt, the district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 158 of the Securities Exchange Act of 1934 (the “Act”). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty to you pursuant to Section 158 of the Act with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverables with any and all internal and external advisors that you deem appropriate before acting on this information or material.

Agreement

We appreciate the opportunity to provide the services described in this SOW related to the MSA. All terms and provisions of the MSA shall apply to these services. If you agree with the terms of this SOW, please sign below and return a signed copy to us to indicate your acknowledgment and understanding of, and agreement with, this SOW.

CliftonLarsonAllen LLP

Carrie Bartow

Principal

719-284-7239

carrie.bartow@CLAconnect.com

Response

This SOW correctly sets forth the understanding of Foothills Metro District and is accepted by:

CLA
CliftonLarsonAllen LLP

Carrie Bartow

Carrie Bartow, Principal

SIGNED 11/6/2023, 6:14:20 PM MST

Client
Foothills Metro District

SIGN:

Rishi Loona, President

DATE:

**SECOND AMENDMENT TO 2022 FUNDING AND REIMBURSEMENT AGREEMENT
(Operation Costs)**

This SECOND AMENDMENT TO 2022 FUNDING AND REIMBURSEMENT AGREEMENT (the “Second Amendment”) is made and entered into as of the 6th day of December, 2023 (the “Effective Date”), by and between FOOTHILLS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and MXD FORT COLLINS, LLC, a Delaware limited liability company (“MXD”), (collectively, the “Parties”).

RECITALS

WHEREAS, on February 21, 2022 (“Original Effective Date”), the District and MXD entered into that certain 2022 Funding and Reimbursement Agreement for the purpose of consolidating all understandings and commitments between the Parties relating to the funding and repayment of the Operation Costs (the “2020 Agreement”), as amended by that First Amendment to 2020 Funding and Reimbursement Agreement dated December 7, 2022 (the “First Amendment,” together with the 2020 Agreement, the “Agreement”); and

WHEREAS, unless otherwise defined herein, all capitalized terms used herein shall have the meaning given to them in the Agreement; and

WHEREAS, in connection with the First Amendment and to evidence the District’s repayment obligation to MXD pursuant to the terms of the Agreement, the District issued a Subordinate Note, dated January 1, 2023, to MXD in an amount not to exceed Five Hundred Sixty Thousand Dollars (\$560,000); and

WHEREAS, pursuant to Paragraph 1 of the First Amendment, MXD agreed to advance funds to the District through December 31, 2023 (the “Funding Obligation Term”) in an amount not to exceed Five Hundred Sixty Thousand Dollars (\$560,000) (the “Maximum Principal Amount”), which Maximum Principal Amount constitutes the maximum amount that may be advanced or expended, including all amounts advanced or expended since the Original Effective Date, notwithstanding any payment or prepayment of any portion of the funds advanced or expended pursuant to the terms hereof, unless the Agreement is further amended; and

WHEREAS, the District will continue to require funds through fiscal year 2024 to pay for Operation Costs; and

WHEREAS, MXD is willing to continue to advance funds to the District during fiscal year 2024 in one or more installments not to exceed the Maximum Principal Amount, subject to the terms of the Agreement and this Second Amendment; and

WHEREAS, pursuant to Paragraph 11 of the Agreement, the Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and MXD; and

WHEREAS, the Parties desire to enter into this Second Amendment to extend the Funding Obligation Term of the Agreement.

NOW THEREFORE, in consideration of the promises and the mutual covenants herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the District and MXD agree to amend the Agreement as follows:

COVENANTS AND AGREEMENTS

1. Funding Obligation Term. The Parties hereby extend the Funding Obligation Term, as set forth in Paragraph 1 of the First Amendment, through December 31, 2024. Except as otherwise provided in this Paragraph 1, all other terms set forth in Paragraph 1 of the First Amendment remain in full force and effect.

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

3. Entire Agreement. Except as otherwise provided herein, the terms and provisions of the Agreement shall remain valid and in full force and effect. The Agreement, this Second Amendment and the Subordinate Note issued thereunder constitute and represent the entire, integrated agreement between the District and MXD with respect to the matters set forth herein and therein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to those matters, whether written or oral. This Second Amendment shall become effective upon the Effective Date.

