

## RAINDANCE METROPOLITAN DISTRICT NOS. 1-4

[www.raindancemetrodistrict.org](http://www.raindancemetrodistrict.org)

<b>Raindance MD No. 1</b>	<b>Raindance MD No. 2</b>	<b>Raindance MD No. 3</b>	<b>Raindance MD No. 4</b>
Martin Lind, President May 2027	Martin Lind, President May 2027	Martin Lind, President May 2027	Martin Lind, President May 2027
Justin Donahoo, Secretary/Treasurer May 2025	Justin Donahoo, Secretary/Treasurer May 2025	Justin Donahoo, Secretary/Treasurer May 2025	Justin Donahoo, Secretary/Treasurer May 2025
Austin Lind, Asst. Secretary May 2025	Austin Lind, Asst. Secretary May 2025	Alan MacGregor May 2025	Austin Lind, Asst. Secretary May 2025
Ryan Scallon, Asst. Secretary May 2025	Barry McGuiness May 2027	Cindy Beemer May 2027	Vacant May 2025
Vacant May 2027	Garrett Scallon May 2025	Ryan Scallon May 2025	Vacant May 2027

### NOTICE OF JOINT MEETING

Monday, July 31, 2023, at 1:00 p.m.

1625 Pelican Lakes Point, Suite 200, Windsor, CO

*This meeting may be attended via teleconferencing through the directions below:*

<https://us06web.zoom.us/j/81784084221?pwd=WUZyWUVaNjBaMlFnL1lKWkhuNmJaZz09>

Meeting ID: 817 8408 4221; Passcode: 043909; Call In # 720-707-2699 or 1(719)359-4580

### JOINT MEETING AGENDA

1. Call to Order
2. Declaration of Quorum/Director Conflict of Interest Disclosures/Affirmation of Qualifications
3. Approval of Agenda
4. Consider Election of Officers
5. Public Comment – Members of the public may express their views to the Boards on matters that affect the Districts. Comments will be limited to three (3) minutes per person.
6. Consent Agenda –The items listed below are a group of items to be acted on with a single motion and vote by the respective Boards. An item may be removed from the consent agenda to the regular agenda, by any Board member of the applicable District. Items on the consent agenda are then voted on by a single motion, second, and vote by the respective Boards.
  - a. Approval of Minutes from April 25, 2023 Joint Meeting (**enclosure**)
  - b. Ratification of 2022 Audit Exemption (District No. 4) (**enclosure**)
  - c. Ratification of Independent Contractor Agreement with YMCA NOCO for Lifeguard Services (**enclosure**)
  - d. Ratification of Independent Contractor Agreement with Southern Exposure for Landscape Services (**enclosure**)
  - e. Ratification of Independent Contractor Agreement with Jeannette Balderrama for Cleaning Services (**enclosure**)

- f. Ratification of Independent Contractor Agreement with Randy Schwalm for Farm Services (**enclosure**)
  - g. Ratification of Independent Contractor Agreement with Conduct All Electric for Lighting Fixture Fabrication (**enclosure**)
  - h. Ratification of Independent Contractor Agreement with Zak George Landscaping for Landscape Services (**enclosure**)
  - i. Approval of Independent Contractor Agreement with M&E Painting for Fence Painting Services (**enclosure**)
7. District Manager Matters
- a. District Manager Report (*if any*)
8. Operations Matters
- a. Operations Report (*if any*)
9. Capital Matters
- a. Update on Status of Raindance Reservoir # 2 Construction Project
10. Water Matters
- a. Consider Approval of Water System Rules and Regulations (**enclosure**)
11. Legal Matters
12. Financial Matters
- a. Consider Approval of Payables/Financials (**enclosure**)
  - b. Conduct Public Hearing on 2022 Budget Amendment and Consider Adoption of Resolution Amending 2022 Budget (District No. 1) (**enclosure**)
  - c. Consider Approval of 2022 Audits (District Nos. 1, 2 & 3) (**enclosures**)
13. Other Business
14. Adjourn

MINUTES OF A JOINT SPECIAL MEETING OF THE  
BOARDS OF DIRECTORS

OF

POUDRE TECH METROPOLITAN DISTRICT, WATER  
VALLEY METROPOLITAN DISTRICT NOS. 1 & 2, AND  
RAINDANCE METROPOLITAN DISTRICT NOS. 1-4,

Held: Tuesday, April 25, 2023, at 10:00 a.m.

*This meeting was held via teleconference and at 1600  
Pelican Lakes Point, Windsor, Colorado.*

Attendance

The joint special meeting of the Boards of Directors of the Poudre Tech Metropolitan District, Water Valley Metropolitan District Nos. 1 & 2, and Raindance Metropolitan District Nos. 1-4 was called and held in accordance with the applicable laws of the State of Colorado. The following Directors, have confirmed their qualifications to serve, were in attendance:

**Poudre Tech Metropolitan District and Water Valley  
Metropolitan District Nos. 1 & 2**

Martin Lind, President (PTMD/WVMD No. 2)  
Jerry Helgeson, Vice President (PTMD/WVMD Nos. 1 & 2)  
Duane Sullivan, Secretary/Treasurer (WVMD No. 1)  
Justin Donahoo, Asst. Secretary (PTMD/WVMD No. 1 & 2)  
John Jensen, Secretary/Treasurer (PTMD/WVMD Nos. 1 & 2)  
James Porth, Jr., Asst. Secretary (WVMD No. 1)  
Marissa Donahoo, Asst. Secretary, (PTMD/WVMD No. 2)

**Raindance Metropolitan District Nos. 1-4**

Martin Lind, President (District Nos. 1-4)  
Justin Donahoo, Secretary/Treasurer (District Nos. 1-4)  
Austin Lind, Assistant Secretary (District Nos. 1, 2 & 4))  
Ryan Scallon, Assistant Secretary (District No. 1 & 3)  
Kris Kazian, Assistant Secretary (District No. 3)  
Nate Kvamme, Assistant Secretary (District No. 2)  
Garrett Scallon, Assistant Secretary (District No. 2)  
Alan MacGregor, Assistant Secretary (District No. 3)

Also present were William P. Ankele, Jr., Esq., and Zachary P. White, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law (District Counsel); Gary Kerr, Lara Wynn, Colton Lind, Water

Valley Companies (District General Manager); Don Taranto, Matt Taranto – TST, Inc. Consulting Engineers (District Engineer); Gigi Pangindian – CliftonLarsonAllen (District Accountant); Cindy Beemer, Raindance MD No. 3 Director Elect; and Barry McGuiness, Raindance MD No. 2 Director Elect.

Call to Order/Declaration of Quorum

It was noted that a quorum of the Boards was present, and Director Martin Lind called the meeting to order and appointed Legal Counsel to direct the meeting.

Conflict of Interest Disclosures

Mr. White advised the Boards that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Mr. White reported that disclosures for those directors that provided White Bear White Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Mr. White inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Combined Meetings

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes is the action of each of the Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Approval of Agenda

Mr. White presented the proposed agenda to the Boards for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda as presented.

Public Comment

Greg Flebbe asked about the status of repairs of the wooden pelican statute. Director Martin Lind reported that it is being repaired at the artists shop and is expected to be replaced this summer.

Consent Agenda

Mr. White reviewed the items on the consent agenda with the Boards. Mr. White advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, adopted, and ratified:

**PTMD/WVMD NOS. 1 & 2 Matters**

- Minutes from the April 11, 2023 Joint Meetings

**Raindance MD Nos. 1-4 Matters**

- Minutes from the April 11, 2023 Joint Meetings

District Manager/Operations Matters

**Operations Matters** None.

**Capital Matters** None.

**Water Matters** None.

**Waterdance Matters** None.

Water Activity Enterprise

Water Activity Enterprise Presentation re Water Conservation, Water System Infrastructure and Capital Requirements, Operations Costs, Long-Term Financial Plan, and Water Service Fees and Rates.

Mr. Kerr presented to the Boards the results of the water enterprise rate structure analysis undertaken by TST, Inc. and financial analysis by CliftonLarsonAllen attached hereto. Following the presentation members of the Board spoke in favor of the recommendations and expressed a desire to both see the financial health of the Districts and the health of the water systems maintained into the future, and to encourage conservation of the valuable water resources of the Districts. It was noted that the average lot needs only approximately 42,000 gallons of water per year, but many are using well in excess of that amount. The Boards discussed how to encourage and educate users to track and reduce water usage.

Mr. White noted that notice of each of the Districts’ intent to increase water rates was posted in accordance with statute on the respective district websites. Director Martin Lind opened a public

hearing on the proposed water rates.

Greg Bielowski commented regarding the need to encourage conservation of water and asked whether excessive users should incur higher fees to encourage conservation.

Gail Miller commented regarding limited water resources in the region and expressed views in favor of the proposed actions by the Boards to encourage conservation.

Cindy Beemer commented in favor of a tiered rate structure for users.

Dani Kerkegi asked whether the proposed capital fees are planned to sunset once the water systems are completed.

Lucy Thames commented about the impact of larger lots in areas where the HOA's require substantial amounts of turf and plant material.

The public hearing was closed.

Members of the Boards shared their views:

Director Garrett Scallon discussed the need to conserve water and spoke about tools and methods available to property owners to track their own water usage.

Director Martin Lind discussed the proposed rate structure and recognized the impact it will have on residents of the District and on his own businesses, but stated he believed the rate structure needed to be adjusted. He also expressed his view that the rates will still be lower than the rates paid by Town of Windsor customers.

Director Kazian expressed his views that the changes are necessary while acknowledging the impact they will have on residents is significant. He shared tools he has used to track his own water usage.

Director Sullivan expressed his views about the cost impact to Water Valley residents who are already paying more for services like trash collection than residents in Raindance who have trash service as part of their HOA dues. He expressed a desire to engage with the HOA in Water Valley on cost issues which could off-set the water rate cost increases.

Director Jenson reviewed the financial proformas and expressed he believed the Boards had no choice but to increase the water rates and encourage conservation.

All members of the Boards engaged in a discussion about implementation of the increased water rates and education to the public about conservation. The Boards expressed a desire to give grace as the new rates are implemented to users making a good faith effort to conserve or who may have extraordinary circumstances like water line breaks.

### Legal Matters

Consider Approval of Amended Fee Schedule re Implementation of Various Fees, Rates, Penalties and Charges for Water Services and Facilities (PTMD/WVMD Nos. 1 & 2)

Mr. Kerr presented the Amended Fee Schedule regarding Implementation of Various Fees, Rates, Penalties and Charges for Water Services and Facilities to the Boards of Poudre Tech Metropolitan District and Water Valley Metropolitan District Nos. 1 & 2. Following discussion, upon a motion duly made and seconded, the Boards adopted the fee schedule as presented, and directed management to give grace to customers making a good faith effort to conserve or who may have extraordinary circumstances. The Boards directed Legal Counsel to prepare an updated fee schedule and to work with management to post the updated fee schedules to the website.

Following discussion, upon a motion duly made and seconded, the Boards approved to direct staff and consultants to work to implement the conservation recommendations included in Mr. Kerr's presentation.

Consider Approval of Amended Fee Schedule re Implementation of Various Fees, Rates, Penalties and Charges for Water Services and Facilities (RDMD Nos. 1-4)

Mr. Kerr presented the Amended Fee Schedule re Implementation of Various Fees, Rates, Penalties and Charges for Water Services and Facilities to the Boards of Raindance Metropolitan District Nos. 1-4. Following discussion, upon a motion duly made and seconded, the Boards adopted the fee schedule as presented, and directed management to give grace to customers making a good faith effort to conserve or who may have extraordinary circumstances. The Boards directed Legal Counsel to prepare an updated fee schedule and to work with management to post the updated fee schedules to the website.

Following discussion, upon a motion duly made and seconded, the Boards approved to direct staff and consultants to work to implement the conservation recommendations included in Mr. Kerr's presentation.

Other Business

Director Kazian thanked the Boards for their service and noted that this would be his last meeting before his term of office expires on May 2, 2023. The Boards thanked Director Kazian for his service.

Next Meeting

Poudre Tech MD/Water Valley MD Nos. 1 & 2, July 31, 2023

Adjourn

There being no further business to come before the Boards, and following discussion and upon a motion duly made, seconded, and unanimously carried, the Boards determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

---

**Secretary for the Meeting Districts**

The foregoing minutes were approved on the 31<sup>st</sup> day of July, 2023.



*WELCOME*

*WATER VALLEY & RAINDANCE  
METRO DISTRICTS*

*APRIL 25, 2023*

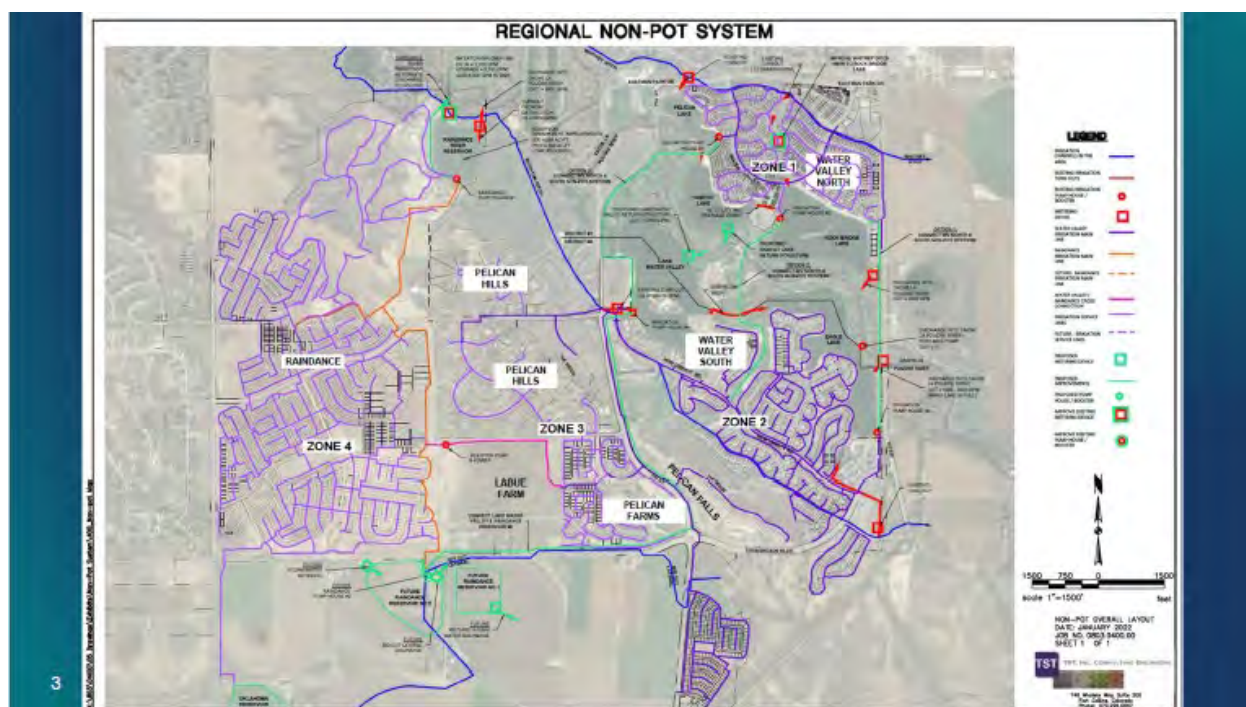
*JOINT BOARD MEETING*

**Topics:**

- Background & Overview of Non-Potable Water System
- Discuss Strength of Combined Systems
- The Need for Conservation
- Review Current Non-Potable and Potable Water Rates
- Discuss Capital Requirements
- Review Operating and Debt Service Pro Forma
- Discuss Recommendations
- Review Overall Metro District / HOA Costs

# Background:

- Districts Engaged TST (District Civil Engineers), Martin & Wood (District Water Engineers), and Clifton Larson Allan (District Accountants) to Undertake a Thorough Evaluation of the Water Resources, Operations and Business of the Joint Water Enterprises, Including Analysis / Discussion of:
  - Current Water Supply, Water Rights, Lake Levels, and Adequacy of Current Senior and Junior Water Rights
  - Need for Water Conservation and Recommended Course of Action
  - Capital / Infrastructure Needs
  - Review of Current Operating Costs and Potential Further Economies of Scale / Efficiencies of Joint Operation
  - Impact of Inflation on Operations and Capital
  - Considering all the Above, Analysis of Service Fees and Recommendations for Needed Adjustment



## Largest Non-Pot Water Utility in Colorado

- Serving Over 5,500 Homes and 15,000 Residents, Three Golf Courses, 30+ Commercial Customers, and 150+ Acres of Public Parks, Farms, and Open Spaces
- Service Area of >4,500 Acres (Seven Square Miles)
- Senior Water Rights Valued at Over \$50MM, \$10s of Millions of Junior Water Rights, all Adjudicated via 27 Water-Court Cases
- Six Storage Lakes with Total Surface Area of 286 acres, Able to Store Over 1.2 Billion Gallons of Water (3,625 Acre-Feet)
- Three Separate Ditches Drawing Water off the Poudre and Thompson Rivers.
- Five Pump Stations Able to Deliver 1,332,000 Gallons per Hour, 63+ Miles of Pipe and 360+ Control Valves
- In 2022, Delivered Over 787 million Gallons of Water (2,415 acre-feet), Returned Over 837 Million Gallons of Decreed Water (2,568 Acre-feet) to the River, and Flowed / Processed Over 814 Million Gallons (2,496 Acre-Feet) of Storm Water

4

*WATER VALLEY & RAINDANCE METRO DISTRICTS*

## The Strength of the Combined Systems:

- Significant Operating Efficiencies & Savings... Eliminates Redundant Personnel, Administrative Systems, Maintenance Equipment, and Generally achieves meaningful Economies of Scale
- Moves Return Flow Obligations and Significant Working Storage to Offsite / Non-Amenity Lakes (Raindance River Reservoir & Raindance Reservoir #2), Thereby Increasing the Average Level and Amenity Value of the Water Valley Lakes
- The Combination of all Senior and Junior Water Rights Provides Great Resiliency of Supply and Better Capacity to Serve in Dry Years and Time of Drought.
- Provides Significant Redundancies as to Pump and Storage Capacity, Improves Overall Reliability of the System, and offers huge flexibility as to system operations.
- Gives Access to Water from the Thompson River

5

*WATER VALLEY & RAINDANCE METRO DISTRICTS*

## Need for Conservation:

- Current Rate Structure Promotes Waste by Engendering an attitude of, "If I Have to Buy it, I'm Going to use it." Very Few Users Need 200,000 Gallons / Year
- Residences in Water Valley North Converted to Meters in the Past 12 Months, Prior to this, no Financial Incentive to Conserve
- The Correct Amount of Water to Apply to Sod During the Water Season is Approximately 21 Gallons per Square Foot / Year... so a 2,000 Square Foot Yard Only Needs 42,000 gallons of Water Per Year... On the Other Hand, A Half-Acre Yard (21,780 Square Feet) Would Require Approximately 457,000 Gallons / Year
- Based on Their Analysis, TST Estimates that:
  - Residents in Water Valley use at Least 50% More Water than is Necessary
  - Residents in Raindance use at Least 100% More Water than is Necessary (Some of this can be Attributed to Grow in of New Lawns)

6

WATER VALLEY & RAINDANCE METRO DISTRICTS

## Current Water Rates:

- **Current Water Valley Non-Potable Water Rates:**
  - Base Rate of \$354 / Year / Single-Family Unit Plus \$1.75 per K Gallon for use Over 201 K Gallons.
  - Base Rate of \$354 / Year / Multi-Family Unit Plus \$1.75 per K Gallon for use Over 201 K Gallons.
  - Base Rate of \$354 / Year / Commercial Unit Plus \$1.75 per K Gallon for use Over 201 K Gallons.
- **Current Raindance Non-Potable Water Rates:**
  - Base Rate of \$410 / Year / Single-Family Unit Plus \$2.05 per K Gallon for use Over 200 K Gallons.
  - Base Rate of \$246 / Year / Multi-Family Unit Plus \$2.05 per K Gallon for use Over 200 K Gallons.
  - Base Rate of \$410 / Year / Commercial Unit Plus \$2.05 per K Gallon for use Over 200 K Gallons.
- **Town of Windsor – 2023 Potable Water Rate**
  - Base rate of \$20.62 / month (247.44 / year) plus:

➤ 1st Tier	\$6.07 / K Gallon	For up to 16,000 gallons / month
➤ 2nd Tier	\$9.07 / K Gallon	For 16,001 through 22,500 gallons / month
➤ 3rd Tier	\$13.52 / K Gallon	For use over 22,500 gallons / month

7

WATER VALLEY & RAINDANCE METRO DISTRICTS

## Capital Improvements:

➤ Raindance Reservoir #2 (Currently under Construction)	\$ 5,500,000
➤ Raindance Pump House #2 (Serves both Communities)	\$ 3,000,000
➤ Raindance Reservoir #2 Discharge and Structures	\$ 550,000
➤ Lake Water Valley Return Structure	\$ 300,000
➤ Habitat Lake Return Structure	\$ 300,000
➤ Improvements to Whitney Ditch Weir to Rock Bridge	\$ 80,000
➤ Miscellaneous	\$ 270,000
➤	
➤ TOTAL	\$10,000,000
➤ Funds Available in Project Fund	<u>\$ 4,246,783</u>
➤ FUNDED with NEW DEBT	\$ 5,753,217

1

WATER VALLEY & RAINDANCE METRO DISTRICTS

## Raindance #2, A Necessary New Reservoir:

- Large Offsite Working Reservoir Located South of Crossroads Boulevard
- Servicing Both Water Valley and Raindance
- Will Provide Water to all of Raindance and Water Valley Including Water Valley's new Ravena Development (229 Single Family Homes) and 208 New Hill Top Apartments
- Total Surface Area of 45 acres, with 1,500 Acre-Foot Capacity (489 Million Gallons)
- Increases Overall Systemwide Storage Capacity by over 41%
- New Pump House will Add 270,000 Gallons Per Hour Capacity, increasing Overall System Capacity by Over 20%
- Dual-Purpose Reservoir:
  - Primary Used for Return Flow Obligations, Which Should Increase the Average Levels / Reduce Strain on Water Valley Reservoirs... Thereby Maintaining Amenity and Recreation Value
  - Adds Pump / Flow Capacity to the System and Supports New Water Valley and Raindance Development.

8

WATER VALLEY & RAINDANCE METRO DISTRICTS

## Assumptions Concerning New Debt:

- Bank Loan, 7-year Note
- Interest Only for the First Year
- Thereafter, Amortize Over 30 years, Due in Full at 7 Years
- Interest Rate of 4.5%
- Gross Proceeds of \$6,390,000
- 2% Costs of Issuance - \$127,800
- 4% Reserve Requirements - \$255,600
- Net Proceeds of \$6,006,000
- First Year Payments of \$143,775 / Year
- Year Two through Seven Payments of \$392,292 / Year

9

WATER VALLEY & RAINDANCE METRO DISTRICTS

## Combined Enterprise Fund 10 Year Expense & Debt Service Estimates:

	Pro Forma 2023	Pro Forma 2024	Pro Forma 2025	Pro Forma 2026	Pro Forma 2027	Pro Forma 2028	Pro Forma 2029	Pro Forma 2030	Pro Forma 2031	Pro Forma 2032
<b>Service Costs:</b>										
Operations & Maintenance	\$ 1,098,000	\$ 1,141,920	\$ 1,187,597	\$ 1,235,101	\$ 1,284,505	\$ 1,335,885	\$ 1,389,320	\$ 1,444,893	\$ 1,502,689	\$ 1,562,796
General & Administrative	\$ 397,000	\$ 412,880	\$ 429,395	\$ 446,571	\$ 464,434	\$ 483,011	\$ 502,332	\$ 522,425	\$ 543,322	\$ 565,055
Tap Cost	\$ 982,800	\$ 1,019,200	\$ 1,062,996	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Maintenance Reserves	\$ 715,000	\$ 743,600	\$ 773,344	\$ 804,278	\$ 836,449	\$ 869,907	\$ 904,703	\$ 940,891	\$ 978,527	\$ 1,017,668
Contingency	\$ 44,200	\$ 45,968	\$ 47,807	\$ 49,718	\$ 51,708	\$ 53,776	\$ 55,927	\$ 58,164	\$ 60,491	\$ 62,910
<b>Total Service Costs</b>	<b>\$ 3,237,000</b>	<b>\$ 3,363,568</b>	<b>\$ 3,501,139</b>	<b>\$ 2,535,668</b>	<b>\$ 2,637,096</b>	<b>\$ 2,742,579</b>	<b>\$ 2,852,282</b>	<b>\$ 2,966,373</b>	<b>\$ 3,085,029</b>	<b>\$ 3,208,429</b>
<b>Debt Service:</b>										
2020 Bonds	\$ 1,073,798	\$ 1,287,975	\$ 1,291,725	\$ 1,295,225	\$ 1,303,475	\$ -	\$ -	\$ -	\$ -	\$ -
2022 Bank Loan	\$ 527,320	\$ 516,681	\$ 506,042	\$ 495,403	\$ 484,763	\$ -	\$ -	\$ -	\$ -	\$ -
2023 Bank Loan	\$ 143,775	\$ 392,292	\$ 392,292	\$ 392,292	\$ 392,292	\$ -	\$ -	\$ -	\$ -	\$ -
2027 Refunding Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,886,000	\$ 1,931,000	\$ 1,968,500	\$ 2,013,750	\$ 2,051,250
Paying Agent Fees	\$ 2,000	\$ 5,000	\$ 5,000	\$ 5,000	\$ 8,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000	\$ 3,000
<b>Total Debt Service</b>	<b>\$ 1,746,893</b>	<b>\$ 2,201,948</b>	<b>\$ 2,195,059</b>	<b>\$ 2,187,920</b>	<b>\$ 2,188,530</b>	<b>\$ 1,889,000</b>	<b>\$ 1,934,000</b>	<b>\$ 1,971,500</b>	<b>\$ 2,016,750</b>	<b>\$ 2,054,250</b>
<b>Total Cost of Service and Debt</b>	<b>\$ 4,983,893</b>	<b>\$ 5,565,516</b>	<b>\$ 5,696,198</b>	<b>\$ 4,723,588</b>	<b>\$ 4,825,626</b>	<b>\$ 4,631,579</b>	<b>\$ 4,786,282</b>	<b>\$ 4,937,873</b>	<b>\$ 5,101,779</b>	<b>\$ 5,262,679</b>

10

WATER VALLEY & RAINDANCE METRO DISTRICTS

## Optimal New Rate Structure Will:

- Unify Both Districts Under One Rate Structure
- Equitably Distribute Service Fees Across all User Groups (Residential, Commercial, Golf, Parks and Rec,... )
- Ensure Residents and All Users Receive Considerable Value from the Non-Pot Systems as Compared to the Cost of Irrigating with Town of Windsor Potable Water
- Eliminate the Incentive to Over Water and Encourage, Promote, and Incent Water Conservation
- Address the Considerable Impact of Inflation on Operation / Maintenance Costs and on Capital Costs
- Fund Necessary Capital Costs
- Provide a Sustainable Financial Model Now and for the Future

11

*WATER VALLEY & RAINDANCE METRO DISTRICTS*

## Service Fee Recommendations:

- Unify Both Districts Under One Rate Structure:
  - Single-Family Residential:
    - Annual Base Fee of \$247 per Single-Family Household plus \$3.80 / 1000 Gallons Service Fee for Water Actually Used
  - Multi-Family Residential:
    - Annual Base Fee of \$247 per Multi-Family Unit plus \$3.80 / 1000 Gallons Service fee for Water Actually Used
  - Large Public Amenity Bulk Users (Metro Districts, Golf Courses & Hoedown Hill):
    - \$2.80 / 1000 Gallons Service Fee for Water Actually Used
  - Commercial Users:
    - Annual Base Fee of \$247 per Parcel plus \$3.80 / 1000 Gallons Service fee for Water Actually Used

12

*WATER VALLEY & RAINDANCE METRO DISTRICTS*

## Water Use / Fee Comparison:

WATER USE 1000 OF GALLONS	RATE / 1000	WATER USE FEE	ANNUAL CAP FEE	TOTAL NON-POT FEE	ESTIMATED WINDSOR INCREMENTAL FEE
42	\$3.80	\$160	\$247	\$407	\$438
80	\$3.80	\$304	\$247	\$551	\$953
120	\$3.80	\$456	\$247	\$703	\$1,493
160	\$3.80	\$608	\$247	\$855	\$2,282
200	\$3.80	\$760	\$247	\$1,007	\$2,575

13

WATER VALLEY & RAINDANCE METRO DISTRICTS

## Combined Enterprise Fund 10 Year Revenue Estimates

	Pro Forma 2023	Pro Forma 2024	Pro Forma 2025	Pro Forma 2026	Pro Forma 2027	Pro Forma 2028	Pro Forma 2029	Pro Forma 2030	Pro Forma 2031	Pro Forma 2032
<b>Beginning Funds Available</b>	\$ 2,549,881	\$ 3,024,756	\$ 4,464,037	\$ 4,960,232	\$ 4,658,618	\$ 4,431,846	\$ 4,583,075	\$ 4,770,912	\$ 5,006,124	\$ 5,284,353
Single-Family Service Fees	\$ 1,823,664	\$ 2,014,104	\$ 2,216,860	\$ 2,305,535	\$ 2,397,756	\$ 2,493,666	\$ 2,593,413	\$ 2,697,150	\$ 2,805,036	\$ 2,917,237
Multi-Family Service Fees	\$ 723,246	\$ 800,193	\$ 882,138	\$ 917,424	\$ 954,121	\$ 992,286	\$ 1,031,977	\$ 1,073,256	\$ 1,116,186	\$ 1,160,834
Good Sam	\$ 68,040	\$ 71,635	\$ 75,712	\$ 78,740	\$ 81,890	\$ 85,166	\$ 88,572	\$ 92,115	\$ 95,800	\$ 99,632
Metro District Service Fees	\$ 299,096	\$ 311,060	\$ 323,502	\$ 336,442	\$ 349,900	\$ 363,896	\$ 378,452	\$ 393,590	\$ 409,334	\$ 425,707
Golf Course Service Fees	\$ 667,884	\$ 694,599	\$ 722,383	\$ 751,279	\$ 781,330	\$ 812,583	\$ 845,086	\$ 878,890	\$ 914,045	\$ 950,607
Commercial Service Fees	\$ 16,538	\$ 23,649	\$ 31,302	\$ 32,554	\$ 33,857	\$ 35,211	\$ 36,619	\$ 38,084	\$ 39,607	\$ 41,192
System Development / Cap Fees	\$ 877,500	\$ 875,000	\$ 877,500	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Tap Fees	\$ 982,800	\$ 1,019,200	\$ 1,062,996	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Water Service Revenues</b>	<b>\$ 5,458,768</b>	<b>\$ 5,809,440</b>	<b>\$ 6,192,393</b>	<b>\$ 4,421,974</b>	<b>\$ 4,598,854</b>	<b>\$ 4,782,808</b>	<b>\$ 4,974,119</b>	<b>\$ 5,173,085</b>	<b>\$ 5,380,008</b>	<b>\$ 5,595,209</b>

14

WATER VALLEY & RAINDANCE METRO DISTRICTS



## Combined Enterprise Fund 10 Year Pro Form Summary

	Pro Forma 2023	Pro Forma 2024	Pro Forma 2025	Pro Forma 2026	Pro Forma 2027	Pro Forma 2028	Pro Forma 2029	Pro Forma 2030	Pro Forma 2031	Pro Forma 2032
Beginning Funds Available	\$ 2,549,881	\$ 3,024,756	\$ 4,464,037	\$ 4,960,232	\$ 4,658,618	\$ 4,431,846	\$ 4,583,075	\$ 4,770,912	\$ 5,006,124	\$ 5,284,353
Total Water Service Revenues	\$ 5,458,768	\$ 5,809,440	\$ 6,192,393	\$ 4,421,974	\$ 4,598,854	\$ 4,782,808	\$ 4,974,119	\$ 5,173,085	\$ 5,380,008	\$ 5,595,209
Total Service Costs	\$ 3,237,000	\$ 3,363,568	\$ 3,501,139	\$ 2,535,668	\$ 2,637,096	\$ 2,742,579	\$ 2,852,282	\$ 2,966,373	\$ 3,085,029	\$ 3,208,429
Services Surplus (Deficit)	\$ 2,221,768	\$ 2,445,872	\$ 2,691,254	\$ 1,886,306	\$ 1,961,758	\$ 2,040,229	\$ 2,121,837	\$ 2,206,712	\$ 2,294,979	\$ 2,386,780
Total Debt Service	\$ 1,746,893	\$ 2,201,948	\$ 2,195,059	\$ 2,187,920	\$ 2,188,530	\$ 1,889,000	\$ 1,934,000	\$ 1,971,500	\$ 2,016,750	\$ 2,054,250
Debt Service Coverage	1.27	1.11	1.23	0.86	0.90	1.08	1.10	1.12	1.14	1.16
Annual Surplus (Deficit)	\$ 474,875	\$ 243,924	\$ 496,195	\$ (301,614)	\$ (226,772)	\$ 151,229	\$ 187,837	\$ 235,212	\$ 278,229	\$ 332,530
Release of Reservoir Surety		\$ 1,195,357								
Cumulative Surplus (Op & Debt)	\$ 3,024,756	\$ 4,464,037	\$ 4,960,232	\$ 4,658,618	\$ 4,431,846	\$ 4,583,075	\$ 4,770,912	\$ 5,006,124	\$ 5,284,353	\$ 5,616,883

15

WATER VALLEY & RAINDANCE METRO DISTRICTS

## Further Recommendations:

- Considering the High Rate of Inflation, Best to Fund Necessary Capital Costs Sooner Rather Than Later
- Work with HOA to Modify Landscaping Requirements to Allow for Xeriscaping and Artificial Turf
- Metro Districts Should Consider Opportunities to Update Landscaping with Plantings that Require Less Water or Native Plantings that Don't Require Supplemental Irrigation.
- If Funding Allows, Consider Acquiring Additional Senior Water Rights and Building Additional Storage Beyond Raindance Reservoir #2
- Continue with Day of Week and Time of Day Water Restrictions to Help Manage Demand on the System
- Work Diligently to Educate Constituents on Water Scarcity in Colorado and the Need for Water Conservation
- Consider Hiring a Community Water Resource Officer to Help Educate Constituents and to Enforce Watering Restrictions

16

WATER VALLEY & RAINDANCE METRO DISTRICTS

## Overall Metro District / HOA Costs:

	<u>WATER VALLEY 1</u>	<u>RAINDANCE 2</u>
> Assessor Appraised Value	\$ 700,000	\$ 700,000
> Statutory Assessment Rate	<u>6.950%</u>	<u>6.950%</u>
> Assessed Value	\$ 48,650	\$ 48,650
> Mill Levy	42.786 mills	43.834 mills
> Metro District Property Tax	\$ 2,082	\$ 2,133
> HOA Dues	\$ 140	\$ 300*
> Non-Potable Water Fee (Assuming 42,000 Gallons)	<u>\$ 406</u>	<u>\$ 406</u>
> Total Costs	Per Year \$ 2,628	\$ 2,839
	Per Month \$ 219	\$ 237

\*Raindance HOA Includes Trash Services

17

WATER VALLEY & RAINDANCE METRO DISTRICTS

*FURTHER  
DISCUSSION*

# APPLICATION FOR EXEMPTION FROM AUDIT

## SHORT FORM

NAME OF GOVERNMENT  
ADDRESS

RainDance Metropolitan District No. 4  
8390 E Crescent Parkway  
Suite 300  
Greenwood Village, CO 80111

For the Year Ended  
12/31/22  
or fiscal year ended:

CONTACT PERSON  
PHONE  
EMAIL

Gigi Pangindian  
303-779-5710  
Gigi.Pangindian@claconnect.com

### PART 1 - CERTIFICATION OF PREPARER

I certify that I am skilled in governmental accounting and that the information in the application is complete and accurate, to the best of my knowledge.

NAME:  
TITLE  
FIRM NAME (if applicable)  
ADDRESS  
PHONE  
DATE PREPARED

Gigi Pangindian  
Accountant for the District  
CliftonLarsonAllen LLP  
8390 E Crescent Parkway, Suite 300, Greenwood Village, CO 80111  
303-779-5710  
2/15/2023

### PREPARER (SIGNATURE REQUIRED)

SEE ACCOUNTANT'S COMPILATION REPORT

Please indicate whether the following financial information is recorded using Governmental or Proprietary fund types

**GOVERNMENTAL**  
(MODIFIED ACCRUAL BASIS)

**PROPRIETARY**  
(CASH OR BUDGETARY BASIS)



## PART 2 - REVENUE

REVENUE: All revenues for all funds must be reflected in this section, including proceeds from the sale of the government's land, building, and equipment, and proceeds from debt or lease transactions. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
2-1	Taxes: Property (report mills levied in Question 10-6)	\$ 15,501	Please use this space to provide any necessary explanations
2-2	Specific ownership	\$ 917	
2-3	Sales and use	\$ -	
2-4	Other (specify): : Interest	\$ 8	
2-5	Licenses and permits	\$ -	
2-6	Intergovernmental: Grants	\$ -	
2-7	Conservation Trust Funds (Lottery)	\$ -	
2-8	Highway Users Tax Funds (HUTF)	\$ -	
2-9	Other (specify):	\$ -	
2-10	Charges for services	\$ -	
2-11	Fines and forfeits	\$ -	
2-12	Special assessments	\$ -	
2-13	Investment income	\$ -	
2-14	Charges for utility services	\$ -	
2-15	Debt proceeds (should agree with line 4-4, column 2)	\$ -	
2-16	Lease proceeds	\$ -	
2-17	Developer Advances received (should agree with line 4-4)	\$ -	
2-18	Proceeds from sale of capital assets	\$ -	
2-19	Fire and police pension	\$ -	
2-20	Donations	\$ -	
2-21	Other (specify):	\$ -	
2-22		\$ -	
2-23		\$ -	
2-24	(add lines 2-1 through 2-23) TOTAL REVENUE	\$ 16,426	

## PART 3 - EXPENDITURES/EXPENSES

EXPENDITURES: All expenditures for all funds must be reflected in this section, including the purchase of capital assets and principal and interest payments on long-term debt. Financial information will not include fund equity information.

Line#	Description	Round to nearest Dollar	
3-1	Administrative	\$ -	Please use this space to provide any necessary explanations
3-2	Salaries	\$ -	
3-3	Payroll taxes	\$ -	
3-4	Contract services	\$ -	
3-5	Employee benefits	\$ -	
3-6	Insurance	\$ -	
3-7	Accounting and legal fees	\$ -	
3-8	Repair and maintenance	\$ -	
3-9	Supplies	\$ -	
3-10	Utilities and telephone	\$ -	
3-11	Fire/Police	\$ -	
3-12	Streets and highways	\$ -	
3-13	Public health	\$ -	
3-14	Capital outlay	\$ -	
3-15	Utility operations	\$ -	
3-16	Culture and recreation	\$ -	
3-17	Debt service principal (should agree with Part 4)	\$ -	
3-18	Debt service interest	\$ -	
3-19	Repayment of Developer Advance Principal (should agree with line 4-4)	\$ -	
3-20	Repayment of Developer Advance Interest	\$ -	
3-21	Contribution to pension plan (should agree to line 7-2)	\$ -	
3-22	Contribution to Fire & Police Pension Assoc. (should agree to line 7-2)	\$ -	
3-23	County Treasurer's Fees	\$ 233	
3-24	Transfer to RainDance Metropolitan District No. 1	\$ 16,193	
3-25		\$ -	
3-26	(add lines 3-1 through 3-24) TOTAL EXPENDITURES/EXPENSES	\$ 16,426	

If TOTAL REVENUE (Line 2-24) or TOTAL EXPENDITURES (Line 3-26) are GREATER than \$100,000 - **STOP**. You may not use this form. Please use the "Application for Exemption from Audit - LONG FORM".

## PART 4 - DEBT OUTSTANDING, ISSUED, AND RETIRED

Please answer the following questions by marking the appropriate boxes.

Yes                      No

- 4-1 Does the entity have outstanding debt?  Yes       No  
 If Yes, please attach a copy of the entity's Debt Repayment Schedule.
- 4-2 Is the debt repayment schedule attached? If no, MUST explain:  Yes       No  
The District's outstanding debt is a \$5 liability to the Developer. Repayment is subject to annual appropriation.
- 4-3 Is the entity current in its debt service payments? If no, MUST explain:  Yes       No  
Not applicable - see comments on 4-2.

Please complete the following debt schedule, if applicable: (please only include principal amounts)(enter all amount as positive numbers)	Outstanding at end of prior year*	Issued during year	Retired during year	Outstanding at year-end
General obligation bonds	\$ -	\$ -	\$ -	\$ -
Revenue bonds	\$ -	\$ -	\$ -	\$ -
Notes/Loans	\$ -	\$ -	\$ -	\$ -
Lease Liabilities	\$ -	\$ -	\$ -	\$ -
Developer Advances	\$ 5	\$ -	\$ -	\$ 5
Other (specify):	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 5</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5</b>

\*must tie to prior year ending balance

Please answer the following questions by marking the appropriate boxes.

Yes                      No

- 4-5 Does the entity have any authorized, but unissued, debt?  Yes       No  
 If yes: How much? \$ 1,395,000,000.00  
 Date the debt was authorized: 5/6/2014
- 4-6 Does the entity intend to issue debt within the next calendar year?  Yes       No  
 If yes: How much? \$ -
- 4-7 Does the entity have debt that has been refinanced that it is still responsible for?  Yes       No  
 If yes: What is the amount outstanding? \$ -
- 4-8 Does the entity have any lease agreements?  Yes       No  
 If yes: What is being leased?   
 What is the original date of the lease?   
 Number of years of lease?   
 Is the lease subject to annual appropriation?  Yes       No  
 What are the annual lease payments? \$ -

Please use this space to provide any explanations or comments:

## PART 5 - CASH AND INVESTMENTS

Please provide the entity's cash deposit and investment balances.

Amount                      Total

5-1	YEAR-END Total of ALL Checking and Savings Accounts	\$ 80	
5-2	Certificates of deposit	\$ -	
	<b>Total Cash Deposits</b>		<b>\$ 80</b>
	Investments (if investment is a mutual fund, please list underlying investments):		
	<span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>	\$ -	
	<span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>	\$ -	
5-3	<span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>	\$ -	
	<span style="border: 1px solid black; display: inline-block; width: 150px; height: 15px;"></span>	\$ -	
	<b>Total Investments</b>		<b>\$ -</b>
	<b>Total Cash and Investments</b>		<b>\$ 80</b>

Please answer the following questions by marking in the appropriate boxes

Yes                      No                      N/A

- 5-4 Are the entity's Investments legal in accordance with Section 24-75-601, et seq., C.R.S.?  Yes       No       N/A
- 5-5 Are the entity's deposits in an eligible (Public Deposit Protection Act) public depository (Section 11-10.5-101, et seq. C.R.S.)?  Yes       No       N/A

If no, MUST use this space to provide any explanations:

## PART 6 - CAPITAL AND RIGHT-TO-USE ASSETS

Please answer the following questions by marking in the appropriate boxes.

Yes                      No

- 6-1 Does the entity have capital assets?  Yes       No
- 6-2 Has the entity performed an annual inventory of capital assets in accordance with Section 29-1-506, C.R.S.,? If no, MUST explain:  Yes       No

The District has no capital assets.

Complete the following capital & right-to-use assets table:	Balance - beginning of the year*	Additions (Must be included in Part 3)	Deletions	Year-End Balance
Land	\$ -	\$ -	\$ -	\$ -
Buildings	\$ -	\$ -	\$ -	\$ -
Machinery and equipment	\$ -	\$ -	\$ -	\$ -
Furniture and fixtures	\$ -	\$ -	\$ -	\$ -
Infrastructure	\$ -	\$ -	\$ -	\$ -
Construction In Progress (CIP)	\$ -	\$ -	\$ -	\$ -
Leased Right-to-Use Assets	\$ -	\$ -	\$ -	\$ -
Other (explain):	\$ -	\$ -	\$ -	\$ -
Accumulated Depreciation/Amortization (Please enter a negative, or credit, balance)	\$ -	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Please use this space to provide any explanations or comments:

## PART 7 - PENSION INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes                      No

- 7-1 Does the entity have an "old hire" firefighters' pension plan?  Yes       No
- 7-2 Does the entity have a volunteer firefighters' pension plan?  Yes       No

If yes: Who administers the plan?

Indicate the contributions from:

Tax (property, SO, sales, etc.):	\$ -
State contribution amount:	\$ -
Other (gifts, donations, etc.):	\$ -
<b>TOTAL</b>	<b>\$ -</b>

What is the monthly benefit paid for 20 years of service per retiree as of Jan 1?  \$ -

Please use this space to provide any explanations or comments:

## PART 8 - BUDGET INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes                      No                      N/A

- 8-1 Did the entity file a budget with the Department of Local Affairs for the current year in accordance with Section 29-1-113 C.R.S.?  Yes       No       N/A
- 
- 8-2 Did the entity pass an appropriations resolution, in accordance with Section 29-1-108 C.R.S.? If no, MUST explain:  Yes       No       N/A

If yes: Please indicate the amount budgeted for each fund for the year reported:

Governmental/Proprietary Fund Name	Total Appropriations By Fund
Amended General Fund	\$ 17,000

## PART 9 - TAXPAYER'S BILL OF RIGHTS (TABOR)

Please answer the following question by marking in the appropriate box

Yes                      No

**9-1** Is the entity in compliance with all the provisions of TABOR [State Constitution, Article X, Section 20(5)]?

Note: An election to exempt the government from the spending limitations of TABOR does not exempt the government from the 3 percent emergency reserve requirement. All governments should determine if they meet this requirement of TABOR.

**If no, MUST explain:**

## PART 10 - GENERAL INFORMATION

Please answer the following questions by marking in the appropriate boxes.

Yes                      No

**10-1** Is this application for a newly formed governmental entity?

If yes: **Date of formation:**

**10-2** Has the entity changed its name in the past or current year?

If yes: **Please list the NEW name & PRIOR name:**

**10-3** Is the entity a metropolitan district?

**Please indicate what services the entity provides:**

See explanations below

**10-4** Does the entity have an agreement with another government to provide services?

If yes: **List the name of the other governmental entity and the services provided:**

**10-5** Has the district filed a *Title 32, Article 1 Special District Notice of Inactive Status* during

If yes: **Date Filed:**

**10-6** Does the entity have a certified Mill Levy?

If yes: **Please provide the following mills levied for the year reported (do not report \$ amounts):**

Bond Redemption mills	-
General/Other mills	39.000
<b>Total mills</b>	<b>39.000</b>

Please use this space to provide any explanations or comments:

10-3: Financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, operations and maintenance of the public improvements within the District including street, parks and recreation, water and wastewater facilities, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security.