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

Signature pages follow.

IN WITNESS WHEREOF, the District and MXD have executed this Second Amendment to be effective as of the Effective Date.

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

By: Rishi Loona, President

MXD FORT COLLINS, LLC,
a Delaware limited liability company

By: MXD Fort Collins Investments, LLC,
a Delaware limited liability company,
its sole Member

By: MXD Fort Collins Partners, LLC,
a Delaware limited liability company,
its Manager

By: McWhinney Real Estate Services, Inc.,
a Colorado corporation,
its Manager

Bethany Johnson
EVP, General Counsel

SERVICES AGREEMENT

THIS SERVICES AGREEMENT (“Agreement”) is made and entered into this 6th day of December 2023, by and between FOOTHILLS METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and Russell + Mills (“Contractor”), collectively, the “Parties.”

RECITALS

WHEREAS, the District was organized pursuant to the laws of the State of Colorado in order to construct, operate and maintain certain public facilities, improvements, and infrastructure in accordance with its approved service plan; and

WHEREAS, pursuant to Section 32-1-1001(1)(d)(I), C.R.S., the District is permitted to enter into contracts affecting the affairs of the District; and

WHEREAS, the District desires to procure Landscape Architecture and Planning Services relating to the operation and maintenance of certain District facilities, improvements and infrastructure; and

WHEREAS, Contractor has experience in providing such services and is willing and able to provide such services to the District for reasonable consideration; and

WHEREAS, the District desires to engage Contractor to render such services as are needed by the District; and

WHEREAS, the Parties desire to enter into this Agreement to establish the terms and conditions by which Contractor shall provide such services to the District.

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

AGREEMENT

1. Appointment of Contractor. The District hereby retains Contractor for purposes of performing such services described in Section 2 of this Agreement, subject to the terms and conditions of this Agreement. Contractor hereby agrees to perform the Services pursuant to the terms and conditions set forth herein.

2. Scope of Services. Contractor shall perform the Services for the District as outlined in the Scope of Services in **Exhibit A** attached hereto and incorporated herein by reference (“Services”). The District may, from time to time, request changes to the Services to be performed hereunder. Such changes, including any increase or decrease in the amount of Contractor’s compensation, shall be mutually agreed upon by the Parties and set forth in an amendment to this Agreement as provided in Section 15 hereof. No amendment to provide for a change in Services that results in an increase in the

Contractor's compensation shall be authorized and executed by the District unless sufficient funds have been appropriated by the District for payment of the increased compensation, as provided in Section 12 hereof. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur an obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement. Contractor shall at all times conform to the stated policies established and approved by the District.

A. General Duties. In connection with performing the Services, Contractor agrees to:

(1) Provide all Services in a good and workmanlike manner and in accordance with any and all approved plans, documents, and specifications described in Contractor's proposal to provide such Services to the District;

(2) Furnish, or cause to be furnished, all labor, materials, equipment, permits and accessories, as necessary, to provide such Services;

(3) Take all precautions necessary for safely and prudently conducting the Services required by this Agreement, including maintaining insurance as required by Section 7 hereof;

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

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

B. Compliance with Applicable Law. Contractor shall provide the Services as set forth herein in full compliance with all applicable laws, ordinances, rules, and regulations of any federal, state, county, or municipal body or agency thereof having jurisdiction in which this Agreement is performed. Contractor declares that Contractor has complied with all federal, state and local laws regarding business permits, certificates and licenses that may be required to carry out the Services to be provided pursuant to this Agreement.

C. Subcontractors. Contractor is solely and fully responsible to the District for the Services to be provided pursuant to this Agreement, including all acts and omissions of subcontractors and persons employed by them. Contractor will require any subcontractors to obtain the required insurance coverage pursuant to Section 7 hereof and to agree to indemnify the District in the same manner as Contractor pursuant to Section 9 hereof.

D. No Right or Interest in District's Assets. Contractor shall have no right or interest in any assets of the District, or in any lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated herein.

3. Compensation. Contractor shall be paid an amount not to exceed \$40,000 as set forth in **Exhibit A** attached hereto and incorporated herein by reference, and in accordance with the procedures set forth in this Section 3, which amount has been budgeted and appropriated by the District for the current year of performance of the Services . Contractor shall not receive additional compensation for any change in Services provided to the District unless the District and Contractor have executed an amendment to this Agreement authorizing the change in Services and the payment of additional compensation to Contractor. Any amendments to this Agreement resulting in additional compensation to be paid by the District to Contractor shall be subject to annual appropriations by the District as set forth in Section 12 hereof. The District is exempt from Colorado sales and use taxes. Contractor shall use reasonable efforts to ensure that costs for Services set forth in Exhibit A and charged to the District do not include sales and use taxes.

A. Monthly Reports and Invoices. Contractor shall submit to the District monthly reports in a form acceptable to the District which describe the work completed to date and the work yet to be performed, and summarizes costs paid to date by the District and the amount currently due to Contractor. Contractor shall submit its report together with its invoice to the District no later than the 3rd day of each month for Services completed in the preceding month. The District shall pay Contractor's invoice within forty-five (45) days from the 3rd day of each month. The District reserves the right to inspect all Services completed and invoiced prior to payment as set forth in Section 3.B. herein. In the event inspected services are not accepted for payment by the District, the terms of Section 3.B. herein shall apply.

B. Inspection of Services. The District may inspect the Services provided at any time throughout the term of this Agreement and shall notify Contractor if, in the District's discretion, any or all Services are not provided in accordance with this Agreement. Failure by Contractor to properly provide the Services required by this Agreement shall constitute a default hereunder. In such case, the District shall provide written notice of said default to Contractor. Contractor shall have two (2) days to cure the default unless otherwise agreed to by the Parties. If Contractor fails to cure the default within the time period provided, the District shall be entitled to pursue all remedies provided by law and in equity, including specific performance, and to recover all costs and reasonable attorney fees incurred in any suit or claim brought by the District to enforce the terms of this Agreement. In addition, in the event of default by Contractor, the District may hire a third party to complete the Services and Contractor agrees to pay all additional costs incurred for the completion of the Services by a third party.

C. Compensation Upon Termination. In the event this Agreement is terminated as provided in Section 5 hereof, the District shall pay Contractor for all of the Services satisfactorily performed prior to the designated termination date. Compensation for work in progress shall be prorated as to the percentage of work completed as of the date of notice of termination or the effective date of termination, as applicable. In ascertaining the Services actually rendered hereunder up to the date of notice of termination or the effective date of termination of this Agreement, consideration shall be given to both completed work and work in progress pertaining to the Services contemplated herein.

4. Term. The term of this Agreement shall begin on the date set forth above, shall be effective as of such date regardless of the date of execution hereof, and shall expire upon completion of the Services; provided that, in the event the completion of Services occurs in a fiscal year following the effective date of this Agreement, such Services to be performed in the following fiscal year shall be subject to annual appropriations by the District as set forth in Section 12 hereof. This Agreement may be extended in writing upon mutual agreement of the Parties, and such writing shall become an amendment to and part of this Agreement. Any extension of this Agreement shall be subject to annual appropriations by the District as set forth in Section 12 hereof.

5. Termination. The District shall have the right to terminate this Agreement, with or without cause, at any time, by providing written notice to Contractor of such termination and specifying the effective date of termination thereof. Contractor shall be entitled to receive compensation in accordance with Section 3.C. of this Agreement for any satisfactory work completed pursuant to the terms of this Agreement prior to the effective date of termination. Contractor may terminate this Agreement, with cause, by delivery of written notice of termination to the District at least thirty (30) days prior to the effective date of termination. Such notice shall specify the extent of termination and the effective date. Contractor shall stop rendering services pursuant to this Agreement upon the effective date of termination. Upon any termination and payment of all undisputed amounts owed to Contractor, Contractor shall transfer title and deliver to the District all Instruments of Service, as defined and described in Section 6 hereof, which shall be deemed from and after the effective date of this Agreement to be the property of the District.