## PART 11 - GOVERNING BODY APPROVAL

	Please answer the following question by marking in the appropriate box	YES	NO
12-1	If you plan to submit this form electronically, have you read the new Electronic Signature Policy?	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### Office of the State Auditor — Local Government Division - Exemption Form Electronic Signatures Policy and Procedure

#### Policy - Requirements

The Office of the State Auditor Local Government Audit Division may accept an electronic submission of an application for exemption from audit that includes governing board signatures obtained through a program such as DocuSign or Echosign. Required elements and safeguards are as follows:

- The preparer of the application is responsible for obtaining board signatures that comply with the requirement in Section 29-1-604 (3), C.R.S., that states the application shall be personally reviewed, approved, and signed by a majority of the members of the governing body.
- The application must be accompanied by the signature history document created by the electronic signature software. The signature history document must show when the document was created and when the document was emailed to the various parties, and include the dates the individual board members signed the document. The signature history must also show the individuals' email addresses and IP address.
- Office of the State Auditor staff will not coordinate obtaining signatures.

**The application for exemption from audit form created by our office includes a section for governing body approval. Local governing boards note their approval and submit the application through one of the following three methods:**

- 1) Submit the application in hard copy via the US Mail including original signatures.
- 2) Submit the application electronically via email and either,
  - a. Include a copy of an adopted resolution that documents formal approval by the Board, or
  - b. Include electronic signatures obtained through a software program such as DocuSign or Echosign in accordance with the requirements noted above.



Print the names of ALL members of current governing body below. Print Board Member's Name		A MAJORITY of the members of the governing body must complete and sign in the column below.
Board Member 1	Martin Lind	I, Martin Lind, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Martin Lind</u> Date: <u>March 6, 2023 11:35 PM PST</u> My term Expires: May 2023
Board Member 2	Justin Donahoo	I, Justin Donahoo, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Justin Donahoo</u> Date: <u>March 6, 2023 12:23 PM PST</u> My term Expires: May 2025
Board Member 3	Austin Lind	I, Austin Lind, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed <u>Austin Lind</u> Date: <u>March 6, 2023 11:34 PM MST</u> My term Expires: May 2025
Board Member 4		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 5		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 6		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____
Board Member 7		I _____, attest I am a duly elected or appointed board member, and that I have personally reviewed and approve this application for exemption from audit. Signed _____ Date: _____ My term Expires: _____



CliftonLarsonAllen LLP  
8390 East Crescent Pkwy., Suite 300  
Greenwood Village, CO 80111

phone 303-779-5710 fax 303-779-0348  
CLAAconnect.com

## Accountant's Compilation Report

Board of Directors  
RainDance Metropolitan District No. 4  
Weld County, Colorado

Management is responsible for the accompanying Application for Exemption from Audit of RainDance Metropolitan District No. 4 as of and for the year ended December 31, 2022, included in the accompanying prescribed form. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants. We did not audit or review the financial statements included in the accompanying prescribed form nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the financial statements included in the accompanying prescribed form.

The Application for Exemption from Audit is presented in accordance with the requirements of the Colorado Office of the State Auditor, which differ from accounting principles generally accepted in the United States of America.

This 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.

We are not independent with respect to RainDance Metropolitan District No. 4.

*CliftonLarsonAllen LLP*

Greenwood Village, Colorado  
February 15, 2023

**Certificate Of Completion**

Envelope Id: 97AAF3F84129455A883DB0DEC6FB0005  
 Subject: Complete with DocuSign: Raindance 4 AE Short Form SIGNED.pdf  
 Source Envelope:  
 Document Pages: 8 Signatures: 3  
 Certificate Pages: 2 Initials: 0  
 AutoNav: Enabled  
 EnvelopeId Stamping: Enabled  
 Time Zone: (UTC-07:00) Mountain Time (US & Canada)

Status: Completed

Envelope Originator:  
 Lara Wynn  
 1625 Pelican Lakes Point, Suite 201  
 Windsor, CO 80550  
 lwynn@watervalley.com  
 IP Address: 70.91.169.129

**Record Tracking**


Status: Original  
 3/6/2023 1:14:45 PM  
 Holder: Lara Wynn  
 lwynn@watervalley.com

Location: DocuSign

**Signer Events**

Austin Lind  
 ALIND@WATERVALLEY.COM  
 Security Level: Email, Account Authentication  
 (None)

**Signature**

DocuSigned by:  
  
 505A502097BE441...

**Timestamp**

Sent: 3/6/2023 1:22:15 PM  
 Viewed: 3/6/2023 1:33:58 PM  
 Signed: 3/6/2023 1:34:11 PM

Signature Adoption: Drawn on Device  
 Using IP Address: 70.91.169.129

**Electronic Record and Signature Disclosure:**  
 Not Offered via DocuSign

Justin Donahoo  
 justin@jumahomes.com  
 Owner/Manager  
 JUMA HOMES  
 Security Level: Email, Account Authentication  
 (None)

DocuSigned by:  
  
 1F0D65F83C2F44E...

Sent: 3/6/2023 1:22:16 PM  
 Viewed: 3/6/2023 1:23:23 PM  
 Signed: 3/6/2023 1:23:30 PM

Signature Adoption: Pre-selected Style  
 Using IP Address: 174.198.140.175  
 Signed using mobile

**Electronic Record and Signature Disclosure:**  
 Not Offered via DocuSign

Martin Lind  
 mlind@watervalley.com  
 Mngr  
 Security Level: Email, Account Authentication  
 (None)

DocuSigned by:  
  
 2D24A9FEA47045E...

Sent: 3/6/2023 1:22:15 PM  
 Viewed: 3/6/2023 2:35:31 PM  
 Signed: 3/6/2023 2:35:39 PM

Signature Adoption: Pre-selected Style  
 Using IP Address: 70.91.169.129

**Electronic Record and Signature Disclosure:**  
 Not Offered via DocuSign

**In Person Signer Events**

**Signature**

**Timestamp**

**Editor Delivery Events**

**Status**

**Timestamp**

**Agent Delivery Events**

**Status**

**Timestamp**

**Intermediary Delivery Events**

**Status**

**Timestamp**

**Certified Delivery Events**

**Status**

**Timestamp**

**Carbon Copy Events**

**Status**

**Timestamp**

<b>Witness Events</b>	<b>Signature</b>	<b>Timestamp</b>
-----------------------	------------------	------------------

<b>Notary Events</b>	<b>Signature</b>	<b>Timestamp</b>
----------------------	------------------	------------------

<b>Envelope Summary Events</b>	<b>Status</b>	<b>Timestamps</b>
--------------------------------	---------------	-------------------

Envelope Sent	Hashed/Encrypted	3/6/2023 1:22:16 PM
Certified Delivered	Security Checked	3/6/2023 2:35:31 PM
Signing Complete	Security Checked	3/6/2023 2:35:39 PM
Completed	Security Checked	3/6/2023 2:35:39 PM

<b>Payment Events</b>	<b>Status</b>	<b>Timestamps</b>
-----------------------	---------------	-------------------

**INDEPENDENT CONTRACTOR AGREEMENT  
LIFEGUARD SERVICES**

---

This INDEPENDENT CONTRACTOR AGREEMENT, including any and all exhibits attached hereto (the “**Agreement**”), is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2022, by and between **RAINDANCE METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **YMCA OF NORTHERN COLORADO**, a Colorado nonprofit corporation (the “**Contractor**”). The District and the Contractor are referred to herein individually as a “**Party**” and collectively as the “**Parties.**”

**RECITALS**

WHEREAS, the District was organized pursuant to and in accordance with the provisions of §§ 32-1-101, *et seq.*, C.R.S. for the purpose of constructing, financing, operating and maintaining certain public facilities and improvements for itself, its taxpayers, residents and users; and

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

WHEREAS, pursuant to § 32-1-1001(1)(i), C.R.S., the District is empowered to appoint, hire and retain agents, employees, engineers and attorneys; and

WHEREAS, the District desires to engage the Contractor to perform certain services as are needed by the District to serve the property within and without its boundaries; and

WHEREAS, the Contractor has represented that it has the professional experience, skill and resources to perform the services, as set forth herein.

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

**TERMS AND CONDITIONS**

1. SCOPE OF SERVICES; PERFORMANCE STANDARDS. The Contractor shall perform the services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Services**”): (a) in a professional manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period and pursuant to the Scope of Services specified in said **Exhibit A**; and (c) using reasonable commercial efforts to minimize any annoyance, interference or disruption to the residents, tenants, occupants and invitees within the District. **Exhibit A** may take any form, including forms which may include price and payment terms. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in **Exhibit A**, the terms in the body of this Agreement shall govern. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District

in any manner whatsoever, except to the extent specifically provided in this Agreement (including **Exhibit A**) or through other authorization expressly delegated to or authorized by the District through its Board of Directors.

2. TERM/RENEWAL. This Agreement shall be effective as of March 1, 2023 and shall terminate on the earlier to occur of: (i) termination pursuant to Section 14 hereof; (ii) completion of the Services; or December 31, 2023.

3. ADDITIONAL SERVICES. The District may, in writing, request the Contractor provide additional services not set forth in **Exhibit A**. The terms and conditions of the provision of such services shall be subject to the mutual agreement of the Contractor and the District pursuant to a written service/work order executed by an authorized representative of the District and the Contractor or an addendum to this Agreement. Authorization to proceed with additional services shall not be given unless the District has appropriated funds sufficient to cover the additional compensable amount. To the extent additional services are provided pursuant to this Section 3, the terms and conditions of this Agreement relating to Services shall also apply to any additional services rendered.

4. REPAIRS/CLAIMS. The Contractor shall notify the District immediately of any and all damage caused by the Contractor to District property and that of third parties. The Contractor will promptly repair or, at the District's option, reimburse the District for the repair of any damage to property caused by the Contractor or its employees, agents or equipment. In addition, the Contractor shall promptly notify the District of all potential claims of which it becomes aware. The Contractor further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the District the opportunity to review and inspect such evidence, including the scene of any damage or accidents. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Services and shall provide all reasonable protection to prevent damage or injury to persons and property, including any material and equipment related to the Services, whether in storage on or off site, under the care, custody, or control of the Contractor or any of its subcontractors.

5. GENERAL PERFORMANCE STANDARDS.

a. The Contractor has by careful examination ascertained: (i) the nature and location of the Services (iii) the character, quality, and quantity of the labor, materials, equipment and facilities necessary to complete the Services; (iv) the general and local conditions pertaining to the Services; and (v) all other matters which in any way may affect the performance of the Services by the Contractor. Contractor enters into this Agreement solely because of the results of such examination and not because of any representations pertaining to the Services or the provision thereof made to it by the District or any agent of the District and not contained in this Agreement. The Contractor represents that it has or shall acquire the capacity and the professional experience and skill to perform the Services and that the Services shall be performed in accordance with the standards of care, skill and diligence provided by competent professionals who perform services of a similar nature to those specified in this Agreement.

b. The Contractor agrees that it has and will continue to comply with all Laws while providing Services under this Agreement. “**Laws**” means: (i) federal, state, county and local or municipal body or agency laws, statutes, ordinances and regulations; (ii) any licensing bonding, and permit requirements; (iii) any laws relating to storage, use or disposal of hazardous wastes, substances or materials; (iv) rules, regulations, ordinances and/or similar directives regarding business permits, certificates and licenses; (v) regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970; (vi) Wage and Hour laws, Worker Compensation laws, and immigration laws.

6. COMPENSATION AND INVOICES.

a. Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit B**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in **Exhibit B** of this Agreement, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor’s actual cost, provided that the Contractor shall make a reasonable attempt to notify the District of the estimated amount of such reimbursable costs (or any material adjustments thereto subsequently identified) prior to commencing the requested services. Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) (“**W-9**”). No payments will be made to the Contractor until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as **Exhibit B-1**.

b. Invoices. Invoices for the Services shall be submitted monthly, by the 10<sup>th</sup> of each month, during the term of this Agreement and shall contain the following information:

- i. An itemized statement of the Services performed.
- ii. Any other reasonable information required by the District to process payment of the invoice.

Invoices received by the District after the 10<sup>th</sup> of each month may be processed the following month.

7. INDEPENDENT CONTRACTOR. The Contractor is an independent contractor and nothing in this Agreement shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor shall have full power and authority to select the means, manner and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained. The District shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to: local, state or federal income or other tax contributions, insurance contributions (e.g. FICA taxes),

workers' compensation, disability, injury, health or life insurance, professional liability insurance, errors and omissions insurance, vacation or sick-time benefits, retirement account contributions, or any other form of taxes, benefits or insurance. The Contractor shall be responsible for its safety, and the safety of its employees, sub-contractors, agents, and representatives. All personnel furnished by the Contractor will be deemed employees or sub-contractors of the Contractor and will not for any purpose be considered employees or agents of the District. **The Contractor is not entitled to worker's compensation benefits or unemployment insurance benefits, unless unemployment compensation coverage is provided by the Contractor or some other entity other than the District, and the Contractor is obligated to pay federal and state income taxes on moneys by it earned pursuant to this Agreement.**

8. EQUAL OPPORTUNITY. This Agreement is subject to all applicable laws and executive orders relating to equal opportunity and non-discrimination in employment and the Contractor represents and warrants that it will not discriminate in its employment practices in violation of any such applicable law or executive order.

9. CONTRACTOR'S INSURANCE.

a. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of this Agreement, insurance coverage in the minimum amounts set forth in **Exhibit C**, attached hereto and incorporated herein by this reference. A waiver of subrogation and rights of recovery against the District, its directors, officers, employees and agents is required for Commercial General Liability and Workers Compensation coverage. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The District shall have the right to verify or confirm, at any time, all coverage, information or representations contained in this Agreement.

b. Prior to commencing any work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement, as well as the amounts of coverage for the respective types of coverage. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates evidencing statutory workers' compensation insurance, comprehensive general liability insurance and automobile liability insurance in amounts satisfactory to the District and the Contractor; provided, however, that sub-contractors of the Contractor shall not be required by the District to provide coverage in excess of that which is required hereunder of the Contractor. If the coverage required expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

c. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations contained in this Agreement; nor shall the purchase of the required insurance serve to limit the Contractor's liability under any provision in this Agreement. The Contractor shall be responsible for the payment of any deductibles on issued policies.

10. CONFIDENTIALITY AND CONFLICTS.



a. Confidentiality. Any information deemed confidential by the District and given to the Contractor by the District, or developed by the Contractor as a result of the performance of a particular task, shall remain confidential. In addition, the Contractor shall hold in strict confidence, and shall not use in competition, any information which the Contractor becomes aware of under or by virtue of this Agreement which the District deems confidential, or which the District has agreed to hold confidential, or which, if revealed to a third party, would reasonably be construed to be contrary to the interests of the District. Confidential information shall not include, however, any information which is: (i) generally known to the public at the time provided to the Contractor; (ii) provided to the Contractor by a person or entity not bound by confidentiality to the District; or (iii) independently developed by the Contractor without use of the District's confidential information. During the performance of this Agreement, if the Contractor is notified that certain information is to be considered confidential, the Contractor agrees to enter into a confidentiality agreement in a form reasonably acceptable to the District and the Contractor. The Contractor agrees that any of its employees, agents or subcontractors with access to any information designated thereunder as confidential information of the District shall agree to be bound by the terms of such confidentiality agreement.

b. Personal Identifying Information. During the performance of this Agreement, the District may disclose Personal Identifying Information to the Contractor. "**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., the Contractor agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to the Contractor; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

## 11. INDEMNIFICATION.

a. The Contractor shall defend, indemnify and hold harmless the District and each of its directors, officers, contractors, employees, agents and consultants (collectively, the "**District Indemnitees**"), from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses (the "**Claims**"), including reasonable legal expenses and attorneys' fees actually incurred, by the District Indemnitees to the extent caused by the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents or employees, in connection with this Agreement and/or the Contractor's performance of the Services or work pursuant to this Agreement. Notwithstanding anything else in this Agreement or otherwise to the contrary, the Contractor is not obligated to indemnify the District Indemnitees for the negligence of the District or the negligence of any other District Indemnitee, except the Contractor. Except as otherwise provided by applicable law, this indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation or benefits payable by or for the Contractor under workers' compensation acts, disability acts or other employee benefit acts, provided that in no event shall the Contractor be liable for special/consequential or punitive damages.

b. In the event the Contractor fails to assume the defense of any Claims under this Section 11 within fifteen (15) days after notice from the District of the existence of such Claim, the District may assume the defense of the Claim with counsel of its own selection, and the Contractor will pay all reasonable expenses of such counsel. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation.

c. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary with respect to its obligations under this Agreement, including the indemnity obligations set forth in Section 11. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

12. ASSIGNMENT. The Contractor shall not assign this Agreement or parts thereof, or its respective duties, without the express written consent of the District. Any attempted assignment of this Agreement in whole or in part with respect to which the District has not consented, in writing, shall be null and void and of no effect whatsoever.

13. SUB-CONTRACTORS. The Contractor is solely and fully responsible to the District for the performance of all Services in accordance with the terms set forth in this Agreement, whether performed by the Contractor or a subcontractor engaged by the Contractor, and neither the District's approval of any subcontractor, suppliers, or materialman, nor the failure of performance thereof by such persons or entities, will relieve, release, or affect in any manner the Contractor's duties, liabilities or obligations under this Agreement. The Contractor shall not subcontract any Services without prior written approval by the District. The Contractor agrees that each and every agreement of the Contractor with any subcontractor to perform Services under this Agreement shall contain an indemnification provision identical to the one contained in this Agreement holding the District harmless for the acts of the subcontractor. Prior to commencing any Services, a subcontractor shall provide evidence of insurance coverage to the District in accordance with the requirements of this Agreement. The Contractor further agrees that all such subcontracts shall provide that they may be terminated immediately without cost or penalty upon termination of this Agreement, other than payment for services rendered prior to the date of any such termination.

14. TERMINATION. In addition to the termination provisions contained in Section 2, above, this Agreement may be terminated for convenience by the Contractor upon delivery of thirty (30) days prior written notice to the District and by the District by giving the Contractor thirty (30) days prior written notice. Each Party may terminate this Agreement for cause at any time upon written notice to the other Party setting forth the cause for termination and the notified Party's failure to cure the cause to the reasonable satisfaction of the Party given such notice within the cure period set forth in Section 19. If this Agreement is terminated, the Contractor shall be paid for all the Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business. Should either Party to this Agreement be declared bankrupt, make a general assignment for the benefit of creditors or commit a substantial and material breach of this Agreement in the view of the other Party, said other Party shall be excused from rendering or accepting any further performance under

this Agreement. In the event of termination of this Agreement, the Contractor shall cooperate with the District to ensure a timely and efficient transition of all work and work product to the District or its designees. All time, fees and costs associated with such transition shall not be billed by the Contractor to the District.

15. DEFAULT. If either Party fails to perform in accordance with the terms, covenants and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the address specified in Section 16 below, and the defaulting party will have fifteen (15) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such fifteen (15)-day period and the defaulting party gives written notice to the non-defaulting party within such fifteen (15)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the fifteen (15)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

16. NOTICES. Any notice or communication required under this Agreement must be in writing, and may be given personally, sent via nationally recognized overnight carrier service, or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same will be deemed to have been given and received on the first to occur of: (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent; or (ii) five (5) days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered or sent via nationally recognized overnight carrier service, a notice will be deemed to have been given and received on the first to occur of: (i) one business day after being deposited with a nationally recognized overnight air courier service; or (ii) delivery to the party to whom it is addressed. Any party hereto may at any time, by giving written notice to the other party hereto as provided in this Section 16 of this Agreement, designate additional persons to whom notices or communications will be given, and designate any other address in substitution of the address to which such notice or communication will be given. Such notices or communications will be given to the parties at their addresses set forth below:

District:	RainDance Metropolitan District No. 1 1625 Pelican Lakes Point, Suite 201 Windsor, Colorado 80550 Attention: Steve Southard Phone: 970-686-5825 Email: steve.southard@advancehoa.com
-----------	---

With a Copy to:	WHITE BEAR ANKELE TANAKA & WALDRON 2154 E. Commons Ave., Suite 2000 Centennial, CO 80122
-----------------	--

Attention: Zachary P. White, Esq.  
Phone: (303) 858-1800  
E-mail: zwhite@wbapc.com

Contractor: YMCA of Northern Colorado  
2800 Dagny Way  
Lafayette, CO 80026  
Attention: Chief Operating Officer  
Phone: (303) 443-4474

17. AUDITS. The District shall have the right to audit, with reasonable notice, any of the Contractor's books and records solely as are necessary to substantiate any invoices and payments under this Agreement (including, but not limited to, receipts, time sheets, payroll and personnel records) and the Contractor agrees to maintain adequate books and records for such purposes during the term of this Agreement and for a period of two (2) years after termination of this Agreement and to make the same available to the District at all reasonable times and for so long thereafter as there may remain any unresolved question or dispute regarding any item pertaining thereto.

18. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties hereto relating to the Services, and sets forth the rights, duties, and obligations of each to the other as of this date, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to the Services, whether written or oral. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Contractor and the District.

19. BINDING AGREEMENT. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and assigns of the Parties hereto.

20. NO WAIVER. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in this Agreement, nor shall the waiver of any default be deemed a waiver of any subsequent default.

21. GOVERNING LAW.

a. Venue. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-conveniens* or otherwise. At the District's request, the Contractor shall carry on its duties and obligations under this Agreement during any legal proceedings and the District shall continue to pay for the Services performed under this Agreement until and unless this Agreement is otherwise terminated.

b. Choice of Law. Colorado law shall apply to any dispute, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado.

c. Litigation. At the District's request, the Contractor will consent to being joined in litigation between the District and third parties, but such consent shall not be construed as an admission of fault or liability. The Contractor shall not be responsible for delays in the performance of the Services caused by factors beyond its reasonable control including delays caused by Act of God, accidents, failure of any governmental or other regulatory authority to act in a timely manner or failure of the District to furnish timely information or to approve or disapprove of Contractor's Services in a timely manner.

22. GOOD FAITH OF PARTIES. In the performance of this Agreement, or in considering any requested approval, acceptance, consent, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, consent, or extension of time required or requested pursuant to this Agreement.

23. SUBJECT TO 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. The Contractor expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board 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 Agreement 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 Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The District's obligations under this Agreement exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this Agreement.

24. GOVERNMENTAL IMMUNITY. Nothing in this Agreement 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.

25. NEGOTIATED PROVISIONS. This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each Party has contributed to the preparation of this Agreement.

26. SEVERABILITY. If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, void or unenforceable, such decision shall not affect the validity of any other portion of this Agreement which shall remain in full force and effect, the

intention being that such portions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

27. NO THIRD PARTY BENEFICIARIES. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

28. OPEN RECORDS. The Parties understand that all material provided or produced under this Agreement may be subject to the Colorado Open Records Act, §§ 24-72-202, *et seq.*, C.R.S.

33. WARRANTY. The Contractor shall and does by this Agreement guarantee and warrant that all workmanship, materials, and equipment furnished, installed, or performed for the accomplishment of the Services (collectively, the “Work”) will be of good quality and new, unless otherwise required or permitted by this Agreement. The Contractor further warrants that the Work will conform to all requirements of this Agreement and all other applicable laws, ordinances, codes, rules, and regulations of any governmental authorities having jurisdiction over the Work. All Services are subject to the satisfaction and acceptance of the District, but payments for the completed Work will not constitute final acceptance nor discharge the obligation of the Contractor to correct defects at a later date. Such warranties set forth in this Agreement are in addition to, and not in lieu of, any other warranties prescribed by Colorado law.

34. TAX EXEMPT STATUS. The District is exempt from Colorado state sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District. The District shall, upon request, furnish Contractor with a copy of its certificate of tax exemption. Contractor and subcontractors shall apply to the Colorado Department of Revenue, Sales Tax Division, for an Exemption Certificate and purchase materials tax free. The Contractor and subcontractors shall be liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate.