6. Instruments of Service. For purposes of this Agreement, Instruments of Service includes the following: any and all finished or unfinished design, development and/or construction documents, if any, drawings, reports, writings, data, studies, graphics, maps, plans, specifications, electronic files and other documents, materials and information, in every form and/or format, which Contractor created, prepared and/or produced in connection with this Agreement. Contractor owns the Instruments of Service, including all associated copyrights and the right of reuse at the discretion of the Contractor. Contractor shall continue to own the Instruments of Service and all associated rights whether or not the Services are completed. The District may make and retain copies of Instruments of Service for information and reference in connection with the use of the Instruments of Service on the Services. Contractor grants the District a limited license to use the Instruments of Service on the Services, extensions of the Services, and for related uses of the District, subject to receipt by Contractor of full payment due and owing for all Services, and subject to the following limitations: (a) the District acknowledges that such Instruments of Service are not intended or represented to be suitable for use on the Services unless completed by the Contractor, or for use or reuse by the District or others on extensions of the Services, on any other project, or for any other use or purpose, without written verification or adaptation by the Contractor; (b) any such use or reuse, or any modification of the Instruments of Service, without written verification, completion, or adaptation by the Contractor, as appropriate for the specific purpose intended, will be at the District's sole risk and without liability or legal exposure to the Contractor or to its officers, directors, members, partners, agents, employees, and subconsultants; and (c) such limited license to the District shall not create any rights in third parties.

7. Insurance.

(A) Minimum Scope and Limits of Insurance. Contractor shall acquire and maintain in full force and effect during the entire term of this Agreement, and at its sole cost and expense, including any extensions of this Agreement, the minimum insurance coverages and limits set forth in this Section 7(A), to provide protection from claims that may arise out of or result from Contractor’s performance or obligations pursuant to this Agreement, whether such performance is by Contractor, by anyone directly or indirectly employed by Contractor, or by anyone who acts on behalf of Contractor, including any subcontractors of Contractor. The minimum insurance coverages and limits to be acquired by Contractor are as follows:

(1) Commercial General Liability Insurance:

General Aggregate	\$ 2,000,000
Products and Completed Operations	\$ 1,000,000
Personal and Advertising Injury	\$ 1,000,000
Each Occurrence	\$ 1,000,000
Damage to Rented Premises	\$ 100,000
Medical Expenses (Any one person)	\$ 5,000

(2) Comprehensive Automobile Liability Insurance shall include all motor vehicles owned, hired, leased, or borrowed, with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence.

(3) Workmen's Compensation and Employer Liability Insurance

Worker’s Compensation	Per Colorado Statutes
Employers’ Liability	\$ 1,000,000 each accident

(4) Umbrella Policy: \$ 1,000,000

In addition, unless otherwise marked “No,” the following coverage shall be obtained by Contractor, on an occurrence basis:

(1) Performance Bond

Included: Yes No X

(2) Builder’s Risk Insurance. A blanket builder’s risk insurance policy with coverage on an “all risk” basis for the project including but not limited to: (1) coverage for any ensuing loss from faulty workmanship or defective materials; (2) coverage against damage or loss caused by earth movement, flood, fire, and extended coverage perils, theft, vandalism, and malicious mischief, collapse and false work, including increased cost of construction, architects fees and expenses, soft costs, and operational testing; (3) coverage for removal of debris and demolition; (4) transit coverage (unless insured by the supplier), with sub-limits sufficient to insure the full replacement value of any key equipment item; (5) policy is to include as insured the District, the Contractor, and all subcontractors; and (6) coverage with sub-limits sufficient to insure the full replacement value of any property or equipment stored either on or off the site of the

Services. Such insurance shall be on a “completed value” form insuring probable maximum loss, all on a replacement cost basis.

Included: Yes No X

(3) General Professional Liability. Professional Liability insurance with coverage in the amount of One Million Dollars (\$1,000,000) each claim and in the aggregate covering the negligent acts, errors, or omissions of the Contractor and/or its subcontractors in the performance of the Services.

Included: Yes X No

Unless otherwise indicated, all policies listed herein shall be on an occurrence basis.

B. Waiver of Subrogation. All coverages specified herein shall waive any right of subrogation against the District and its directors, officers, employees, and agents.

C. Additional Insured Parties. The District shall be named as an additional insured on all policies (with the exception of workers’ compensation insurance). The Contractor’s insurance coverage shall be primary insurance and non-contributory with respect to all other available insurance sources.

D. Certificates of Insurance. Contractor shall provide to the District certificates of insurance showing the insurance coverages and required endorsements described above, prior to performing any Services pursuant to this Agreement.

E. Notice. Contractor agrees to provide the District with a minimum 10-day notice for the cancellation of any insurance policies required by this Agreement due to the non-payment of a premium and with a minimum of a 30-day notice for any change to or cancellation of an insurance policy other than for non-payment of a premium. Any failure on the part of the Contractor to comply with the notice reporting provisions or other conditions of the insurance policies set forth herein shall not affect the obligation of the Contractor to provide the required coverage to the District and its directors, officers, employees, and agents.

F. Subcontractor Insurance. If Contractor subcontracts any portion(s) of the Services, Contractor shall require that each subcontractor retained by Contractor to acquire and maintain insurance coverage as set forth in this Section 7. Contractor shall require each subcontractor to provide to Contractor insurance certificates and endorsements, including necessary updates to the same, demonstrating compliance with this Section 7. The Contractor shall retain all subcontractor insurance certificates and endorsements for the duration of the Agreement. Contractor shall, upon District request, submit them to the District for review. Failure to acquire and maintain subcontractor insurance certificates is a material breach of this Agreement.

G. Non-limiting. No provision, term or condition contained in this Section 7 of the Agreement shall be construed as limiting in any way the indemnification provision contained in Section 9 hereof, or any rights, immunities and protections provided to the District by the Colorado

Governmental Immunity Act, Sections 24-10-101, *et seq.*, C.R.S., or the extent to which Contractor may be held responsible for payments of damages to persons or property.

8. Independent Contractor. Contractor is an independent contractor and nothing contained herein shall be construed as constituting any relationship with the District other than that of owner and independent contractor, nor shall it be construed as creating any relationship whatsoever between the District and any of the Contractor's employees. Neither the Contractor nor any of Contractor's employees are or shall be deemed employees of the District. Contractor is not, and shall not act as, the agent of the District. The employees who assist Contractor in the performance of the Services shall at all times be under Contractor's exclusive direction and control and shall be employees of Contractor and not employees of the District. Contractor shall pay all wages, salaries, and other amounts due Contractor's employees in connection with the performance of the Services and shall be responsible for all reports and obligations respecting such employees including, without limitation social security tax, income tax withholding, unemployment compensation, worker's compensation, employee benefits and similar matters. Further, Contractor has sole authority and responsibility to employ, discharge, and otherwise control Contractor's employees. Contractor has sole authority and responsibility as principal for Contractor's agents, employees, subcontractors and all others Contractor hires to perform or assist in performing the Services.

9. Indemnification. Contractor shall indemnify, assume all responsibility for, and hold harmless the District and each of its directors, officers, consultants, employees, servants, agents, and authorized volunteers, from and against any and all claims, demands, suits, actions, proceedings, judgments, losses, damages, injuries, penalties, costs, and expenses (including reasonable attorneys' fees), and liabilities arising, or alleging to arise, directly or indirectly, in whole or in part, from the intentional or negligent acts or omissions of Contractor or any of its subcontractors, agents or employees, in connection with Contractor's performance, duties, and obligations pursuant to this Agreement; provided, however, that Contractor shall not be liable for any claim, loss, damage, injury or liability caused by the negligence or fault of the District or any third party under the control or supervision of the District. If Contractor is providing architectural, engineering, surveying, or other design services, then the extent of Contractor's obligation to indemnify or hold harmless the District may be determined only after Contractor's liability or fault has been determined by adjudication, alternative dispute resolution, or otherwise resolved by mutual agreement between Contractor and the District. The obligations of the indemnifications extended by Contractor to the District under this Section 9 shall survive termination or expiration of this Agreement. Upon execution of this Agreement, Contractor shall provide the District with a copy of Contractor's IRS Form W-9, Request for Taxpayer Identification Number.