35. COUNTERPART EXECUTION. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

*[Signature pages follow].*

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICT:**

RAINDANCE METROPOLITAN DISTRICT  
NO. 1, a quasi-municipal corporation and  
political subdivision of the State of Colorado

---

President

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel for the District





## EXHIBIT A

### SCOPE OF SERVICES

#### SCOPE OF SERVICES & FEE SCHEDULE/CONTRACT PRICE

##### YMCA's Responsibilities.

A. Personnel/Standards. The YMCA represents and warrants it has specific knowledge of all applicable laws, codes, and regulations, whether State, County, Town or otherwise, regarding Pool operation and maintenance including, without limitation, providing the required number of professionally trained lifeguards, and will ensure that its employees, agents, and other parties follow all such applicable laws, codes, and regulations. Further, the YMCA shall comply with all applicable health and safety laws, rules, and regulations in operating the Pool.

(i) The YMCA shall pay its employees performing services under this Agreement the following, where applicable: wages; income tax withholdings; Social security withholdings; state unemployment insurance; Federal unemployment insurance and Workmen's compensation insurance.

(ii) Personnel employed by the YMCA shall go through the YMCA's orientation training, onsite training, and ongoing training, and will be trained in blood borne pathogen and provided a blood borne pathogen exposure control kit. The RDMD will inform the YMCA of concerns about the performance of any YMCA personnel and the YMCA will take reasonable steps to address such issues, including reassigning or terminating personnel.

(iii) Personnel employed by the YMCA shall have a current Lifeguarding Certificate which includes Professional CPR and First Aid from a nationally recognized organization, copies of which shall be kept on-site as necessary.

(iv) Lifeguards shall have the authority to enforce the RDMD's published and posted Pool Rules and Regulations, as provided by the RDMD to the YMCA, and minimum industry safety standards, state, and local health codes, with swimmers and all other persons at the Pool, within their best judgment and sole discretion. This includes the removal of patrons as determined by the YMCA in its sole discretion.

(v) The Pool's head guard will supervise all YMCA personnel and will engage in regular spot checks to ensure proper performance of YMCA staff.

C. Personnel Responsibilities. YMCA Personnel will be responsible for the following during hours of Pool operation and when YMCA lifeguards are on duty:

- (i) Lifeguarding;
- (ii) Maintaining Pool incident reports, and hourly guest counts;
- (iii) Daily opening tasks:
  - (a) cleaning Pool area and deck to include the following:
    - (1) clean Pool skimmer baskets and
    - (2) net / skim Pool surface as needed;
  - (b) sweeping Pool deck area, including entryways outside gate areas;
  - (c) test for proper chemical balances in the Pool;
- (iv) Daily tasks:
  - (a) Spot clean pool using skimmer net
  - (b) Monitor and clean skimmer baskets when needed
  - (c) Empty trash into proper receptacles
- (v) Daily closing tasks:
  - (a) close and store lifeguard umbrellas;
  - (b) straightening deck chairs and lounges;
  - (c) closing and locking all Pool area gates;
  - (d) putting out trash in the dumpster on the south side of the parking lot;
- (vi) Reporting the following issues to both the YMCA Director of RDMD Operations and the RDMD Manager immediately by email to [Steve.Southard@advancehoa.com](mailto:Steve.Southard@advancehoa.com):
  - (a) water chemistry or observable maintenance concerns;
  - (b) medical or disciplinary issues or incidents;
  - (c) Pool closures (excluding routine weather closures);
  - (d) equipment or supply restocking needs and
  - (e) any other safety related issue that needs to be addressed (for example, Pool equipment issues, and security issues);
- (vii) Water quality monitoring and recording
  - (a) checking pool water chemistry during the day
  - (b) logging pool water chemistry and Pool and Air temperatures in document or app provided
  - (c) notifying the RDMD Manager of any Pool chemical balancing needed beyond the ability of YMCA to correct.
- (viii) Cleaning tiles around Pool's edge (if needed);
- (ix) Restocking supplies which are used by the YMCA including water testing kits and lifeguarding supplies, as defined herein;
- (x) Following and enforcing the Pool Rules and Regulations;
- (xi) *Monitoring Pool entry – To be performed by Pelican Lakes Staff*
- (xii) Reporting and documenting all action that may jeopardize the spirit and content of this Agreement;
- (xiii) Preseason responsibilities: clean and organize pool furniture around pool, clean pool area, inventory and restock safety equipment, schedule walk-through with RDMD manager to identify any pre-season maintenance items, recommend any repairs.
- (xiii) Postseason responsibilities: stack and store all pool furniture, clean decks, store moveable pool items, and clean guard room.

District's Responsibilities: District agrees that pool facility will meet YMCA of the USA Aquatics guidelines or similar equivalent.

## EXHIBIT B

### COMPENSATION SCHEDULE

D. Pool Schedule. Lifeguards will be on duty based on the following pool schedule:

#### Summer Schedule Lifeguard Details Including Lesson Guards

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Hours incl. swim lessons	10:30 am – 7:30 pm	10:30 am – 7:30 pm	10:30 am – 7:30 pm	10:30 am – 7:30 pm	10:30 am – 8:30 pm	10:30 am – 8:30 pm	10:30 am – 7:30 pm
# hours	9	9	9	9	10	10	9
# guards	8-10	8-10	8-10	8-10	10-12	10-12	10-12
# weeks	11	11	11	11	11	11	11
Pay rate	\$20	\$20	\$20	\$20	\$20	\$20	\$20
Summer Total	19,800	19,800	19,800	19,800	26,400	26,400	23,760

#### School Schedule Lifeguard Details

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Hours	4:00 pm – 8:00 pm	4:00 pm – 8:00 pm	4:00 pm – 8:00 pm	4:00 pm – 8:00 pm	4:00 pm – 8:00 pm	10:30 am – 8:30 pm	10:30 am – 7:30 pm
# hours	4	4	4	4	4	10	9
# guards	6-8	6-8	6-8	6-8	6-8	10-12	10-12
# weeks	3	3	3	3	3	3	3
Pay Rate	\$20	\$20	\$20	\$20	\$20	\$20	\$20
	\$1,920	\$1,920	\$1,920	\$1,920	\$1,920	7,200	6,480
Total Lifeguard	\$21,720	\$21,720	\$21,720	\$21,720	\$28,320	33,600	30,240

#### Supervisor during the Summer/School

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Hours	4	4	4	4	4	4	4
Pay rate	\$25	\$25	\$25	\$25	\$25	\$25	\$25
# weeks	14	14	14	14	14	14	14
Fee	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400	\$1,400

#### Total Daily Costs

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Cost per Day	\$23,120	\$23,120	\$23,120	\$23,120	\$29,720	\$35,000	\$31,640

Total Estimated Lifeguard and Supervisor Hours – 9,344

Total Estimated Training Hours – 75

Estimated Lifeguard and Manager Fees	\$188,840
Estimated Training Fees	\$1,500
YMCA Administration Fee	\$43,380
Uniform Fee	<u>\$1,500</u>
Total Estimated Fees	\$235,220

*\*This does not include additional compensation for special events and holidays in which the hourly rate will be \$30/hour instead of \$20/hour. Further, it does not account for potential limited hours on holidays.*

*\*\*Includes a supervisory role.*

*\*\*\*The Pool season may be extended upon terms mutually agreed upon in writing by the Parties. The Contractor will notify the RDMD by July 20, 2023, if there need to be any modifications to the pool schedule due to staffing limitations after August 8, 2023.*

E. Payments.

A. The YMCA shall perform the work and services set forth above for a base amount estimated at \$236,270, calculated as:

- (i) 8,952 hours of lifeguarding (1 guard) at \$20 hourly (\$179,040) and 392 hours of supervisory role at \$25 hourly (\$9,800), to be invoiced and paid based upon actual hours worked, and
- (ii) Coordinator fees and YMCA administrative services (“Coordinator Fees”) (\$43,380), to be invoiced equally in July, August, and September.
- (iii) 2.5 hours of pre-season lifeguard training (75 hours at 2.5 hours) at \$20 hourly (\$1,500) and uniform fee \$1,500, to be invoiced and paid in July invoice.

B. Additional lifeguard services required for special events and holidays (as set forth in Section 6.G.) will be invoiced to the RDMD at the rate specified.

C. The RDMD shall pay the YMCA for actual lifeguard hours provided, according to the following schedule:

- (i) The July invoice will include billable hours for the period of May 19, 2023 through June 30, 2023, plus \$14,460 of Coordinator Fees and \$3,000 of training and uniform fees;
- (ii) The August invoice will include billable hours for the period of July 1, 2023 through July 31, 2023, plus \$14,460 of Coordinator Fees; and
- (iii) The September invoice (to be submitted no earlier than September 7) will include billable hours for the period of August 1, 2023 through September 4, 2023 or later last day of the Season, plus \$14,460 of Coordinator Fees.

Contact Persons. All communications and/or notices under this Agreement should be directed to the following representatives of the Parties:

To the YMCA:  
Chief Operating Officer  
YMCA of Northern Colorado  
2800 Dagny Way  
Lafayette, CO 80026  
303-443-4474

To the RDMD after normal business hours or in case of emergency:  
Steve Southard, Head of Operations, Metropolitan Districts  
Steve.Southard@advancehoa.com  
p: 303-482-2213 ext. 222

To the YMCA after normal business hours or in case of emergency:  
Jason Stolz  
Executive Director of Community Associations YMCA of Northern Colorado

**EXHIBIT B-1**

CONTRACTOR'S COMPLETED W-9

## EXHIBIT C

### INSURANCE REQUIREMENTS

NOTE: All insurance required and provided hereunder shall also comply with the provisions of Section 11 of this Agreement.

1. Standard Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor involved with the performance of the Services, with policy amounts and coverage in compliance with the laws of the jurisdiction in which the Services will be performed.
2. Commercial General Liability Insurance with minimum limits of liability of not less than \$1,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 designated location, general aggregate; and \$2,000,000 umbrella. Such insurance will include coverage for contractual liability, personal injury and broad form property damage, and shall include all major divisions of coverage and be on a comprehensive basis including, but not limited to:
  - a. premises operations;
  - b. personal injury liability without employment exclusion;
  - c. limited contractual;
  - d. broad form property damages, including completed operations;
  - e. medical payments;
  - f. products and completed operations;
  - g. independent consultants coverage;
  - h. coverage inclusive of construction means, methods, techniques, sequences, and procedures, employed in the capacity of a construction consultant; and
3. Comprehensive Automobile Liability Insurance covering all owned, non-owned and hired automobiles used in connection with the performance of the Services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage.
4. Any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement.



**INDEPENDENT CONTRACTOR AGREEMENT**  
(LANDSCAPE MAINTENANCE – 2023)

---

This INDEPENDENT CONTRACTOR AGREEMENT, including any and all exhibits attached hereto (the “**Agreement**”), is entered into as of the 17<sup>th</sup> day of January 2023, by and between **RAINDANCE METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and **SOUTHERN EXPOSURE LANDSCAPE MANAGEMENT, INC.**, a Colorado corporation (the “**Contractor**”). The District and the Contractor are referred to herein individually as a “**Party**” and collectively as the “**Parties.**”

**RECITALS**

WHEREAS, the District was organized pursuant to and in accordance with the provisions of §§ 32-1-101, *et seq.*, C.R.S. for the purpose of constructing, financing, operating and maintaining certain public facilities and improvements for itself, its taxpayers, residents and users; and

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

WHEREAS, pursuant to § 32-1-1001(1)(i), C.R.S., the District is empowered to appoint, hire and retain agents, employees, engineers and attorneys; and

WHEREAS, the District desires to engage the Contractor to perform certain services as are needed by the District to serve the property within and without its boundaries; and

WHEREAS, the Contractor has represented that it has the professional experience, skill and resources to perform the services, as set forth herein.

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

**TERMS AND CONDITIONS**

1. SCOPE OF SERVICES; PERFORMANCE STANDARDS. The Contractor shall perform the services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Services**”): (a) in a professional manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period and pursuant to the Scope of Services specified in said **Exhibit A**; and (c) using reasonable commercial efforts to minimize any annoyance, interference or disruption to the residents, tenants, occupants and invitees within the District. **Exhibit A** may take any form, including forms which may include price and payment terms. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in **Exhibit A**, the terms in the body of this Agreement shall govern. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District

in any manner whatsoever, except to the extent specifically provided in this Agreement (including **Exhibit A**) or through other authorization expressly delegated to or authorized by the District through its Board of Directors.

2. TERM/RENEWAL. This Agreement shall be effective as of the dated date hereof and shall terminate on the earlier to occur of: (i) termination pursuant to Section 18 hereof; (ii) completion of the Services; or (iii) December 31, 2023.

3. ADDITIONAL SERVICES. The District may, in writing, request the Contractor provide additional services not set forth in **Exhibit A**. The terms and conditions of the provision of such services shall be subject to the mutual agreement of the Contractor and the District pursuant to a written service/work order executed by an authorized representative of the District and the Contractor or an addendum to this Agreement. Authorization to proceed with additional services shall not be given unless the District has appropriated funds sufficient to cover the additional compensable amount. To the extent additional services are provided pursuant to this Section 3, the terms and conditions of this Agreement relating to Services shall also apply to any additional services rendered.

4. REPAIRS/CLAIMS. The Contractor shall notify the District immediately of any and all damage caused by the Contractor to District property and that of third parties. The Contractor will promptly repair or, at the District's option, reimburse the District for the repair of any damage to property caused by the Contractor or its employees, agents or equipment. In addition, the Contractor shall promptly notify the District of all potential claims of which it becomes aware. The Contractor further agrees to take all reasonable steps to preserve all physical evidence and information which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the District the opportunity to review and inspect such evidence, including the scene of any damage or accidents. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Services and shall provide all reasonable protection to prevent damage or injury to persons and property, including any material and equipment related to the Services, whether in storage on or off site, under the care, custody, or control of the Contractor or any of its subcontractors.

5. GENERAL PERFORMANCE STANDARDS.

a. The Contractor has by careful examination ascertained: (i) the nature and location of the Services; (ii) the configuration of the ground on which the Services are to be performed; (iii) the character, quality, and quantity of the labor, materials, equipment and facilities necessary to complete the Services; (iv) the general and local conditions pertaining to the Services; and (v) all other matters which in any way may affect the performance of the Services by the Contractor. Contractor enters into this Agreement solely because of the results of such examination and not because of any representations pertaining to the Services or the provision thereof made to it by the District or any agent of the District and not contained in this Agreement. The Contractor represents that it has or shall acquire the capacity and the professional experience and skill to perform the Services and that the Services shall be performed in accordance with the standards of care, skill and diligence provided by competent professionals who perform services of a similar nature to those specified in this Agreement. If competent professionals find that the

Contractor's performance of the Services does not meet this standard, the Contractor shall, at the District's request, re-perform the Services not meeting this standard without additional compensation.

b. The Contractor shall use reasonable commercial efforts to perform and complete the Services in a timely manner. If performance of the Services by the Contractor is delayed due to factors beyond the Contractor's reasonable control, or if conditions of the scope or type of services are expected to change, Contractor shall give prompt notice to the District of such a delay or change and receive an equitable adjustment of time and/or compensation, as negotiated between the Parties.

c. The Services provided under this Agreement shall be adequate and sufficient for the intended purposes and shall be completed in a good and workmanlike manner.

d. The Contractor agrees that it has and will continue to comply with all Laws while providing Services under this Agreement. "**Laws**" means: (i) federal, state, county and local or municipal body or agency laws, statutes, ordinances and regulations; (ii) any licensing bonding, and permit requirements; (iii) any laws relating to storage, use or disposal of hazardous wastes, substances or materials; (iv) rules, regulations, ordinances and/or similar directives regarding business permits, certificates and licenses; (v) regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970; (vi) Wage and Hour laws, Worker Compensation laws, and immigration laws.

e. The responsibilities and obligations of the Contractor under this Agreement shall not be relieved or affected in any respect by the presence of any agent, consultant, sub-consultant or employee of the District. Review, acceptance or approval by the District of the Services performed or any documents prepared by the Contractor shall not relieve the Contractor of any responsibility for deficiencies, omissions or errors in said Services or documents, nor shall it be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

6. MONTHLY STATUS REPORT. The Contractor shall provide to the District, at the District's request, on or before the 25th of each month, a narrative progress and status report describing work in progress and results achieved during the reporting period, including a description of the Services performed during the invoice period and the Services anticipated to be performed during the ensuing invoice period ("**Monthly Report**").

7. COMPENSATION AND INVOICES.

a. Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit B**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in **Exhibit B** of this Agreement, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor's actual cost, provided that the Contractor shall make a reasonable attempt to notify the District of the estimated amount of such reimbursable costs (or

any material adjustments thereto subsequently identified) prior to commencing the requested services. Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) (“**W-9**”). No payments will be made to the Contractor until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as **Exhibit B-1**.

b. Invoices. Invoices for the Services shall be submitted monthly, by the 10<sup>th</sup> of each month, during the term of this Agreement and shall contain the following information:

- i. An itemized statement of the Services performed.
- ii. Any other reasonable information required by the District to process payment of the invoice, including project and/or cost codes as provided in any applicable written service/work order.

The District shall be charged only for the actual time and direct costs incurred for the performance of the Services. Invoices received by the District after the 10<sup>th</sup> of each month may be processed the following month.

8. TIME FOR PAYMENT. Payment for the Services shall be made by the District within thirty (30) days of receipt of: (i) a timely, satisfactory and detailed invoice in the form required by Section 7; and (ii) if applicable, a reasonably satisfactory and detailed Monthly Report, for that portion of the Services performed and not previously billed. The District may determine to waive or extend the deadline for filing the Monthly Report, or may make payment for Services to the Contractor notwithstanding a delay in filing the Monthly Report, upon reasonable request of the Contractor, if it is in the interest of the District to do so. In the event a Board meeting is not scheduled in time to review payment of an invoice, the Board hereby authorizes payment for Services, subject to the appropriation and budget requirements under Section 27 hereof, without the need for additional Board approval, so long as any payment required to be made does not exceed the amounts appropriated for such Services as set forth in the District’s approved budget. Such payment shall require review and approval of each Monthly Report and invoice by two officers of the District.

9. INDEPENDENT CONTRACTOR. The Contractor is an independent contractor and nothing in this Agreement shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor shall have full power and authority to select the means, manner and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained. The District shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to: local, state or federal income or other tax contributions, insurance contributions (e.g. FICA taxes), workers’ compensation, disability, injury, health or life insurance, professional liability insurance, errors and omissions insurance, vacation or sick-time benefits, retirement account contributions, or any other form of taxes, benefits or insurance. The Contractor shall be responsible for its safety,

and the safety of its employees, sub-contractors, agents, and representatives. All personnel furnished by the Contractor will be deemed employees or sub-contractors of the Contractor and will not for any purpose be considered employees or agents of the District. **The Contractor is not entitled to worker's compensation benefits or unemployment insurance benefits, unless unemployment compensation coverage is provided by the Contractor or some other entity other than the District, and the Contractor is obligated to pay federal and state income taxes on moneys by it earned pursuant to this Agreement.**

10. EQUAL OPPORTUNITY. This Agreement is subject to all applicable laws and executive orders relating to equal opportunity and non-discrimination in employment and the Contractor represents and warrants that it will not discriminate in its employment practices in violation of any such applicable law or executive order.

11. CONTRACTOR'S INSURANCE.

a. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of this Agreement, insurance coverage in the minimum amounts set forth in **Exhibit C**, attached hereto and incorporated herein by this reference. A waiver of subrogation and rights of recovery against the District, its directors, officers, employees and agents is required for Commercial General Liability and Workers Compensation coverage. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The District shall have the right to verify or confirm, at any time, all coverage, information or representations contained in this Agreement.

b. Prior to commencing any work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement, as well as the amounts of coverage for the respective types of coverage, which certificate(s) shall be attached hereto as **Exhibit C-1**. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates evidencing statutory workers' compensation insurance, comprehensive general liability insurance and automobile liability insurance in amounts satisfactory to the District and the Contractor; provided, however, that sub-contractors of the Contractor shall not be required by the District to provide coverage in excess of that which is required hereunder of the Contractor. If the coverage required expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

c. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations contained in this Agreement; nor shall the purchase of the required insurance serve to limit the Contractor's liability under any provision in this Agreement. The Contractor shall be responsible for the payment of any deductibles on issued policies.

12. CONFIDENTIALITY AND CONFLICTS.

a. Confidentiality. Any information deemed confidential by the District and given to the Contractor by the District, or developed by the Contractor as a result of the performance of a particular task, shall remain confidential. In addition, the Contractor shall hold in strict confidence, and shall not use in competition, any information which the Contractor becomes aware of under or by virtue of this Agreement which the District deems confidential, or which the District has agreed to hold confidential, or which, if revealed to a third party, would reasonably be construed to be contrary to the interests of the District. Confidential information shall not include, however, any information which is: (i) generally known to the public at the time provided to the Contractor; (ii) provided to the Contractor by a person or entity not bound by confidentiality to the District; or (iii) independently developed by the Contractor without use of the District's confidential information. During the performance of this Agreement, if the Contractor is notified that certain information is to be considered confidential, the Contractor agrees to enter into a confidentiality agreement in a form reasonably acceptable to the District and the Contractor. The Contractor agrees that any of its employees, agents or subcontractors with access to any information designated thereunder as confidential information of the District shall agree to be bound by the terms of such confidentiality agreement.

b. Personal Identifying Information. During the performance of this Agreement, the District may disclose Personal Identifying Information to the Contractor. **"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., the Contractor agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to the Contractor; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

c. Conflicts. Prior to the execution of, and during the performance of this Agreement and prior to the execution of future agreements with the District, the Contractor agrees to notify the District of conflicts known to the Contractor that impact the Contractor's provision of Services to the District.

13. OWNERSHIP OF DOCUMENTS. All documents produced by or on behalf of the Contractor pursuant to this Agreement, including, but not limited to, all maps, plans, drawings, specifications, reports, electronic files and other documents, in whatever form, shall remain the property of the District under all circumstances, upon payment to the Contractor of the invoices representing the work by which such materials were produced. At the District's request the Contractor will provide the District with all documents produced by or on behalf of the Contractor pursuant to this Agreement. The Contractor shall maintain electronic and reproducible copies on file of any such instruments of service involved in the Services for a period of two (2) years after termination of this Agreement, shall make them available for the District's use and shall provide such copies to the District upon request at no cost.

14. LIENS AND ENCUMBRANCES. The Contractor shall not have any right or interest in any District assets, or any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated in this Agreement. The Contractor, for itself, hereby waives and releases any and all statutory or common law mechanic's, materialmen's or other such lien claims, or rights to place a lien upon the District's property or any improvements thereon in connection with any Services performed under or in connection with this Agreement, and the Contractor shall cause all permitted subcontractors, suppliers, materialmen, and others claiming by, through or under the Contractor to execute similar waivers prior to commencing any work or providing any materials in connection with the Services. The Contractor further agrees to execute a sworn affidavit respecting the payment and lien releases of all subcontractors, suppliers and materialmen, and release of lien respecting the Services at such time or times and in such form as may be reasonably requested by the District. The Contractor will provide indemnification against all such liens for labor performed, materials supplied or used by the Contractor and/or any other person in connection with the Services undertaken by the Contractor, in accordance with Section 15, below.

15. INDEMNIFICATION.

a. The Contractor shall defend, indemnify and hold harmless the District and each of its directors, officers, contractors, employees, agents and consultants (collectively, the "**District Indemnitees**"), from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses (the "**Claims**"), including reasonable legal expenses and attorneys' fees actually incurred, by the District Indemnitees arising directly or indirectly, in whole or in part, out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents or employees, in connection with this Agreement and/or the Contractor's performance of the Services or work pursuant to this Agreement. Notwithstanding anything else in this Agreement or otherwise to the contrary, the Contractor is not obligated to indemnify the District Indemnitees for the negligence of the District or the negligence of any other District Indemnitee, except the Contractor. Except as otherwise provided by applicable law, this indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation or benefits payable by or for the Contractor under workers' compensation acts, disability acts or other employee benefit acts, provided that in no event shall the Contractor be liable for special/consequential or punitive damages.

b. In the event the Contractor fails to assume the defense of any Claims under this Section 15 within fifteen (15) days after notice from the District of the existence of such Claim, the District may assume the defense of the Claim with counsel of its own selection, and the Contractor will pay all reasonable expenses of such counsel. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation.

c. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary with respect to its obligations under this Agreement, including the indemnity obligations set forth

in Section 15. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

16. ASSIGNMENT. The Contractor shall not assign this Agreement or parts thereof, or its respective duties, without the express written consent of the District. Any attempted assignment of this Agreement in whole or in part with respect to which the District has not consented, in writing, shall be null and void and of no effect whatsoever.

17. SUB-CONTRACTORS. The Contractor is solely and fully responsible to the District for the performance of all Services in accordance with the terms set forth in this Agreement, whether performed by the Contractor or a subcontractor engaged by the Contractor, and neither the District's approval of any subcontractor, suppliers, or materialman, nor the failure of performance thereof by such persons or entities, will relieve, release, or affect in any manner the Contractor's duties, liabilities or obligations under this Agreement. The Contractor shall not subcontract any Services without prior written approval by the District. The Contractor agrees that each and every agreement of the Contractor with any subcontractor to perform Services under this Agreement shall contain an indemnification provision identical to the one contained in this Agreement holding the District harmless for the acts of the subcontractor. Prior to commencing any Services, a subcontractor shall provide evidence of insurance coverage to the District in accordance with the requirements of this Agreement. The Contractor further agrees that all such subcontracts shall provide that they may be terminated immediately without cost or penalty upon termination of this Agreement, other than payment for services rendered prior to the date of any such termination.

18. TERMINATION. In addition to the termination provisions contained in Section 2, above, this Agreement may be terminated for convenience by the Contractor upon delivery of thirty (30) days prior written notice to the District and by the District by giving the Contractor thirty (30) days prior written notice. Each Party may terminate this Agreement for cause at any time upon written notice to the other Party setting forth the cause for termination and the notified Party's failure to cure the cause to the reasonable satisfaction of the Party given such notice within the cure period set forth in Section 19. If this Agreement is terminated, the Contractor shall be paid for all the Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business. Should either Party to this Agreement be declared bankrupt, make a general assignment for the benefit of creditors or commit a substantial and material breach of this Agreement in the view of the other Party, said other Party shall be excused from rendering or accepting any further performance under this Agreement. In the event of termination of this Agreement, the Contractor shall cooperate with the District to ensure a timely and efficient transition of all work and work product to the District or its designees. All time, fees and costs associated with such transition shall not be billed by the Contractor to the District.

19. DEFAULT. If either Party fails to perform in accordance with the terms, covenants and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the address specified in Section 20 below, and the defaulting party will have ten (10) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such ten (10)-day period and the defaulting party gives written notice to the non-defaulting



party within such ten (10)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the ten (10)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

20. NOTICES. Any notice or communication required under this Agreement must be in writing, and may be given personally, sent via nationally recognized overnight carrier service, or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same will be deemed to have been given and received on the first to occur of: (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent; or (ii) three days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered or sent via nationally recognized overnight carrier service, a notice will be deemed to have been given and received on the first to occur of: (i) one business day after being deposited with a nationally recognized overnight air courier service; or (ii) delivery to the party to whom it is addressed. Any party hereto may at any time, by giving written notice to the other party hereto as provided in this Section 20 of this Agreement, designate additional persons to whom notices or communications will be given, and designate any other address in substitution of the address to which such notice or communication will be given. Such notices or communications will be given to the parties at their addresses set forth below:

District: RainDance Metropolitan District No. 1  
1625 Pelican Lakes Point, Suite 201  
Windsor, Colorado 80550  
Attention: Steve Southard  
Phone: (970) 686-5825  
Email: [steve.southard@advancehoa.com](mailto:steve.southard@advancehoa.com)

With a Copy to: WHITE BEAR ANKELE TANAKA & WALDRON  
2154 E. Commons Ave., Suite 2000  
Centennial, CO 80122  
Attention: Zachary P. White, Esq.  
Phone: (303) 858-1800  
E-mail: [zwhite@wbapc.com](mailto:zwhite@wbapc.com)

Contractor: Southern Exposure Landscape Management, Inc.  
745 Jackson Court  
Windsor, CO 80550  
Phone: (970) 674-3010  
Fax: (970) 674-1993

21. AUDITS. The District shall have the right to audit, with reasonable notice, any of the Contractor's books and records solely as are necessary to substantiate any invoices and payments under this Agreement (including, but not limited to, receipts, time sheets, payroll and personnel records) and the Contractor agrees to maintain adequate books and records for such purposes during the term of this Agreement and for a period of two (2) years after termination of this Agreement and to make the same available to the District at all reasonable times and for so long thereafter as there may remain any unresolved question or dispute regarding any item pertaining thereto.

22. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties hereto relating to the Services, and sets forth the rights, duties, and obligations of each to the other as of this date, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to the Services, whether written or oral. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Contractor and the District.

23. BINDING AGREEMENT. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and assigns of the Parties hereto.

24. NO WAIVER. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in this Agreement, nor shall the waiver of any default be deemed a waiver of any subsequent default.

25. GOVERNING LAW.

a. Venue. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-conveniens* or otherwise. At the District's request, the Contractor shall carry on its duties and obligations under this Agreement during any legal proceedings and the District shall continue to pay for the Services performed under this Agreement until and unless this Agreement is otherwise terminated.

b. Choice of Law. Colorado law shall apply to any dispute, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado.

c. Litigation. At the District's request, the Contractor will consent to being joined in litigation between the District and third parties, but such consent shall not be construed as an admission of fault or liability. The Contractor shall not be responsible for delays in the performance of the Services caused by factors beyond its reasonable control including delays caused by Act of God, accidents, failure of any governmental or other regulatory authority to act in a timely manner or failure of the District to furnish timely information or to approve or disapprove of Contractor's Services in a timely manner.

26. GOOD FAITH OF PARTIES. In the performance of this Agreement, or in considering any requested approval, acceptance, consent, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, consent, or extension of time required or requested pursuant to this Agreement.

27. SUBJECT TO 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. The Contractor expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board 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 Agreement 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 Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The District's obligations under this Agreement exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this Agreement.

28. GOVERNMENTAL IMMUNITY. Nothing in this Agreement 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.

29. NEGOTIATED PROVISIONS. This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each Party has contributed to the preparation of this Agreement.

30. SEVERABILITY. If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, void or unenforceable, such decision shall not affect the validity of any other portion of this Agreement which shall remain in full force and effect, the intention being that such portions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

31. NO THIRD PARTY BENEFICIARIES. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

32. OPEN RECORDS. The Parties understand that all material provided or produced under this Agreement may be subject to the Colorado Open Records Act, §§ 24-72-202, *et seq.*, C.R.S.

33. WARRANTY AND PERMITS. The Contractor shall and does by this Agreement guarantee and warrant that all workmanship, materials, and equipment furnished, installed, or performed for the accomplishment of the Services (collectively, the “**Work**”) will be of good quality and new, unless otherwise required or permitted by this Agreement. The Contractor further warrants that the Work will conform to all requirements of this Agreement and the applicable building code and all other applicable laws, ordinances, codes, rules and regulations of any governmental authorities having jurisdiction over the Work. All materials are subject to the satisfaction and acceptance of the District, but payments for the completed Work will not constitute final acceptance nor discharge the obligation of the Contractor to correct defects at a later date. Such warranties set forth in this Agreement are in addition to, and not in lieu of, any other warranties prescribed by Colorado law.

a. The Contractor hereby warrants the Work for a period of one (1) year from the date of completion and initial acceptance of the Work. The Contractor will immediately correct or replace any Work that is defective or not conforming to this Agreement at its sole expense to the reasonable satisfaction of the District. The Contractor’s guarantees and warranties shall in all cases survive termination of this Agreement. This warranty shall be enforceable by the District, its successors and assigns.

b. Prior to final payment for any Services involving Work, and at any time thereafter but before the final inspection, as set forth below, the Contractor and the District shall, at the request of the District, conduct an inspection of the Work for the purpose of determining whether any Work is defective or otherwise not in conformance with this Agreement. The Contractor’s fees and costs associated with the inspection shall be included in the compensation schedule set forth in **Exhibit B** and shall not be billed separately to the District. In the event the Contractor neglects to include the fees and costs associated with the inspection in the compensation schedule set forth in **Exhibit B**, the Contractor is deemed to have waived these fees and costs. After completion of the inspection, the District will provide the Contractor with written notice of any Work requiring corrective action. The Contractor agrees to correct or replace the defective Work within a reasonable time, as agreed to by the Parties, but in no event later than thirty (30) calendar days from the date of notice from the District, unless otherwise agreed to by the District.

c. The Contractor agrees that if warranty issues appear before payment has been made under this Agreement, the District may withhold payment until such warranty issues are resolved to the District’s satisfaction. If repair or replacement of any warranty or defective Work is not made by the Contractor promptly upon request by the District as set forth in this Agreement, in addition to any other remedy, the District may withhold any payment the District may owe to the Contractor, including payments under other contracts or agreements related or unrelated to the Work and Services.

d. The Contractor shall promptly notify the District of any Work, whether by the Contractor, its subcontractors or any third parties, which the Contractor believes to be defective or not conforming with this Agreement.

e. The Contractor shall, at its expense, obtain all permits, licenses and other consents required from all governmental authorities, utility companies and appropriate parties under any restrictive covenants in connection with the Work. The Contractor shall comply with all of the terms and conditions of all permits, licenses and consents.

f. At or around eleven (11) months, but no more than one (1) year, after the completion and acceptance of the Work, the Contractor and the District shall, at the request of the District, conduct a final inspection of the Work for the purpose of determining whether any Work is defective or otherwise not in conformance with this Agreement. The Contractor's fees and costs associated with the inspection shall be included in the compensation schedule set forth in **Exhibit B** and shall not be billed separately to the District. In the event the Contractor neglects to include the fees and costs associated with the inspection in the compensation schedule set forth in **Exhibit B**, the Contractor is deemed to have waived these fees and costs. After completion of the final inspection, the District will provide the Contractor with written notice of any Work requiring corrective action. In the event the Contractor does not correct or replace the defective Work within thirty (30) calendar days from the date of notice from the District, or within such other reasonable time as agreed to by the Parties, the District may correct or replace the defective Work and the Contractor shall reimburse the District for the related costs and fees.

34. TAX EXEMPT STATUS. The District is exempt from Colorado state sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District. The District shall, upon request, furnish Contractor with a copy of its certificate of tax exemption. Contractor and subcontractors shall apply to the Colorado Department of Revenue, Sales Tax Division, for an Exemption Certificate and purchase materials tax free. The Contractor and subcontractors shall be liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate.

35. COUNTERPART EXECUTION. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

*[Signature pages follow].*

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICT:**

RAINDANCE METROPOLITAN DISTRICT  
NO. 1, a quasi-municipal corporation and  
political subdivision of the State of Colorado

---

President

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel for the District

**CONTRACTOR:**

SOUTHERN EXPOSURE LANDSCAPE  
MANAGEMENT, INC., a Colorado  
corporation

Russell A Hoff

RUSSELL A. HOFF

Printed Name

G.M.

Title

STATE OF COLORADO )

COUNTY OF Weld ) ss.

The foregoing instrument was acknowledged before me this 31<sup>st</sup> day of March, 2023, by Russell Hoff, as the General Manager of Southern Exposure Landscape Management, Inc.

Witness my hand and official seal.

My commission expires: 2-15-2027

[Signature]

Notary Public



## EXHIBIT A

### SCOPE OF SERVICES

Spring Cleanup: Two (2) visits each season. Light pruning, leaf clean up, short mow turf, cut back perennials and ornamental grasses, and haul debris	Included
Irrigation Activation: After mainlines are pressurized, open gate valves to the public spaces irrigation system and charge the system	Included
Aeration: See specifications below for each area	Included
Weekly Maintenance: Mow, trim, blow all turf areas and clear sidewalks of clipping (24 visits)	Included
Trash Pick Up: In all landscape areas during the growing season (24 visits). Off season trash to be cleaned by Metro District Staff or by Contractor billed at time and material costs	Included
Fertilization: See specifications below for each area. Native areas to be fertilized by the Metro District staff as needed (slopes)	Included
Edging: Edging of bluegrass turf areas only. Monthly (up to 5 times per season)	Included
Low Mow Native: See specifications below	Included
Beauty Band Mow: To be performed by Contractor north of New Liberty and in filings that are not yet finally accepted South of New Liberty. District Staff to mow Beauty Bands south of New Liberty on accepted filings	Included
Native Area Mow: See specifications below	Included
Grassland Restoration: To be performed by District Staff	Not Included
Native Weed Control: See specifications below	Included
Native Fertilization: To be performed by District Staff on all accepted filings	Not Included
Winterization of Sprinklers: Close gate valves to the public spaces irrigation system and blow all water from the lines using a commercial air compressor	Included
Fall Cleanup: Two (2) visits per season. Service includes the following: Short mow all turf areas, pick up all trash and leaves in the landscape areas and cut perennials as required	Included
Trimming of Ornamental Grasses in Landscape Beds: Trim grasses to 6 to 8 inches above ground starting in late fall. Leave ornamental grasses (feather grass) in high visibility beds and intersections until the end of winter	Included



Other Maintenance Tasks on a Time and Material Basis

	Cost Per Hour
Irrigation Repairs Repairs not included in Contract – Time Cost / Parts Additional	\$79 / hr
After Hours and Holiday Emergency Response	Double Rate
Mini-Excavator for Irrigation Repairs and Drainage Projects – Including Operator	\$145 / hr
Skid Steer for Maintenance and Projects – Including Operator	\$135 / hr
Mid-Sized Excavator – Including Operator	NA
Additional Fertilizer and Spraying Applications	\$99 / hr
Landscaping , Gardening Projects, and Clean Up (general labor cost)	\$69 / hr
Trenching up to 36 inches deep – Including Operator	\$110 / hr
Tree Pruning up to 10 feet	\$69 / hr
Winter Watering	\$69 / hr
Pet Stations and Trash Pickup	\$69 / hr

Landscape Maintenance Contract with the RainDance Metro District includes the following areas that have initially accepted by the District:

Major Infrastructure

- Filing 1
- Filing 2
- Filing 3
- Filing 5
- Filing 5 NL
- Filing 6
- Filing 8
- Filing 9
- Filing 15
- Filing 16
- Filing 17
- Filing 18
- Filing 19
- New Liberty Filing 2
- New Liberty Filing 5
- New Liberty Filing 6
- RainDance River Resort inside fence (grasses only)
- Cherry Park
- Plum Park
- Butterfly Park
- Berry Park
- Cottonwood Drainage Ditch
- 13 Acre Park

## EXHIBIT B

### COMPENSATION SCHEDULE

#### Payment Schedule

January – \$0

February - \$15,079.90

March - \$15,079.90

April - \$36,191.76

May - \$36,191.76

June - \$36,191.76

July - \$36,191.76

August - \$36,191.76

September - \$36,191.76

October - \$24,127.84

November - \$15,079.90

December - \$15,079.90

**TOTAL - \$301,598.00**

**EXHIBIT B-1**

CONTRACTOR'S COMPLETED W-9

## EXHIBIT C

### INSURANCE REQUIREMENTS

NOTE: All insurance required and provided hereunder shall also comply with the provisions of Section 11 of this Agreement.

1. Standard Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor involved with the performance of the Services, with policy amounts and coverage in compliance with the laws of the jurisdiction in which the Services will be performed.
2. Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 designated location, general aggregate; and \$1,000,000 umbrella. Such insurance will include coverage for contractual liability, personal injury and broad form property damage, and shall include all major divisions of coverage and be on a comprehensive basis including, but not limited to:
  - a. premises operations;
  - b. personal injury liability without employment exclusion;
  - c. limited contractual;
  - d. broad form property damages, including completed operations;
  - e. medical payments;
  - f. products and completed operations;
  - g. independent consultants coverage;
  - h. coverage inclusive of construction means, methods, techniques, sequences, and procedures, employed in the capacity of a construction consultant; and

**This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**

3. Comprehensive Automobile Liability Insurance covering all owned, non-owned and hired automobiles used in connection with the performance of the Services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage. **This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**
4. If applicable: Contractor shall secure and maintain a third party fidelity bond in favor of the District covering the Contractor and its employees and agents who may provide or be responsible for the provision of Services where such activities contemplate the responsibility for money or property of the District. Such bond shall protect the District against any fraudulent or dishonest act which may result in the loss of money, securities,

or other property belonging to or in the possession of the District. Said bond shall be in an amount as determined by the District, from a surety acceptable to the District.

5. Any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement.
6. Professional liability insurance in the amount of \$2,000,000.00 each occurrence.

**EXHIBIT C-1**

**CERTIFICATE(S) OF INSURANCE**

**EXHIBIT D**

**CERTIFICATE OF GOOD STANDING WITH COLORADO SECRETARY OF STATE**

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO

**CERTIFICATE OF FACT OF GOOD STANDING**

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Southern Exposure Landscape Management, Inc.

is a

Corporation

formed or registered on 01/24/2008 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20081047828 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 03/13/2023 that have been posted, and by documents delivered to this office electronically through 03/14/2023 @ 13:12:32 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 03/14/2023 @ 13:12:32 in accordance with applicable law. This certificate is assigned Confirmation Number 14779882 .



*Jena Griswold*

Secretary of State of the State of Colorado

\*\*\*\*\*End of Certificate\*\*\*\*\*  
*Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."*



## RAINDANCE METROPOLITAN DISTRICT CONTRACT

**Name of Contractor/Provider/Consultant:** Jeanette Balderrama  
**Title of Agreement/Contract:** Restroom Cleaning Services  
**Agreement/Contract Date:** May 29, 2023

This Contract (“Agreement”) is made by and between RainDance Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”) and the above-referenced contractor, provider, or other consultant (the “Contractor”).

Introduction. The District and the Contractor desire to enter into this Contract to be effective the date above.

1. Scope of Services. The Contractor shall perform the services set forth in **Exhibit A** (the “**Services**”): (a) in a first-class manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period specified in the Agreement; (c) in such a manner as to minimize any annoyance, interference, or disruption to the residents, tenants, occupants, and invitees within the District; and (d) in compliance with all applicable federal, state, county, and local or municipal statutes, ordinances, and regulations.

2. Compensation of Services. Compensation for the Services provided under this Agreement shall be provided in accordance with the compensation schedule attached hereto as **Exhibit A**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided herein, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Exhibit A may take any form. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in Exhibit A, the terms in the body of this Agreement shall govern.

3. Repairs/Claims. The Contractor shall notify the District immediately, in writing, of any and all incidents/accidents which result in injury or property damage. The Contractor will promptly repair or, at the District’s option, reimburse the District for the repair of any damage to District property caused by the Contractor or its employees, agents, or equipment.

4. Independent Contractor. The Contractor is an independent contractor and nothing herein shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor is not entitled to workers’ compensation benefits or unemployment insurance benefits and the District will not provide any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives. The Contractor shall have full power and authority to select the means, manner, and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained.

5. Warranty and Permits. The Contractor shall and does by this Agreement guarantee and warrant that all workmanship, materials, and equipment furnished, installed, or performed for the accomplishment of the Services (collectively, the “**Work**”) will be of good quality and new, unless otherwise required or permitted by this Agreement. The Contractor further warrants that the Work will conform to all requirements of this Agreement and the applicable building code and all other applicable laws, ordinances, codes, rules, and regulations of any governmental authorities having jurisdiction over the Work. The Contractor hereby warrants the Work for a period of one (1) year from the date of completion and initial acceptance of the Work. The Contractor will immediately correct or replace any Work that is defective or not conforming to this Agreement at its sole expense to the reasonable satisfaction of the District. The Contractor’s guarantees and warranties shall in all cases survive termination of this Agreement. This warranty shall be enforceable by the District, its successors, and assigns.

6. Contractor's Insurance. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of the Agreement, the following insurance coverage: (i) Standard worker's compensation and employer's liability insurance covering all employees of Contractor involved with the performance of the services, with policy amounts and coverage in compliance with law; (ii) Commercial General Liability Insurance with minimum limits of liability of not less than \$1,000,000 per occurrence for bodily injury and property damage liability; \$1,000,000 general aggregate (iii) Comprehensive Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used in connection with the performance of the services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage; and (iv) any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations, nor shall the purchase of the required insurance serve to limit the Contractor's liability. The Contractor shall be responsible for the payment of any deductibles on issued policies.

7. Indemnification. The Contractor shall defend, indemnify, and hold harmless the District and each of its directors, officers, contractors, employees, agents, and consultants, from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses, including legal expenses and attorneys' fees, arising directly or indirectly out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents, or employees. The Contractor is not obligated to indemnify the District for the District's own negligence. This indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation, or benefits payable by or for the Contractor under worker's compensation acts, disability acts, or other employee benefit acts. Such indemnity shall survive the expiration or termination of this Agreement. To the extent the District is or may be obligated to indemnify, defend, or hold Contractor harmless under the terms of the Agreement, any such indemnification obligation shall arise only to the extent permitted by applicable law and shall be limited solely to sums lawfully appropriated for such purpose in accordance with this Agreement.

8. Termination. This Agreement may be terminated by either party for cause or for convenience upon ten (10) days' prior written notice to the other party. If this Agreement is terminated, the Contractor shall be paid for all Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business.

9. Governing Law / Disputes. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions shall be in the District Court in and for the county in which the District is located.

10. Term / Renewal. This Agreement shall be effective as of the dated date hereof and shall terminate on the earlier to occur of: (i) termination pursuant to Section 8 hereof; or (ii) December 31, 2023. Notwithstanding the foregoing, unless terminated pursuant to subsection (i) or (ii) above, or unless the District determines not to appropriate funds for this Agreement for the next succeeding year, this Agreement shall automatically renew on January 1 of each succeeding year for two (2) years.

11. Subject to 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. The obligations of the District under this Agreement are subject to annual budgeting and appropriations, and the Contractor expressly understands and agrees that the decision whether or not to budget and appropriate funds is within the discretion of District's governing body, and the obligations of the District shall extend only to monies appropriated for the purposes of this Agreement and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year

beyond the then-current fiscal year. The District and Contractor understand and intend that the District's obligation to make payments and pay other amounts due under the Agreement shall constitute a current expense and shall not in any way be construed to be a debt in contravention of any applicable constitutional or statutory limitations or requirements.

12. Governmental Immunity. Nothing in this Agreement 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 §§ 24-10-101, *et seq.*, C.R.S.

13. Remedies. To the extent the Contractor's remedies for a District default under the Agreement include any right to accelerate amounts to become due under the Agreement, such acceleration shall be limited solely to sums lawfully appropriated for such purpose and shall further be limited to amounts to become due during the District's then-current fiscal period.

14. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

15. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

16. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the matters addressed herein, and shall supersede all prior oral or written negotiations, understandings, and commitments.

17. Counterpart Execution. The parties may execute this Agreement in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

<b>District:</b>	<b>Contractor:</b>
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

**Exhibit A**  
Scope of Services/Compensation Schedule

**SCOPE OF WORK: CLEANING SERVICES**

Jeanette Balderrama - Cleaning Lady (the "Contractor") will provide all labor, tools, and cleaning supplies necessary to perform cleaning services at RainDance River Resort on a twice-weekly basis during the pool season and in accordance with written specifications and/or plans as provided by the RainDance Metropolitan District (the "District"). Cleaning Services will consist of twice-weekly deep cleaning and stocking of the restrooms between Memorial Day to Labor Day.