10. Governmental Immunity. Nothing in this Agreement shall be construed to be a waiver, in whole or in part, of any right, privilege, or protection afforded the District or its directors, officers, employees, servants, agents, or authorized volunteers, pursuant to the Colorado Governmental Immunity Act, Section 24-10-101, *et seq.*, C.R.S.

11. Liability of the District. No provision, covenant or agreement contained in this Agreement, nor any obligations herein imposed upon the District shall constitute or create an

15. Modification. This Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by both the District and Contractor.

16. Assignment. Contractor shall not assign or transfer its rights hereunder, or subcontract any work hereunder, either in whole or in part, without the prior written consent of the District. Any attempted assignment or transfer shall be void and shall constitute a breach of the Agreement and cause for termination of this Agreement. Regardless of the District's consent, no assignment or transfer shall release Contractor from Contractor's obligation to perform all other obligations required to be performed by Contractor hereunder for the term of the Agreement. Consent to one assignment shall not be deemed to be consent to any subsequent assignment nor the waiver of any right to consent to such subsequent assignment.

17. No Waiver. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and signed by a duly authorized representative of the party against whom enforcement of a waiver is sought. The waiver of any right or remedy in respect to any occurrence of event shall not be deemed a waiver of any right or remedy in respect to any other occurrence or event, nor shall any waiver constitute a continuing waiver.

18. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

19. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be unenforceable in any circumstance, such determination shall not affect the validity or enforceability of the remaining terms and provisions hereof or of the offending provision in any other circumstance.

20. Attorneys' Fees. In the event that litigation is brought by either party hereto in connection with this Agreement, the prevailing party shall be entitled to recover from the opposing party all costs and expenses, including reasonable attorneys' fees, incurred by the prevailing party in the exercise of any of its rights or remedies hereunder or the enforcement of any terms, conditions, or provisions hereof.

21. No Third Party Beneficiaries. This Agreement is entered into for the sole benefit of the District and Contractor and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right in, under, or to this Agreement.

22. Conflicts. The terms of this Agreement may be used to construe the intent of the Parties in connection with any exhibits, addendums or amendments attached hereto, and shall be read as nearly as possible to make the provisions of any such exhibits, addendums, and/or amendments and this Agreement fully effective. Should any irreconcilable conflict arise between the terms of this Agreement and the provisions of any such exhibits, addendums, or amendments, the provisions of this Agreement shall prevail.

23. Headings. The headings, captions and titles contained herein are intended for convenience and reference only and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

24. Binding Agreement. This Agreement shall inure to and be binding upon the respective Parties hereto and their successors and permitted assigns.

25. Entire Agreement. This Agreement, including all exhibits attached hereto, constitutes the entire Agreement between the Parties with respect to any matter referenced herein and supersedes any and all other prior writings and oral negotiations.

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

(Remainder of Page Left Intentionally Blank.)

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

FOOTHILLS METROPOLITAN DISTRICT

By: Rishi Loona
Its: President

RUSSELL + MILLS STUDIOS

By: Paul Mills
Its: Principal

EXHIBIT A
SCOPE OF SERVICES AND PAYMENT FOR SERVICES



November 2, 2023

Foothills Metro District c/o Denise Denslow
McWhinney

sent via email

Re: **Proposal of services for Overall Development Plan (ODP) and miscellaneous tasks**

Please find below our proposal to provide land planning and site design services for the Foothills Redevelopment Project.

SCOPE

The scope of this additional agreement is specific to developing and completing the ODP process for the project on a fixed fee basis, and additionally contracted to study various tenant scenarios and marketing updates on an hourly not to exceed basis.

1. City Submittals - ODP

We will prepare an ODP update plan for submittal to the City that will replace the existing ODP for the site from the previous past development. It will include:

1. Create a ODP plan with planning data, narrative and required and information for internal review.
2. Make any adjustments and submit to City with planning narrative.
3. Attend Planning review meeting.
4. Amend plan accordingly for submittal for Planning and Zoning Review
5. Prepare presentation for Planning and Zoning Commission.
6. Attend Planning and Zoning Commission to present.
7. Submitting updated final ODP for recording.