**Invoicing:** The Contractor will submit a detailed invoice monthly to RainDance Metropolitan District, to include all itemized materials, work performed, and labor hours completed. All invoices must include:

- a) Contractor's name, address, and phone number
- b) Date of the invoice
- c) Dates of services performed.
- d) Signature of contractor

Any items ordered specifically for the RainDance River Resort shall be tax-exempt.

**Pricing/Award:** Services performed by Jeanette Balderrama will be invoiced at the rate of \$200.00 per visit. Services include deep cleaning of all the restrooms including but not limited to:

1. High Dusting
2. Cleaning the Showers, Toilets, and Sinks
3. Cleaning the Mirrors
4. Cleaning Dispensers
5. Cleaning the Changing Tables
6. Cleaning doors and walls
7. Mopping
8. Removing trash and trash bags
9. Restocking body washes, soaps, paper products, and trash bags

The District agrees to supply all restocking materials and the necessary stainless steel cleaning spray specifically used on the bathroom doors with all other cleaning materials being supplied by the contractor.

## RAINDANCE METROPOLITAN DISTRICT NO. 1 AGREEMENT

**Name of Contractor/Provider/Consultant:** Randy Schwalm

**Title of Agreement:** 2023 Farm Services

**Agreement Date:** \_\_\_\_\_, 20\_\_

This “Agreement” is made by and between RainDance Metropolitan District No. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”) and the above-referenced contractor, provider, or other consultant (the “Contractor”).

Introduction. The District and the Contractor desire to enter into this Agreement to be effective the date above.

1. Scope of Services. The Contractor shall perform the services set forth in **Exhibit A** (the “**Services**”): (a) in a first-class manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period specified in the Agreement; (c) in such a manner as to minimize any annoyance, interference, or disruption to the residents, tenants, occupants, and invitees within the District; and (d) in compliance with all applicable federal, state, county, and local or municipal statutes, ordinances, and regulations.

2. Compensation of Services. Compensation for the Services provided under this Agreement shall be provided in accordance with the compensation schedule attached hereto as **Exhibit A**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided herein, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Exhibit A may take any form. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in Exhibit A, the terms in the body of this Agreement shall govern.

3. Repairs/Claims. The Contractor shall notify the District immediately, in writing, of any and all incidents/accidents which result in injury or property damage. The Contractor will promptly repair or, at the District’s option, reimburse the District for the repair of any damage to District property caused by the Contractor or its employees, agents, or equipment.

4. Independent Contractor. The Contractor is an independent contractor and nothing herein shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor is not entitled to workers’ compensation benefits or unemployment insurance benefits and the District will not provide any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives. The Contractor shall have full power and authority to select the means, manner, and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained.

5. Warranty and Permits. The Contractor shall and does by this Agreement guarantee and warrant that all workmanship, materials, and equipment furnished, installed, or performed for the accomplishment of the Services (collectively, the “**Work**”) will be of good quality and new, unless otherwise required or permitted by this Agreement. The Contractor further warrants that the Work will conform to all requirements of this Agreement and the applicable building code and all other applicable laws, ordinances, codes, rules, and regulations of any governmental authorities having jurisdiction over the Work. The Contractor hereby warrants the Work for a period of one (1) year from the date of completion and initial acceptance of the Work. The Contractor will immediately correct or replace any Work that is defective or not conforming to this Agreement at its sole expense to the reasonable satisfaction of the District. The Contractor’s guarantees and warranties shall

in all cases survive termination of this Agreement. This warranty shall be enforceable by the District, its successors and assigns.

6. Contractor's Insurance. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of the Agreement, the following insurance coverage: (i) Standard worker's compensation and employer's liability insurance covering all employees of Contractor involved with the performance of the services, with policy amounts and coverage in compliance with law; (ii) Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 general aggregate (iii) Comprehensive Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used in connection with the performance of the services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage, and (iv) any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations; nor shall the purchase of the required insurance serve to limit the Contractor's liability. The Contractor shall be responsible for the payment of any deductibles on issued policies.

7. Indemnification. The Contractor shall defend, indemnify, and hold harmless the District and each of its directors, officers, contractors, employees, agents, and consultants, from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses, including legal expenses and attorneys' fees, arising directly or indirectly out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents, or employees. The Contractor is not obligated to indemnify the District for the District's own negligence. This indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation, or benefits payable by or for the Contractor under worker's compensation acts, disability acts, or other employee benefit acts. Such indemnity shall survive the expiration or termination of this Agreement. To the extent the District is or may be obligated to indemnify, defend, or hold Contractor harmless under the terms of the Agreement, any such indemnification obligation shall arise only to the extent permitted by applicable law and shall be limited solely to sums lawfully appropriated for such purpose in accordance with this Agreement.

8. Termination. This Agreement may be terminated by either party for cause or for convenience upon ten (10) days' prior written notice to the other party. If the Agreement is terminated, the Contractor shall be paid for all Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business.

9. Governing Law / Disputes. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions shall be in the District Court in and for the county in which the District is located.

10. Subject to 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. The obligations of the District under this Agreement is subject to annual budgeting and appropriations, and the Contractor expressly understands and agrees that the decision whether or not to budget and appropriate funds is within the discretion of District's governing body, and the obligations of the District shall extend only to monies appropriated for the purposes of this Agreement and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. The District and Contractor understand and intend that the District's obligation to make payments and pay other amounts due under the Agreement shall constitute a current expense

and shall not in any way be construed to be a debt in contravention of any applicable constitutional or statutory limitations or requirements.

11. Governmental Immunity. Nothing in this Agreement 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 §§ 24-10-101, *et seq.*, C.R.S.

12. Remedies. To the extent the Contractor's remedies for a District default under the Agreement include any right to accelerate amounts to become due under the Agreement, such acceleration shall be limited solely to sums lawfully appropriated for such purpose and shall further be limited to amounts to become due during the District's then-current fiscal period.

13. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

14. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

15. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the matters addressed herein, and shall supersede all prior oral or written negotiations, understandings, and commitments.

16. Counterpart Execution. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

<b>District:</b>	<b>Contractor:</b>
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

**Exhibit A**  
**Scope of Services/Compensation Schedule**

RainDance MD Farm Services Agreement 2023

Scope of Services:

Turnkey Farming Operation (with the exception of irrigation management) including:

1. Field Preparation – Kill active weeds, disk fields, and prepare the seed bed to a depth of 6 inches
2. Dry Fertilization – Apply ag grade slow-release fertilizer
3. Soil Amendments – Organic Materials
4. Seed species and seeding at recommended rates
5. Application of preemergent and post emergent herbicides to control weeds – Outlook, Sequence, Dicamba, Roundup.
6. Provide Record of Pesticide Application to Metro District Head of Operations within 24 hours of all pesticide applications
7. Additional application pesticides as needed
8. Irrigation Management - The irrigation system will be managed by the District Staff who may occasionally request feedback from the contractor during the weekly visit
9. Harvest crops if requested. Crops like sweet corn and pumpkins are intended to be directly harvested by residents.
10. Field cleanup and silage - Corn and sunflower stalks will be bailed and removed from the fields.
11. End of Season Field Preparation – Disk, level, and grade

Includes all labor, equipment, fuel, travel, etc.

Use of Metro District utility vehicle when needed

<b>Crop Seeding Chart</b>	<b>Seeding Window</b>	<b>Harvest Date</b>	<b>Planting Spec</b>
Early Sweet Corn (72 day)	May 15 – May 25	Aug 15 – Sept 10	Soil temp at 2” – 56 degrees
Late Sweet Corn (82 day)	May 15 – May 25	Aug 30 – Sept 25	Soil temp at 2” – 56 degrees
Ornamental Sunflower	May 10 – May 20	Late Summer	Soil temp at 2” - 60 degrees
Confectionery Sunflower	May 10 – May 20	Sept 10 – Sept 25	Soil temp at 2” - 60 degrees
Corn Maze Field Corn	May 15 – May 25	After Halloween	Soil temp at 2” – 56 degrees
Decorative Corn	May 10 – May 20	Aug 30 – Sept 25	Soil temp at 2” – 56 degrees
Pumpkin	June 1 – 15	Early Oct	Soil temp at 2” – 70 degrees
White Pumpkin	June 1 – 15	Early Oct	Soil temp at 2” – 70 degrees
Gourd	June 1 – 15	Early Oct	Soil temp at 2” – 70 degrees



Responsibilities

I. Tractor and Equipment Time – 125 hours at \$300 per hour: \$18,750

II. Inputs – Seed, fertilizer, and pesticides \$8,500

III. Farm Field Supervision – 3 hours per week for 15 weeks at \$40 per hour: \$ 900

IV. Irrigation – Irrigation management and repairs performed by District \$ 0

V. Seasonal Field Labor – Performed by District \$ 0

Total: \$28,150

Payment Schedule

Contractor will submit invoice for payment – Input costs of seed, fertilizer, and chemicals are included:

June 15 - \$14,075

October 15 - \$14,075

Additional Services – provided by Adam Samples to be billed at an hourly rate of \$40 per hour not to exceed \$10,000 in 2023. Additional services will be agreed upon and may include additional farm field maintenance or irrigation related maintenance.

## Exhibit B Planting Maps and Acreage

### Main Park Field –

Resident like harvesting sweetcorn in the main park. In 2023, we will install an ornamental sunflower maze/walk on the east side of the field. Park construction activity will prevent the perennial herbs area from being developed in 2023.



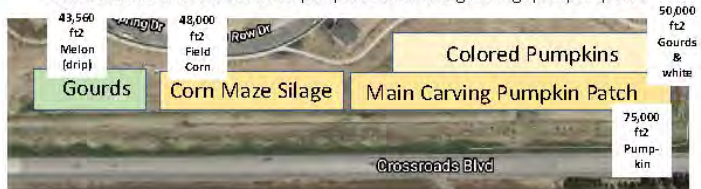
### RainDance West Field –

Topsoil was removed from this field and water pressure will be a challenge in 2023. The confectionery sunflowers will grow in poor soil and have a low water requirement.



### RainDance East Field –

Keep the Corn Maze in the Same Location. Grow a variety of gourds behind Ted's Grill. Plant an area of colored and white pumpkins. Offer a large orange pumpkin patch.



**Pelican Farms West Field –**  
Severe weed problem in this field in 2022. Switch to a more vertical crop in 2023



**Pelican Farms Kestral Field –**  
Late season sweet corn.  
Good Soil.



**Pelican Farms West East**  
Poor soil from underground utility installations. Save the main corridor for large early season sweet corn. Add a demonstration area. Irrigation already installed.



	RainDance	Pelican Farms	Total sq. ft.
Early Sweet Corn – Anthon or Equiv. row and seed spacing	50,000	90,000	140,000
Late Sweet Corn – Obsession II or Equiv. spacing	25,000	105,000	130,000
Ornamental Sunflower – None in 2023	0	0	0
Confectionery Sunflower -	85,000	0	85,000
Corn Maze – silage -	48,000	0	48,000
Carving Pumpkin – Fat Jack or Equiv. spacing	75,000	20,000	95,000
White Pumpkin – World of Color or Equiv. spacing	50,000	0	50,000
Gourd – Mix of Autumn Wing, Gold Specs, Yosemite	30,000	0	30,000
Decorative Corn -	0	35,000	35,000
Demonstration Areas – District Transplanted & Maintained	10,000	10,000	20,000

## RAINDANCE METROPOLITAN DISTRICT CONTRACT

**Name of Contractor/Provider/Consultant: Conduct All Electric**

**Title of Agreement/Contract: Light Fixture Fabrication**

**Agreement/Contract Date: May \_\_, 2023**

This Contract (“Agreement”) is made by and between RainDance Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”) and the above-referenced contractor, provider, or other consultant (the “Contractor”).

Introduction. The District and the Contractor desire to enter into this Contract, to be effective the date above.

1. Scope of Services. The Contractor shall perform the services set forth in **Exhibit A** (the “**Services**”): (a) in a first-class manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period specified in the Agreement; (c) in such a manner as to minimize any annoyance, interference, or disruption to the residents, tenants, occupants, and invitees within the District; and (d) in compliance with all applicable federal, state, county, and local or municipal statutes, ordinances, and regulations.

2. Compensation of Services. Compensation for the Services provided under this Agreement shall be provided in accordance with the compensation schedule attached hereto as **Exhibit A**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided herein, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Exhibit A may take any form. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in Exhibit A, the terms in the body of this Agreement shall govern.

3. Repairs/Claims. The Contractor shall notify the District immediately, in writing, of any and all incidents/accidents which result in injury or property damage. The Contractor will promptly repair or, at the District’s option, reimburse the District for the repair of any damage to District property caused by the Contractor or its employees, agents, or equipment.

4. Independent Contractor. The Contractor is an independent contractor and nothing herein shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor is not entitled to workers’ compensation benefits or unemployment insurance benefits and the District will not provide any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives. The Contractor shall have full power and authority to select the means, manner, and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained.

5. Warranty and Permits. The Contractor shall and does by this Agreement guarantee and warrant that all workmanship, materials, and equipment furnished, installed, or performed for the accomplishment of the Services (collectively, the “**Work**”) will be of good quality and new, unless otherwise required or permitted by this Agreement. The Contractor further warrants that the Work will conform to all requirements of this Agreement and the applicable building code and all other applicable laws, ordinances, codes, rules, and regulations of any governmental authorities having jurisdiction over the Work. The Contractor hereby warrants the Work for a period of one (1) year from the date of completion and initial acceptance of the Work. The Contractor will immediately correct or replace any Work that is defective or not conforming to this Agreement at its sole expense to the reasonable satisfaction of the District. The Contractor’s guarantees and warranties shall in all cases survive termination of this Agreement. This warranty shall be enforceable by the District, its successors and assigns.

6. Contractor's Insurance. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of the Agreement, the following insurance coverage: (i) Standard worker's compensation and employer's liability insurance covering all employees of Contractor involved with the performance of the services, with policy amounts and coverage in compliance with law; (ii) Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 general aggregate (iii) Comprehensive Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used in connection with the performance of the services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage, and (iv) any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations; nor shall the purchase of the required insurance serve to limit the Contractor's liability. The Contractor shall be responsible for the payment of any deductibles on issued policies.

7. Indemnification. The Contractor shall defend, indemnify, and hold harmless the District and each of its directors, officers, contractors, employees, agents, and consultants, from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses, including legal expenses and attorneys' fees, arising directly or indirectly out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents, or employees. The Contractor is not obligated to indemnify the District for the District's own negligence. This indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation, or benefits payable by or for the Contractor under worker's compensation acts, disability acts, or other employee benefit acts. Such indemnity shall survive the expiration or termination of this Agreement. To the extent the District is or may be obligated to indemnify, defend, or hold Contractor harmless under the terms of the Agreement, any such indemnification obligation shall arise only to the extent permitted by applicable law and shall be limited solely to sums lawfully appropriated for such purpose in accordance with this Agreement.

8. Termination. This Agreement may be terminated by either party for cause or for convenience upon ten (10) days' prior written notice to the other party. If the Agreement is terminated, the Contractor shall be paid for all Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business.

9. Governing Law / Disputes. This Agreement and all claims or controversies arising out of or relating to this Agreement shall be governed and construed in accordance with the law of the State of Colorado, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado. Venue for all actions shall be in the District Court in and for the county in which the District is located.

10. Subject to 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. The obligations of the District under this Agreement is subject to annual budgeting and appropriations, and the Contractor expressly understands and agrees that the decision whether or not to budget and appropriate funds is within the discretion of District's governing body, and the obligations of the District shall extend only to monies appropriated for the purposes of this Agreement and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. The District and Contractor understand and intend that the District's obligation to make payments and pay other amounts due under the Agreement shall constitute a current expense and shall not in any way be construed to be a debt in contravention of any applicable constitutional or statutory limitations or requirements.

11. Governmental Immunity. Nothing in this Agreement 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 §§ 24-10-101, *et seq.*, C.R.S.

12. Remedies. To the extent the Contractor's remedies for a District default under the Agreement include any right to accelerate amounts to become due under the Agreement, such acceleration shall be limited solely to sums lawfully appropriated for such purpose and shall further be limited to amounts to become due during the District's then-current fiscal period.

13. Negotiated Provisions. This Agreement shall not be construed more strictly against one party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the parties, it being acknowledged that each party has contributed substantially and materially to the preparation of this Agreement.

14. Severability. If any portion of this Agreement is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

15. Miscellaneous. This Agreement constitutes the entire agreement between the parties with respect to the matters addressed herein, and shall supersede all prior oral or written negotiations, understandings, and commitments.

16. Counterpart Execution. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

By the signature of its representative below, each party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

<b>District:</b>	<b>Contractor:</b>
By: _____	By: _____
Name: _____	Name: _____
Title: _____	Title: _____

**Exhibit A**  
Scope of Services/Compensation Schedule

**SCOPE OF WORK: ELECTRICAL CONTRACTOR**

Contractor will provide all labor, tools, management, materials, parts and supplies, equipment, and transportation necessary to furnish electrical services at RainDance River Resort on an as-needed basis in accordance with written specifications and/or plans as provided by the RainDance Metropolitan District (the "District"). Electrical work will consist of general maintenance, repair of existing wiring, replacement of electrical equipment including emergency and after-hours work.

**Qualifications:** Contractor must be a State of Colorado licensed electrician and Contractor shall ensure that all its personnel are properly qualified, trained, certified, and licensed in accordance with all applicable local, state and federal rules, regulations, laws, and standards to perform the work assigned. Contractor may be requested at any time to provide evidence of such qualifications. At the request of the RainDance Metro District, the Contractor shall replace any incompetent, unfaithful, abusive, or disorderly person in his or her employ. Contractor personnel shall abide by the District's no-smoking policy while on District property.

**Contract Term:** The term of the contract will be for the entire calendar year and will include an option of an automatic renewal for up to 2 additional years.

**Quotes:** Special project work for the RainDance Metro District will require a written quote to be submitted prior to start of work based on unit pricing and material markup included in bid.

The District will email a work order request for all required work. In the absence of a work order, the electrical work will be invoiced using hourly rates billed at \$\_\_\_\_\_per hour.

Any items purchased by the RainDance Metro District will be exempt from sales tax.

**Materials:**

- a) Material quality is expected to be commercial grade and as specified in the given scope for each job. The District reserves the right to set the standard of quality for materials for any given job. All materials used shall be acceptable to the District.
- b) All materials used or purchased in execution of this contract shall be of first quality and not damaged and/or factory seconds. Any materials damaged or not in first quality condition upon receipt will be exchanged within twenty-four (24) hours at no charge to the District.
- c) The District reserves the option to retain all materials removed or purchased and unused for the RainDance River Resort by the Contractor in the execution of the work.

**Execution of Work:** Contractor shall be responsible for performing the work necessary to meet the District standards in a safe, neat, and high-quality workmanlike manner using only accepted methods in carrying out the work and complying with all Federal, State, and Local laws. Contractor is to comply with all codes

and regulations having jurisdiction for work to be performed under this contract. Project conditions will be identified individually. When contacted, Contractor may be required to meet with the project manager on site and receive a scope of work for the project. Contractor will be assigned work on an as-needed basis and is required to have the capability to perform all work requested in a timely manner. All furnishings and equipment shall be placed back in the original locations. Contractor shall clean and remove from the premises all surplus and discarded materials, rubbish, and temporary structures, and shall restore in an acceptable manner all property to a neat and presentable condition.

**Damage:** Contractor shall carry out work with care and methods to prevent damage to public or private property adjacent to the work. Should any property be damaged or destroyed as a result of Contractor's actions or negligence, the Contractor must repair or make such restoration as is practical and acceptable to the District of destroyed or damaged property no later than ten (10) days from the date damage occurred. Any costs related to these repairs will be the responsibility of the Contractor

**Warranty:** Contractor will provide a minimum of a one (1) year warranty for all work performed and all materials provided to the covered system(s). The guarantee shall include any and all defective workmanship.

**Scheduling and Invoicing:** Upon completion of each individual project, the Contractor will submit to RainDance Metro District, a detailed invoice to include all itemized materials, work performed, and labor hours used to complete the project.

All Contractor invoices must include copies of invoices from all subcontractors and suppliers on the project being invoiced.

**Pricing/Award:** All prices provided must include all fees associated with the work to be performed, including Contractor and subcontractor overhead, profit, and mobilization. Award will be made to the lowest bidder meeting all requirements of this RFQ. Low bid will be based on the standard hourly rate for a licensed master electrician.



**INDEPENDENT CONTRACTOR AGREEMENT**  
**LANDSCAPE MAINTENANCE**

---

This INDEPENDENT CONTRACTOR AGREEMENT, including any and all exhibits attached hereto (the “**Agreement**”), is entered into as of the \_\_\_\_ day of May 2023, by and between RAINDANCE METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and ZAK GEORGE LANDSCAPING LLC, a Colorado limited liability company (the “**Contractor**”). The District and the Contractor are referred to herein individually as a “**Party**” and collectively as the “**Parties.**”

**RECITALS**

WHEREAS, the District was organized pursuant to and in accordance with the provisions of §§ 32-1-101, *et seq.*, C.R.S. for the purpose of constructing, financing, operating, and maintaining certain public facilities and improvements for itself, its taxpayers, residents, and users; and

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

WHEREAS, pursuant to § 32-1-1001(1)(i), C.R.S., the District is empowered to appoint, hire, and retain agents, employees, engineers, and attorneys; and

WHEREAS, the District desires to engage the Contractor to perform certain services as are needed by the District to serve the property within and without its boundaries; and

WHEREAS, the Contractor has represented that it has the professional experience, skill, and resources to perform the services, as set forth herein.

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

**TERMS AND CONDITIONS**

1. SCOPE OF SERVICES; PERFORMANCE STANDARDS. The Contractor shall perform the services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Services**”): (a) in a professional manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period and pursuant to the Scope of Services specified in said **Exhibit A**; and (c) using reasonable commercial efforts to minimize any annoyance, interference, or disruption to the residents, tenants, occupants, and invitees within the District. **Exhibit A** may take any form, including forms which may include price and payment terms. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in **Exhibit A**, the terms in the body of this Agreement shall govern. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate

the District in any manner whatsoever, except to the extent specifically provided in this Agreement (including **Exhibit A**) or through other authorization expressly delegated to or authorized by the District through its Board of Directors.

2. TERM/RENEWAL. This Agreement shall be effective as of the dated date hereof and shall terminate on the earlier to occur of: (i) termination pursuant to Section 18 hereof; (ii) completion of the Services; or (iii) December 31, 2023. Notwithstanding the foregoing, unless terminated pursuant to subsection (i) or (ii) above, or unless the District determines not to appropriate funds for this Agreement for the next succeeding year, this Agreement shall automatically renew on January 1<sup>st</sup> of each succeeding year for an additional one (1) year term.

3. ADDITIONAL SERVICES. The District may, in writing, request the Contractor provide additional services not set forth in **Exhibit A**. The terms and conditions of the provision of such services shall be subject to the mutual agreement of the Contractor and the District pursuant to a written service/work order executed by an authorized representative of the District and the Contractor or an addendum to this Agreement. Authorization to proceed with additional services shall not be given unless the District has appropriated funds sufficient to cover the additional compensable amount. To the extent additional services are provided pursuant to this Section 3, the terms and conditions of this Agreement relating to Services shall also apply to any additional services rendered.

4. REPAIRS/CLAIMS. The Contractor shall notify the District immediately of any and all damage caused by the Contractor to District property and that of third parties. The Contractor will promptly repair or, at the District's option, reimburse the District for the repair of any damage to property caused by the Contractor or its employees, agents, or equipment. In addition, the Contractor shall promptly notify the District of all potential claims of which it becomes aware. The Contractor further agrees to take all reasonable steps to preserve all physical evidence and information, which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the District the opportunity to review and inspect such evidence, including the scene of any damage or accidents. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Services and shall provide all reasonable protection to prevent damage or injury to persons and property, including any material and equipment related to the Services, whether in storage on or off site, under the care, custody, or control of the Contractor or any of its subcontractors.