2. Miscellaneous Studies and Tasks

Russell + Mills Studios will work with he client and partners on an hourly not-to-exceed basis to study tenant options, and opportunities, coordinate with other consultants for the project and marketing needs.

PROFESSIONAL FEES

- | | |
|---|-----------|
| 1. Overall Development Plan - Fixed fee | \$ 20,000 |
| 2. Miscellaneous Tasks - Hourly not-to-exceed | \$ 20,000 |

Invoices

All Invoices are to be paid within thirty days of issuance.

Expenses

Reimbursable will be billed to you directly with no mark up. We will bill you with copies of all receipts for plan room printing, such as color sheets for neighborhood meetings, and City submittals plots and mylars.

A. Normal Hourly Rates (Effective through December 31st, 2024)

<u>Personnel</u>	<u>Hourly Rate</u>
Principal	\$175.00
Associate Principal	\$155.00
Senior Landscape Architect	\$135.00
Landscape Architect	\$125.00



Landscape Designer	\$105.00
Administrative	\$ 85.00

Note: Hourly rates are subject to revision January 1st of each calendar year.

B. The Consultant assumes that the outlined base scope of services submittals will be used for all agency submittals. Submittals beyond the amount listed in this phase will be billed as Additional Services as described in this agreement.

C. Client Initiated Program and Budget Revisions - The Consultant will endeavor to design the Client's development program to the Client's established improvement budget at the project's inception or during the Schematic Design phase. Preparation of Client initiated revisions to the approved design documents representing a ten percent (10%) or greater modification to the Client's established landscape budget and/or design program will be considered an additional service and will be subject to additional fees per the attached billing rates. These Client initiated revisions will be subject to an extension to the proposed design duration/schedule.

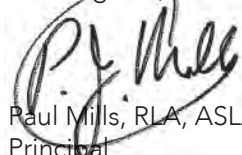
SPECIFIC EXCLUSIONS

The Client shall provide the following information, services and products as required for performance of the work. Russell+Mills Studios assumes no responsibility for the accuracy of such information or services and shall not be liable for errors or omissions therein. Should Russell +Mills Studios be required to provide services in obtaining or coordinating compilation of this information, such services shall be billed as Additional Services .

The specific exclusions marked with an (*) astrix below may be added to Russell + Mills Studios scope but are not currently included in the scope and fee.

1. Topography, utility, and boundary surveys
2. Utility potholing and location services
3. Geotechnical investigations and analysis
4. Environmental Investigations and analysis
5. Agricultural / Horticultural soil testing
6. Identification or delineation of existing or proposed easements/monumented land surveys
7. *Site / landscape lighting engineering and photometric analysis.*
8. Stormwater management system design and engineering.
9. * Signage and environmental graphics design.*
10. Erosion and Sedimentation plans and analysis.
11. * Procurement of Furniture, Fixtures and Equipment (FF&E).
12. * LEED certification and/or commissioning.
13. Maintenance manuals and development of project maintenance programs
14. Materials testing services.
15. Payment for governmental permits, application fees, processing fees, or plan check fees.
16. * Physical project models, computer fly through digital animations.*
17. * Mockups and fabricated samples.

Kind regards,



Paul Mills, RLA, ASLA
Principal

EXHIBIT B

CERTIFICATION REGARDING WORKER WITHOUT AUTHORIZATION

To: FOOTHILLS METROPOLITAN DISTRICT

I, Paul Mills, as Principal of Russell + Mills Studios, the prospective “Contractor” for that certain contract for Land Planning services (“Agreement”) to be entered into with Foothills Metropolitan District, do hereby certify on behalf of said Contractor that, as of the date of this Certification, Contractor does not knowingly employ or contract with a worker without authorization who will perform work pursuant to this Agreement and that Contractor will participate in either the E-Verify Program administered by the U.S. Department of Homeland Security and the Social Security Administration, or in the Colorado Department of Labor and Employment’s Employment Verification Program pursuant to Section 8-17.5-102(5)(c), C.R.S. in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work pursuant to this Agreement.

Executed on the 6th day of December, 2023.

RUSSELL + MILLS STUDIOS

By: Paul Mills
Its: Principal