5. GENERAL PERFORMANCE STANDARDS.

a. The Contractor has by careful examination ascertained: (i) the nature and location of the Services; (ii) the configuration of the ground on which the Services are to be performed; (iii) the character, quality, and quantity of the labor, materials, equipment, and facilities necessary to complete the Services; (iv) the general and local conditions pertaining to the Services; and (v) all other matters which in any way may affect the performance of the Services by the Contractor. Contractor enters into this Agreement solely because of the results of such examination and not because of any representations pertaining to the Services or the provision thereof made to it by the District or any agent of the District and not contained in this Agreement. The Contractor represents that it has or shall acquire the capacity and the professional experience

and skill to perform the Services and that the Services shall be performed in accordance with the standards of care, skill, and diligence provided by competent professionals who perform services of a similar nature to those specified in this Agreement. If competent professionals find that the Contractor's performance of the Services does not meet this standard, the Contractor shall, at the District's request, re-perform the Services not meeting this standard without additional compensation.

b. The Contractor shall use reasonable commercial efforts to perform and complete the Services in a timely manner. If performance of the Services by the Contractor is delayed due to factors beyond the Contractor's reasonable control, or if conditions of the scope or type of services are expected to change, Contractor shall give prompt notice to the District of such a delay or change and receive an equitable adjustment of time and/or compensation, as negotiated between the Parties.

c. The Services provided under this Agreement shall be adequate and sufficient for the intended purposes and shall be completed in a good and workmanlike manner.

d. The Contractor agrees that it has complied and will continue to comply with all Laws while providing Services under this Agreement. "**Laws**" means: (i) federal, state, county, and local or municipal body or agency laws, statutes, ordinances, and regulations; (ii) any licensing, bonding, and permit requirements; (iii) any laws relating to storage, use, or disposal of hazardous wastes, substances, or materials; (iv) rules, regulations, ordinances, and/or similar directives regarding business permits, certificates, and licenses; (v) regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970; (vi) Wage and Hour laws, Worker Compensation laws, and immigration laws; and (vii) rules and regulations of the Colorado Department of Public Health and Environment.

e. The responsibilities and obligations of the Contractor under this Agreement shall not be relieved or affected in any respect by the presence of any agent, consultant, sub-consultant, or employee of the District. Review, acceptance, or approval by the District of the Services performed or any documents prepared by the Contractor shall not relieve the Contractor of any responsibility for deficiencies, omissions, or errors in said Services or documents, nor shall it be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

6. MONTHLY STATUS REPORT. The Contractor shall provide to the District, at the District's request, on or before the 25<sup>th</sup> of each month, a narrative progress and status report describing work in progress and results achieved during the reporting period, including a description of the Services performed during the invoice period and the Services anticipated to be performed during the ensuing invoice period ("**Monthly Report**").

7. COMPENSATION AND INVOICES.

a. Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit A**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in **Exhibit A**

of this Agreement, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor's actual cost, provided that the Contractor shall make a reasonable attempt to notify the District of the estimated amount of such reimbursable costs (or any material adjustments thereto subsequently identified) prior to commencing the requested services. Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) ("**W-9**"). No payments will be made to the Contractor until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as **Exhibit B-1**.

b. Invoices. Invoices for the Services shall be submitted monthly, by the 10<sup>th</sup> of each month, during the term of this Agreement and shall contain the following information:

- i. An itemized statement of the Services performed.
- ii. Any other reasonable information required by the District to process payment of the invoice, including project and/or cost codes as provided in any applicable written service/work order.

The District shall be charged only for the actual time and direct costs incurred for the performance of the Services. Invoices received by the District after the 10<sup>th</sup> of each month may be processed the following month.

8. TIME FOR PAYMENT. Payment for the Services shall be made by the District within thirty (30) days of receipt of: (i) a timely, satisfactory, and detailed invoice in the form required by Section 7; and (ii) if applicable, a reasonably satisfactory and detailed Monthly Report, for that portion of the Services performed and not previously billed. The District may determine to waive or extend the deadline for filing the Monthly Report, or may make payment for Services to the Contractor notwithstanding a delay in filing the Monthly Report, upon reasonable request of the Contractor, if it is in the interest of the District to do so. In the event a Board meeting is not scheduled in time to review payment of an invoice, the Board hereby authorizes payment for Services, subject to the appropriation and budget requirements under Section 27 hereof, without the need for additional Board approval, so long as any payment required to be made does not exceed the amounts appropriated for such Services as set forth in the District's approved budget. Such payment shall require review and approval of each Monthly Report and invoice by two officers of the District.

9. INDEPENDENT CONTRACTOR. The Contractor is an independent contractor and nothing in this Agreement shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor shall have full power and authority to select the means, manner, and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained. The District shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to:

local, state or federal income, or other tax contributions, insurance contributions (e.g. FICA taxes), workers' compensation, disability, injury, health or life insurance, professional liability insurance, errors and omissions insurance, vacation or sick-time benefits, retirement account contributions, or any other form of taxes, benefits, or insurance. The Contractor shall be responsible for its safety, and the safety of its employees, sub-contractors, agents, and representatives. All personnel furnished by the Contractor will be deemed employees or sub-contractors of the Contractor and will not for any purpose be considered employees or agents of the District. **The Contractor is not entitled to worker's compensation benefits or unemployment insurance benefits, unless unemployment compensation coverage is provided by the Contractor or some other entity other than the District, and the Contractor is obligated to pay federal and state income taxes on moneys by it earned pursuant to this Agreement.**

10. **EQUAL OPPORTUNITY.** This Agreement is subject to all applicable laws and executive orders relating to equal opportunity and non-discrimination in employment and the Contractor represents and warrants that it will not discriminate in its employment practices in violation of any such applicable law or executive order.

11. **CONTRACTOR'S INSURANCE.**

a. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of this Agreement, insurance coverage in the minimum amounts set forth in **Exhibit C**, attached hereto and incorporated herein by this reference. A waiver of subrogation and rights of recovery against the District, its directors, officers, employees, and agents is required for Commercial General Liability and workers' compensation coverage. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The District shall have the right to verify or confirm, at any time, all coverage, information, or representations contained in this Agreement.

b. Prior to commencing any work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement, as well as the amounts of coverage for the respective types of coverage, which certificate(s) shall be attached hereto as **Exhibit C-1**. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates evidencing statutory workers' compensation insurance, comprehensive general liability insurance, and automobile liability insurance in amounts satisfactory to the District and the Contractor; provided, however, that sub-contractors of the Contractor shall not be required by the District to provide coverage in excess of that which is required hereunder of the Contractor. If the coverage required expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

c. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations contained in this Agreement, nor shall the purchase of the required insurance serve to limit the Contractor's liability under any provision in this Agreement. The Contractor shall be responsible for the payment of any deductibles on issued policies.

12. CONFIDENTIALITY AND CONFLICTS.

a. Confidentiality. Any information deemed confidential by the District and given to the Contractor by the District, or developed by the Contractor as a result of the performance of a particular task, shall remain confidential. In addition, the Contractor shall hold in strict confidence, and shall not use in competition, any information which the Contractor becomes aware of under or by virtue of this Agreement which the District deems confidential, or which the District has agreed to hold confidential, or which, if revealed to a third party, would reasonably be construed to be contrary to the interests of the District. Confidential information shall not include, however, any information which is: (i) generally known to the public at the time provided to the Contractor; (ii) provided to the Contractor by a person or entity not bound by confidentiality to the District; or (iii) independently developed by the Contractor without use of the District's confidential information. During the performance of this Agreement, if the Contractor is notified that certain information is to be considered confidential, the Contractor agrees to enter into a confidentiality agreement in a form reasonably acceptable to the District and the Contractor. The Contractor agrees that any of its employees, agents, or subcontractors with access to any information designated thereunder as confidential information of the District shall agree to be bound by the terms of such confidentiality agreement.

b. Personal Identifying Information. During the performance of this Agreement, the District may disclose Personal Identifying Information to the Contractor. "**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., the Contractor agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to the Contractor; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

c. Conflicts. Prior to the execution of, and during the performance of this Agreement and prior to the execution of future agreements with the District, the Contractor agrees to notify the District of conflicts known to the Contractor that impact the Contractor's provision of Services to the District.

13. OWNERSHIP OF DOCUMENTS. All documents produced by or on behalf of the Contractor pursuant to this Agreement, including, but not limited to, all maps, plans, drawings, specifications, reports, electronic files, and other documents, in whatever form, shall remain the property of the District under all circumstances, upon payment to the Contractor of the invoices representing the work by which such materials were produced. At the District's request the Contractor will provide the District with all documents produced by or on behalf of the Contractor pursuant to this Agreement. The Contractor shall maintain electronic and reproducible copies on file of any such instruments of service involved in the Services for a period of two (2) years after termination of this Agreement, shall make them available for the District's use and shall provide such copies to the District upon request at no cost.

14. LIENS AND ENCUMBRANCES. The Contractor shall not have any right or interest in any District assets, or any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated in this Agreement. The Contractor, for itself, hereby waives and releases any and all statutory or common law mechanic's, materialmen's, or other such lien claims, or rights to place a lien upon the District's property or any improvements thereon in connection with any Services performed under or in connection with this Agreement, and the Contractor shall cause all permitted subcontractors, suppliers, materialmen, and others claiming by, through, or under the Contractor to execute similar waivers prior to commencing any work or providing any materials in connection with the Services. The Contractor further agrees to execute a sworn affidavit respecting the payment and lien releases of all subcontractors, suppliers, and materialmen, and release of lien respecting the Services at such time or times and in such form as may be reasonably requested by the District. The Contractor will provide indemnification against all such liens for labor performed and/or materials supplied or used by the Contractor and/or any other person in connection with the Services undertaken by the Contractor, in accordance with Section 15, below.

15. INDEMNIFICATION.

a. The Contractor shall defend, indemnify, and hold harmless the District and each of its directors, officers, contractors, employees, agents, and consultants (collectively, the "**District Indemnitees**"), from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses (the "**Claims**"), including reasonable legal expenses and attorneys' fees actually incurred, by the District Indemnitees arising directly or indirectly, in whole or in part, out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents, or employees, in connection with this Agreement and/or the Contractor's performance of the Services or work pursuant to this Agreement. Notwithstanding anything else in this Agreement or otherwise to the contrary, the Contractor is not obligated to indemnify the District Indemnitees for the negligence of the District or the negligence of any other District Indemnitee, except the Contractor. Except as otherwise provided by applicable law, this indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation, or benefits payable by or for the Contractor under workers' compensation acts, disability acts, or other employee benefit acts, provided that in no event shall the Contractor be liable for special/consequential or punitive damages.

b. In the event the Contractor fails to assume the defense of any Claims under this Section 15 within fifteen (15) days after notice from the District of the existence of such Claim, the District may assume the defense of the Claim with counsel of its own selection, and the Contractor will pay all reasonable expenses of such counsel. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation.

c. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary with respect to its obligations under this Agreement, including the indemnity obligations set forth

in Section 15. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

16. ASSIGNMENT. The Contractor shall not assign this Agreement or parts thereof, or its respective duties, without the express written consent of the District. Any attempted assignment of this Agreement in whole or in part with respect to which the District has not consented, in writing, shall be null and void and of no effect whatsoever.

17. SUB-CONTRACTORS. The Contractor is solely and fully responsible to the District for the performance of all Services in accordance with the terms set forth in this Agreement, whether performed by the Contractor or a subcontractor engaged by the Contractor, and neither the District's approval of any subcontractor, suppliers, or materialman, nor the failure of performance thereof by such persons or entities, will relieve, release, or affect in any manner the Contractor's duties, liabilities, or obligations under this Agreement. The Contractor shall not subcontract any Services without prior written approval by the District. The Contractor agrees that each and every agreement of the Contractor with any subcontractor to perform Services under this Agreement shall contain an indemnification provision identical to the one contained in this Agreement holding the District harmless for the acts of the subcontractor. Prior to commencing any Services, a subcontractor shall provide evidence of insurance coverage to the District in accordance with the requirements of this Agreement. The Contractor further agrees that all such subcontracts shall provide that they may be terminated immediately without cost or penalty upon termination of this Agreement, other than payment for services rendered prior to the date of any such termination.

18. TERMINATION. In addition to the termination provisions contained in Section 2, above, this Agreement may be terminated for convenience by the Contractor upon delivery of thirty (30) days' prior written notice to the District and by the District by giving the Contractor thirty (30) days' prior written notice. Each Party may terminate this Agreement for cause at any time upon written notice to the other Party setting forth the cause for termination and the notified Party's failure to cure the cause to the reasonable satisfaction of the Party given such notice within the cure period set forth in Section 19. If this Agreement is terminated, the Contractor shall be paid for all the Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business. Should either Party to this Agreement be declared bankrupt, make a general assignment for the benefit of creditors, or commit a substantial and material breach of this Agreement in the view of the other Party, said other Party shall be excused from rendering or accepting any further performance under this Agreement. In the event of termination of this Agreement, the Contractor shall cooperate with the District to ensure a timely and efficient transition of all work and work product to the District or its designees. All time, fees, and costs associated with such transition shall not be billed by the Contractor to the District.

19. DEFAULT. If either Party fails to perform in accordance with the terms, covenants, and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the address specified in Section 20 below, and the defaulting party will have ten (10) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such ten (10)-day period and the defaulting party gives written notice to the



non-defaulting party within such ten (10)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the ten (10)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

20. NOTICES. Any notice or communication required under this Agreement must be in writing, and may be given personally, sent via nationally recognized overnight carrier service, or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same will be deemed to have been given and received on the first to occur of: (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent; or (ii) three days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered or sent via nationally recognized overnight carrier service, a notice will be deemed to have been given and received on the first to occur of: (i) one business day after being deposited with a nationally recognized overnight air courier service; or (ii) delivery to the party to whom it is addressed. Any party hereto may at any time, by giving written notice to the other party hereto as provided in this Section 20 of this Agreement, designate additional persons to whom notices or communications will be given, and designate any other address in substitution of the address to which such notice or communication will be given. Such notices or communications will be given to the parties at their addresses set forth below:

District: RainDance Metropolitan District No. 1  
1625 Pelican Lakes Point, Suite 201  
Windsor, Colorado 80550  
Attention: Steve Southard  
Phone: 970-686-5825  
Email: steve.southard@advancehoa.com

With a Copy to: WHITE BEAR ANKELE TANAKA & WALDRON  
2154 E. Commons Ave., Suite 2000  
Centennial, CO 80122  
Attention: Zachary P. White, Esq.  
Phone: (303) 858-1800  
E-mail: zwhite@wbapc.com

Contractor: Zak George Landscaping  
335 S. Summit View Dr.  
Fort Collins, CO 80524  
Phone: 970-221-9228  
Email: 970-224-9185

21. AUDITS. The District shall have the right to audit, with reasonable notice, any of the Contractor's books and records solely as are necessary to substantiate any invoices and payments under this Agreement (including, but not limited to, receipts, time sheets, payroll, and personnel records) and the Contractor agrees to maintain adequate books and records for such purposes during the term of this Agreement and for a period of two (2) years after termination of this Agreement and to make the same available to the District at all reasonable times and for so long thereafter as there may remain any unresolved question or dispute regarding any item pertaining thereto.

22. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties hereto relating to the Services, and sets forth the rights, duties, and obligations of each to the other as of this date, and hereby supersedes any and all prior negotiations, representations, agreements, or arrangements of any kind with respect to the Services, whether written or oral. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Contractor and the District.

23. BINDING AGREEMENT. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and assigns of the Parties hereto.

24. NO WAIVER. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in this Agreement, nor shall the waiver of any default be deemed a waiver of any subsequent default.

25. GOVERNING LAW.

a. Venue. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-conveniens* or otherwise. At the District's request, the Contractor shall carry on its duties and obligations under this Agreement during any legal proceedings and the District shall continue to pay for the Services performed under this Agreement until and unless this Agreement is otherwise terminated.

b. Choice of Law. Colorado law shall apply to any dispute, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado.

c. Litigation. At the District's request, the Contractor will consent to being joined in litigation between the District and third parties, but such consent shall not be construed as an admission of fault or liability. The Contractor shall not be responsible for delays in the performance of the Services caused by factors beyond its reasonable control including delays caused by Act of God, accidents, failure of any governmental or other regulatory authority to act in a timely manner, or failure of the District to furnish timely information or to approve or disapprove of Contractor's Services in a timely manner.

26. GOOD FAITH OF PARTIES. In the performance of this Agreement, or in considering any requested approval, acceptance, consent, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, consent, or extension of time required or requested pursuant to this Agreement.

27. SUBJECT TO 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. The Contractor expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board 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 Agreement 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 Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The District's obligations under this Agreement exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this Agreement.

28. GOVERNMENTAL IMMUNITY. Nothing in this Agreement 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.

29. NEGOTIATED PROVISIONS. This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each Party has contributed to the preparation of this Agreement.

30. SEVERABILITY. If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, void, or unenforceable, such decision shall not affect the validity of any other portion of this Agreement which shall remain in full force and effect, the intention being that such portions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

31. NO THIRD-PARTY BENEFICIARIES. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

32. OPEN RECORDS. The Parties understand that all material provided or produced under this Agreement may be subject to the Colorado Open Records Act, §§ 24-72-202, *et seq.*, C.R.S.

33. WARRANTY AND PERMITS. The Contractor shall and does by this Agreement guarantee and warrant that all workmanship, materials, and equipment furnished, installed, or performed for the accomplishment of the Services (collectively, the “**Work**”) will be of good quality and new, unless otherwise required or permitted by this Agreement. The Contractor further warrants that the Work will conform to all requirements of this Agreement and the applicable building code and all other applicable laws, ordinances, codes, rules, and regulations of any governmental authorities having jurisdiction over the Work. All materials are subject to the satisfaction and acceptance of the District, but payments for the completed Work will not constitute final acceptance nor discharge the obligation of the Contractor to correct defects at a later date. Such warranties set forth in this Agreement are in addition to, and not in lieu of, any other warranties prescribed by Colorado law.

a. The Contractor hereby warrants the Work for a period of one (1) year from the date of completion and initial acceptance of the Work. The Contractor will immediately correct or replace any Work that is defective or not conforming to this Agreement at its sole expense to the reasonable satisfaction of the District. The Contractor’s guarantees and warranties shall in all cases survive termination of this Agreement. This warranty shall be enforceable by the District, its successors and assigns.

b. Prior to final payment for any Services involving Work, and at any time thereafter but before the final inspection, as set forth below, the Contractor and the District shall, at the request of the District, conduct an inspection of the Work for the purpose of determining whether any Work is defective or otherwise not in conformance with this Agreement. The Contractor’s fees and costs associated with the inspection shall be included in the compensation schedule set forth in **Exhibit A** and shall not be billed separately to the District. In the event the Contractor neglects to include the fees and costs associated with the inspection in the compensation schedule set forth in **Exhibit A**, the Contractor is deemed to have waived these fees and costs. After completion of the inspection, the District will provide the Contractor with written notice of any Work requiring corrective action. The Contractor agrees to correct or replace the defective Work within a reasonable time, as agreed to by the Parties, but in no event later than thirty (30) calendar days from the date of notice from the District, unless otherwise agreed to by the District.

c. The Contractor agrees that if warranty issues appear before payment has been made under this Agreement, the District may withhold payment until such warranty issues are resolved to the District’s satisfaction. If repair or replacement of any warranty or defective Work is not made by the Contractor promptly upon request by the District as set forth in this Agreement, in addition to any other remedy, the District may withhold any payment the District may owe to the Contractor, including payments under other contracts or agreements related or unrelated to the Work and Services.

d. The Contractor shall promptly notify the District of any Work, whether by the Contractor, its subcontractors or any third parties, which the Contractor believes to be defective or not conforming with this Agreement.

e. The Contractor shall, at its expense, obtain all permits, licenses, and other consents required from all governmental authorities, utility companies, and appropriate parties under any restrictive covenants in connection with the Work. The Contractor shall comply with all the terms and conditions of all permits, licenses, and consents.

f. At or around eleven (11) months, but no more than one (1) year, after the completion and acceptance of the Work, the Contractor and the District shall, at the request of the District, conduct a final inspection of the Work for the purpose of determining whether any Work is defective or otherwise not in conformance with this Agreement. The Contractor's fees and costs associated with the inspection shall be included in the compensation schedule set forth in **Exhibit A** and shall not be billed separately to the District. In the event the Contractor neglects to include the fees and costs associated with the inspection in the compensation schedule set forth in **Exhibit A**, the Contractor is deemed to have waived these fees and costs. After completion of the final inspection, the District will provide the Contractor with written notice of any Work requiring corrective action. In the event the Contractor does not correct or replace the defective Work within thirty (30) calendar days from the date of notice from the District, or within such other reasonable time as agreed to by the Parties, the District may correct or replace the defective Work and the Contractor shall reimburse the District for the related costs and fees.

34. TAX EXEMPT STATUS. The District is exempt from Colorado state sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District. The District shall, upon request, furnish Contractor with a copy of its certificate of tax exemption. Contractor and subcontractors shall apply to the Colorado Department of Revenue, Sales Tax Division, for an Exemption Certificate and purchase materials tax free. The Contractor and subcontractors shall be liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate.

35. COUNTERPART EXECUTION. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

*[Signature pages follow].*

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICT:**  
RAINDANCE METROPOLITAN DISTRICT  
NO. 1 , a quasi-municipal corporation and  
political subdivision of the State of Colorado

---

Officer of the District

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel for the District

*District's Signature Page to Independent Contractor Agreement for Landscape Maintenance  
Services with Zak George , dated May \_\_, 2023*

**CONTRACTOR:**

Zak George Landscaping LLC, a Colorado limited liability company

\_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of May 2023, by \_\_\_\_\_, as the \_\_\_\_\_ of Zak George Landscaping LLC, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

***Contractor's Signature Page to Independent Contractor Agreement for Landscape Maintenance Services with RainDance Metropolitan District No. 1, dated May \_\_\_\_, 2023***

**EXHIBIT A**

**SCOPE OF SERVICES/COMPENSATION SCHEDULE**





## Zak George Landscaping

335 S. Summit View Dr.  
Fort Collins, CO 80524  
970-221-9228 Telephone  
970-224-9185 Fax

## Contract

September 2023

### Submitted To

Ray Dowden  
Pelican Lakes LLC  
1625 Pelican Lakes Point  
Windsor, CO 80550

### Project

RainDance National Drive  
RainDance National Drive  
Windsor, CO 80550

We Make Life Better Through Landscaping

### Scope

Landscape Maintenance Contract  
One Year Contract  
2023

#### Spring Cleanup

##### Spring Cleanup

All common grounds areas around buildings including turf, flowerbeds and similar areas will be cleaned of wind blown trash, debris, dead plant material, and the like once in the spring before mowing starts.

Frequency of Services: 1

#### Aeration

##### Aeration

All turf areas will be aerated using a coring machine once in the spring to enhance water penetration. Plugs will not be raked off of the turf but shall be mowed and allowed to filter back into the ground. A second fall aeration is available for an additional fee.

Frequency of Services: 1

#### Weed Control

##### Pre-emergent

A weed control pre-emergent will be used in flower, rock and mulch beds as appropriate. This treatment only creates a barrier for annual weeds not controlling weeds such as Canada Thistle, Dandelion, Curly Dock and other various perennial weeds.

Frequency of Services: 1

#### Fertilizer

##### Liquid Fertilizer

Turf areas shall be fertilized four (4) times during the season under this contract. Three broadcast weed applications will be applied in conjunction with the fertilizer. The first application will include a crabgrass pre-emergent.

Frequency of Services: 4

#### Irrigation

##### Irrigation Startup

Irrigation will be activated in the spring as the weather allows. During activation, system will be charged and tested to confirm that it is water tight. At this time, all heads and nozzles will be checked to ensure they are adjusted properly. Drip system will be checked to ensure all plants have working irrigation. Repairs will be made as needed.

Frequency of Services: 1

##### Irrigation Check

**May:** System will be checked to ensure that it is still water tight along with all heads and nozzles being adjusted properly.

**June through August:** System will be checked to ensure it is water tight. Heads and nozzles will be checked with a focus on high stress areas and dialing in the zones that appear to not be functioning optimally.

**September:** System will be checked and times will be adjusted for seasonal changes.

**Drip System:** Drip system will be checked at each visit.

**Repairs:** Irrigation repairs are billed at \$96 per man hour plus materials. Irrigation repairs that will exceed \$ \_\_\_\_\_ will be reported to the contracting officer and if deemed appropriate, will receive written approval from the Property Manager. Contractor is not responsible for damages due to early severe freezes before system is winterized.

Frequency of Services: 4

##### Irrigation Winterization

Irrigation will be winterized in the fall when weather approaches freezing conditions. Winterization will be done using air compressors to blow out the system. All zones, including drip, will be winterized appropriately.

Frequency of Services: 1

Page 1 of 1

**Turf Care**

**Mowing**

**Frequency of Services: 24**

Mowing of irrigated turf areas shall be done weekly on a regularly scheduled day, at a height of 3" - 3.5". Mowing will occur during normal business hours, Monday through Friday, weather permitting. In the case of weather related interruptions, a Saturday mowing may occur. Clippings generated from mowing around buildings will be caught and removed. The clippings in the open areas will be left if not unsightly. All clippings will be blown from sidewalks, patios and driveways. Routine trash pickup of all turf areas will be conducted prior to mowing. Mowing may be bi-weekly in the spring and fall when the growth of the grass is slower. Trimming will be completed at the time of mowing. Grass along edges of buildings, around poles, along fences, beds and tree wells shall be trimmed to achieve the same height as the mowed areas. Some areas may be treated with an herbicide to reduce trimming. Sidewalks, driveways and streets will be edged monthly. Weed control in flower, rock and mulch beds will be done in conjunction with mowing.

**Pruning**

**Pruning**

**Frequency of Services: 3**

To encourage proper appearance and growth patterns, there will be three (3) site visits per season and plants will be pruned as listed below. These pruning practices are based on CSU Master Gardener recommendations and GreenCO best management practices. All pruning of trees shall be done up to ten (10) feet high. This does not include: removal of dead shrubs and trees, major tree pruning and shaping, or tree limbs broken during storms. Contractor will monitor tree and shrub health and promptly report any diseases, infestations, or other unfavorable conditions to the contracting officer and recommend a course of action in such cases. Shrubs, grasses and perennials will be pruned using mechanical hedge trimmers and hand pruners as necessary. Tree limbs will be removed with chainsaws, loppers or handsaw dependent on size and location of limb.

**Services included in this contract:**

- Spring (February or March): Cut grasses down/remove last year's growth, spring prune perennials
- Mid-Summer: Yearly pruning of spring flowering shrubs, shaping/growth control of junipers, lower clearance pruning of shrubs along sidewalks, driveways and anything that impedes mowing operations.
- Fall (Mid-October to Mid-December): Fall prune perennials, heavy pruning of all plants (except spring flowering shrubs & junipers)

\* Dates may vary dependent on weather, plant growth and plant health.

**Additional Requested Pruning:**

Any pruning in addition to the above described services requested by property manager, associations and/or homeowners needs to be approved by the board of directors. All pruning approvals must be submitted in writing via email to the account manager. If a homeowner is to be billed for the additional pruning, their billing information must be included in the approval email. Additional requested pruning will be billed at \$95 per man hour to include all pruning, cleanup and associated dump fees. Any structural pruning of trees over 10' will be done at time and material rates.

**Fall Cleanup**

**Fall Cleanup**

**Frequency of Services: 1**

In the fall, the turf areas will be cleaned of leaves during every mowing, and a final clean up will be performed to remove the leaves and debris in the beds.

**Native Mowing**

**Frequency of Services: 3**

Mowing of native areas will be done three times per season. Native grass clippings will not be collected at the time of mowing. Additional requested mowing will be charged at \$150.00.

**Native Weed Control**

**Frequency of Services: 2**

Weed control in native areas will be done two times per season.

**Native Fertilizer**

**Frequency of Services: 1**

Native area will be fertilized one time per season. This is generally done in the fall.

**Terms & Conditions**

**Emergency Calls:**

Any night, weekend or holiday emergency calls will be billed at \$106 per hour, minimum of 1 hour.

**Backflow Testing:**

Requested backflow testing will be billed at \$96 per backflow tested.

**Construction/Remodeling:**

In the event that construction or remodeling occurs on the property, any damages done to ZGL equipment by non-ZGL approved contractors will be billed to the HOA/property (please ask for references).

**Water Restrictions:**

If water restrictions are imposed by local governing bodies, ZGL will reprogram the irrigation system to adhere to the new parameters. We will also make every effort to ensure that all plant life survives the restricted watering and that your property maintains its neat and clean appearance. In return, this contract cannot be canceled or reduced during that period of restrictions or a drought.

**Enhancements:**

If additional work is requested, ie, adding mulch, replacing plants, etc., pricing can be provided as a hard bid or submitted as Time & Material. Time & Material rate is \$70 per man hour plus materials.

**Fuel Surcharge:**

ZGL will impose a monthly fuel surcharge of 1% of the monthly contract price if gas prices rise to or over \$4.00 per gallon per the AAA Average Gas price website for more than 7 consecutive days in the previous billing month. For every \$1.00 per gallon over \$4.00 per gallon, there will be an additional 0.5% added i.e., the surcharge will be 1.5% for \$5.00 per gallon.

**Payment:**

Landscape maintenance services performed will be invoiced on the first day of the next month. Payment is due, in full, ten (10) days following the close of the month which the services were performed. By accepting this agreement, you agree to pay a charge of 2% per month with a minimum charge of \$5.00 per month on any amount not paid within 30 days of the invoice date, and you agree to pay any and all professional fees associated with any steps necessary to collect unpaid balances.

Contractor and customer reserve the right to cancel contract at any given time with 30 days certified written notice to the other party.

**This is a one (1) year contract. The total contract price will be billed in eight (8) even increments from April to November.**

<b>Yearly Contract Total</b>	<b>\$8,800.00</b>
<b>Monthly Payments</b>	<b>\$1,100.00</b>

By: Zak George Landscaping Date

Accepted: RainDance National Drive Date



## Zak George Landscaping

335 S. Summit View Dr.  
Fort Collins, CO 80524  
970-221-9228 Telephone  
970-224-9185 Fax

## Contract

September 2023

### Submitted To

Ray Dowden  
Pelican Lakes LLC  
1625 Pelican Lakes Point  
Windsor, CO 80550

### Project

RainDance New Liberty Road  
New Liberty Road  
Windsor, CO 80550

### We Make Life Better Through Landscaping

#### Scope

#### Landscape Maintenance Contract One Year Contract 2023

#### Spring Cleanup

##### Spring Cleanup

All common grounds areas around buildings including turf, flowerbeds and similar areas will be cleaned of wind blown trash, debris, dead plant material, and the like once in the spring before mowing starts.

**Frequency of Services: 1**

#### Aeration

##### Aeration

All turf areas will be aerated using a coring machine once in the spring to enhance water penetration. Plugs will not be raked off of the turf but shall be mowed and allowed to filter back into the ground. A second fall aeration is available for an additional fee.

**Frequency of Services: 1**

#### Weed Control

##### Pre-emergent

A weed control pre-emergent will be used in flower, rock and mulch beds as appropriate. This treatment only creates a barrier for annual weeds not controlling weeds such as Canada Thistle, Dandelion, Curly Dock and other various perennial weeds.

**Frequency of Services: 1**

#### Fertilizer

##### Liquid Fertilizer

Turf areas shall be fertilized four (4) times during the season under this contract. Three broadcast weed applications will be applied in conjunction with the fertilizer. The first application will include a crabgrass pre-emergent.

**Frequency of Services: 4**

#### Irrigation

##### Irrigation Startup

Irrigation will be activated in the spring as the weather allows. During activation, system will be charged and tested to confirm that it is water tight. At this time, all heads and nozzles will be checked to ensure they are adjusted properly. Drip system will be checked to ensure all plants have working irrigation. Repairs will be made as needed.

**Frequency of Services: 1**

##### Irrigation Check

**May:** System will be checked to ensure that it is still water tight along with all heads and nozzles being adjusted properly.

**June through August:** System will be checked to ensure it is water tight. Heads and nozzles will be checked with a focus on high stress areas and dialing in the zones that appear to not be functioning optimally.

**September:** System will be checked and times will be adjusted for seasonal changes.

**Drip System:** Drip system will be checked at each visit.

**Repairs:** Irrigation repairs are billed at \$96 per man hour plus materials. Irrigation repairs that will exceed \$ \_\_\_\_\_ will be reported to the contracting officer and if deemed appropriate, will receive written approval from the Property Manager. Contractor is not responsible for damages due to early severe freezes before system is winterized.

**Frequency of Services: 4**

##### Irrigation Winterization

Irrigation will be winterized in the fall when weather approaches freezing conditions. Winterization will be done using air compressors to blow out the system. All zones, including drip, will be winterized appropriately.

**Frequency of Services: 1**

Page 1 of 1

**Turf Care**

**Mowing**

**Frequency of Services: 24**

Mowing of irrigated turf areas shall be done weekly on a regularly scheduled day, at a height of 3" - 3.5". Mowing will occur during normal business hours, Monday through Friday, weather permitting. In the case of weather related interruptions, a Saturday mowing may occur. Clippings generated from mowing around buildings will be caught and removed. The clippings in the open areas will be left if not unsightly. All clippings will be blown from sidewalks, patios and driveways. Routine trash pickup of all turf areas will be conducted prior to mowing. Mowing may be bi-weekly in the spring and fall when the growth of the grass is slower. Trimming will be completed at the time of mowing. Grass along edges of buildings, around poles, along fences, beds and tree wells shall be trimmed to achieve the same height as the mowed areas. Some areas may be treated with an herbicide to reduce trimming. Sidewalks, driveways and streets will be edged monthly. Weed control in flower, rock and mulch beds will be done in conjunction with mowing.

**Pruning**

**Pruning**

**Frequency of Services: 3**

To encourage proper appearance and growth patterns, there will be three (3) site visits per season and plants will be pruned as listed below. These pruning practices are based on CSU Master Gardener recommendations and GreenCO best management practices. All pruning of trees shall be done up to ten (10) feet high. This does not include: removal of dead shrubs and trees, major tree pruning and shaping, or tree limbs broken during storms. Contractor will monitor tree and shrub health and promptly report any diseases, infestations, or other unfavorable conditions to the contracting officer and recommend a course of action in such cases. Shrubs, grasses and perennials will be pruned using mechanical hedge trimmers and hand pruners as necessary. Tree limbs will be removed with chainsaws, loppers or handsaw dependent on size and location of limb.

**Services included in this contract:**

- Spring (February or March): Cut grasses down/remove last year's growth, spring prune perennials
- Mid-Summer: Yearly pruning of spring flowering shrubs, shaping/growth control of junipers, lower clearance pruning of shrubs along sidewalks, driveways and anything that impedes mowing operations.
- Fall (Mid-October to Mid-December): Fall prune perennials, heavy pruning of all plants (except spring flowering shrubs & junipers)

\* Dates may vary dependent on weather, plant growth and plant health.

**Additional Requested Pruning:**

Any pruning in addition to the above described services requested by property manager, associations and/or homeowners needs to be approved by the board of directors. All pruning approvals must be submitted in writing via email to the account manager. If a homeowner is to be billed for the additional pruning, their billing information must be included in the approval email. Additional requested pruning will be billed at \$95 per man hour to include all pruning, cleanup and associated dump fees. Any structural pruning of trees over 10' will be done at time and material rates.

**Fall Cleanup**

**Fall Cleanup**

**Frequency of Services: 1**

In the fall, the turf areas will be cleaned of leaves during every mowing, and a final clean up will be performed to remove the leaves and debris in the beds.

**Terms & Conditions**

**Emergency Calls:**

Any night, weekend or holiday emergency calls will be billed at \$106 per hour, minimum of 1 hour.

**Backflow Testing:**

Requested backflow testing will be billed at \$96 per backflow tested.

**Construction/Remodeling:**

In the event that construction or remodeling occurs on the property, any damages done to ZGL equipment by non-ZGL approved contractors will be billed to the HOA/property (please ask for references).

**Water Restrictions:**

If water restrictions are imposed by local governing bodies, ZGL will reprogram the irrigation system to adhere to the new parameters. We will also make every effort to ensure that all plant life survives the restricted watering and that your property maintains its neat and clean appearance. In return, this contract cannot be canceled or reduced during that period of restrictions or a drought.

**Enhancements:**

If additional work is requested, ie, adding mulch, replacing plants, etc., pricing can be provided as a hard bid or submitted as Time & Material. Time & Material rate is \$70 per man hour plus materials.

**Fuel Surcharge:**

ZGL will impose a monthly fuel surcharge of 1% of the monthly contract price if gas prices rise to or over \$4.00 per gallon per the AAA Average Gas price website for more than 7 consecutive days in the previous billing month. For every \$1.00 per gallon over \$4.00 per gallon, there will be an additional 0.5% added i.e., the surcharge will be 1.5% for \$5.00 per gallon.

**Payment:**

Landscape maintenance services performed will be invoiced on the first day of the next month. Payment is due, in full, ten (10) days following the close of the month which the services were performed. By accepting this agreement, you agree to pay a charge of 2% per month with a minimum charge of \$5.00 per month on any amount not paid within 30 days of the invoice date, and you agree to pay any and all professional fees associated with any steps necessary to collect unpaid balances.

Contractor and customer reserve the right to cancel contract at any given time with 30 days certified written notice to the other party.

**This is a one (1) year contract. The total contract price will be billed in eight (8) even increments from April to November.**

<b>Yearly Contract Total</b>	<b>\$19,200.00</b>
<b>Monthly Payments</b>	<b>\$2,400.00</b>

By: Zak George Landscaping Date \_\_\_\_\_ Accepted: RainDance New Liberty Road Date \_\_\_\_\_

**EXHIBIT B-1**

CONTRACTOR'S COMPLETED W-9

## EXHIBIT C

### INSURANCE REQUIREMENTS

NOTE: All insurance required and provided hereunder shall also comply with the provisions of Section 11 of this Agreement.

1. Standard Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor involved with the performance of the Services, with policy amounts and coverage in compliance with the laws of the jurisdiction in which the Services will be performed.
2. Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 designated location, general aggregate; and \$1,000,000 umbrella. Such insurance will include coverage for contractual liability, personal injury, and broad form property damage, and shall include all major divisions of coverage and be on a comprehensive basis including, but not limited to:
  - a. premises operations;
  - b. personal injury liability without employment exclusion;
  - c. limited contractual;
  - d. broad form property damages, including completed operations;
  - e. medical payments;
  - f. products and completed operations;
  - g. independent consultants coverage; and
  - h. coverage inclusive of construction means, methods, techniques, sequences, and procedures, employed in the capacity of a construction consultant.

**This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**

3. Comprehensive Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used in connection with the performance of the Services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage. **This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**
4. If applicable: Contractor shall secure and maintain a third-party fidelity bond in favor of the District, covering the Contractor and its employees and agents who may provide or be responsible for the provision of Services where such activities contemplate the responsibility for money or property of the District. Such bond shall protect the District against any fraudulent or dishonest act which may result in the loss of money, securities,



or other property belonging to or in the possession of the District. Said bond shall be in an amount as determined by the District, from a surety acceptable to the District.

5. Any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement.
6. Professional liability insurance in the amount of \$2,000,000.00 each occurrence.

**EXHIBIT C-1**

**CERTIFICATE(S) OF INSURANCE**

**EXHIBIT D**

**CERTIFICATE OF GOOD STANDING WITH COLORADO SECRETARY OF STATE**

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO

**CERTIFICATE OF FACT OF GOOD STANDING**

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

Zak George Landscaping LLC

is a

Limited Liability Company

formed or registered on 05/05/2005 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20051182344 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 03/13/2023 that have been posted, and by documents delivered to this office electronically through 03/14/2023 @ 11:21:33 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 03/14/2023 @ 11:21:33 in accordance with applicable law. This certificate is assigned Confirmation Number 14779273 .



*Jena Griswold*

Secretary of State of the State of Colorado

\*\*\*\*\*End of Certificate\*\*\*\*\*  
*Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."*

**INDEPENDENT CONTRACTOR AGREEMENT**  
**FENCE STAINING**

---

This INDEPENDENT CONTRACTOR AGREEMENT, including any and all exhibits attached hereto (the “**Agreement**”), is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_ 2023, by and between RAINDANCE METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and M & E PAINTING, LLC, a Colorado limited liability company (the “**Contractor**”). The District and the Contractor are referred to herein individually as a “**Party**” and collectively as the “**Parties**.”

**RECITALS**

WHEREAS, the District was organized pursuant to and in accordance with the provisions of §§ 32-1-101, *et seq.*, C.R.S. for the purpose of constructing, financing, operating, and maintaining certain public facilities and improvements for itself, its taxpayers, residents, and users; and

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

WHEREAS, pursuant to § 32-1-1001(1)(i), C.R.S., the District is empowered to appoint, hire, and retain agents, employees, engineers, and attorneys; and

WHEREAS, the District desires to engage the Contractor to perform certain services as are needed by the District to serve the property within and without its boundaries; and

WHEREAS, the Contractor has represented that it has the professional experience, skill, and resources to perform the services, as set forth herein.

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

**TERMS AND CONDITIONS**

1. **SCOPE OF SERVICES; PERFORMANCE STANDARDS.** The Contractor shall perform the services described in **Exhibit A**, attached hereto and incorporated herein by this reference (the “**Services**”): (a) in a professional manner, to the satisfaction of the District, using the degree of skill and knowledge customarily employed by other professionals performing similar services; (b) within the time period and pursuant to the Scope of Services specified in said **Exhibit A**; and (c) using reasonable commercial efforts to minimize any annoyance, interference, or disruption to the residents, tenants, occupants, and invitees within the District. **Exhibit A** may take any form, including forms which may include price and payment terms. In the event of any conflict between terms set forth in the body of this Agreement and terms set forth in **Exhibit A**, the terms in the body of this Agreement shall govern. Contractor shall have no right or authority, express or implied, to take any action, expend any sum, incur any obligation, or otherwise obligate the District in any manner whatsoever, except to the extent specifically provided in this Agreement

(including **Exhibit A**) or through other authorization expressly delegated to or authorized by the District through its Board of Directors.

2. TERM/RENEWAL. This Agreement shall be effective as of the dated date hereof and shall terminate on the earlier to occur of: (i) termination pursuant to Section 18 hereof; (ii) completion of the Services; or (iii) December 31, 2023.

3. ADDITIONAL SERVICES. The District may, in writing, request the Contractor provide additional services not set forth in **Exhibit A**. The terms and conditions of the provision of such services shall be subject to the mutual agreement of the Contractor and the District pursuant to a written service/work order executed by an authorized representative of the District and the Contractor or an addendum to this Agreement. Authorization to proceed with additional services shall not be given unless the District has appropriated funds sufficient to cover the additional compensable amount. To the extent additional services are provided pursuant to this Section 3, the terms and conditions of this Agreement relating to Services shall also apply to any additional services rendered.

4. REPAIRS/CLAIMS. The Contractor shall notify the District immediately of any and all damage caused by the Contractor to District property and that of third parties. The Contractor will promptly repair or, at the District's option, reimburse the District for the repair of any damage to property caused by the Contractor or its employees, agents, or equipment. In addition, the Contractor shall promptly notify the District of all potential claims of which it becomes aware. The Contractor further agrees to take all reasonable steps to preserve all physical evidence and information, which may be relevant to the circumstances surrounding a potential claim, while maintaining public safety, and to grant to the District the opportunity to review and inspect such evidence, including the scene of any damage or accidents. The Contractor shall be responsible for initiating, maintaining, and supervising all safety precautions and programs in connection with the Services and shall provide all reasonable protection to prevent damage or injury to persons and property, including any material and equipment related to the Services, whether in storage on or off site, under the care, custody, or control of the Contractor or any of its subcontractors.

5. GENERAL PERFORMANCE STANDARDS.

a. The Contractor has by careful examination ascertained: (i) the nature and location of the Services; (ii) the configuration of the ground on which the Services are to be performed; (iii) the character, quality, and quantity of the labor, materials, equipment, and facilities necessary to complete the Services; (iv) the general and local conditions pertaining to the Services; and (v) all other matters which in any way may affect the performance of the Services by the Contractor. Contractor enters into this Agreement solely because of the results of such examination and not because of any representations pertaining to the Services or the provision thereof made to it by the District or any agent of the District and not contained in this Agreement. The Contractor represents that it has or shall acquire the capacity and the professional experience and skill to perform the Services and that the Services shall be performed in accordance with the standards of care, skill, and diligence provided by competent professionals who perform services of a similar nature to those specified in this Agreement. If competent professionals find that the Contractor's performance of the Services does not meet this standard, the Contractor shall, at the

District's request, re-perform the Services not meeting this standard without additional compensation.

b. The Contractor shall use reasonable commercial efforts to perform and complete the Services in a timely manner. If performance of the Services by the Contractor is delayed due to factors beyond the Contractor's reasonable control, or if conditions of the scope or type of services are expected to change, Contractor shall give prompt notice to the District of such a delay or change and receive an equitable adjustment of time and/or compensation, as negotiated between the Parties.

c. The Services provided under this Agreement shall be adequate and sufficient for the intended purposes and shall be completed in a good and workmanlike manner.

d. The Contractor agrees that it has complied and will continue to comply with all Laws while providing Services under this Agreement. "**Laws**" means: (i) federal, state, county, and local or municipal body or agency laws, statutes, ordinances, and regulations; (ii) any licensing, bonding, and permit requirements; (iii) any laws relating to storage, use, or disposal of hazardous wastes, substances, or materials; (iv) rules, regulations, ordinances, and/or similar directives regarding business permits, certificates, and licenses; (v) regulations and orders affecting safety and health, including but not limited to the Occupational Safety and Health Act of 1970; (vi) Wage and Hour laws, Worker Compensation laws, and immigration laws; and (vii) rules and regulations of the Colorado Department of Public Health and Environment..

e. The responsibilities and obligations of the Contractor under this Agreement shall not be relieved or affected in any respect by the presence of any agent, consultant, sub-consultant, or employee of the District. Review, acceptance, or approval by the District of the Services performed or any documents prepared by the Contractor shall not relieve the Contractor of any responsibility for deficiencies, omissions, or errors in said Services or documents, nor shall it be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

6. MONTHLY STATUS REPORT. The Contractor shall provide to the District, at the District's request, on or before the 25th of each month, a narrative progress and status report describing work in progress and results achieved during the reporting period, including a description of the Services performed during the invoice period and the Services anticipated to be performed during the ensuing invoice period ("**Monthly Report**").

7. COMPENSATION AND INVOICES.

a. Compensation. Compensation for the Services provided under this Agreement shall be in accordance with the compensation schedule attached hereto as **Exhibit B**. The Contractor shall be responsible for all expenses it incurs in performance of this Agreement and shall not be entitled to any reimbursement or compensation except as provided in **Exhibit B** of this Agreement, unless said reimbursement or compensation is approved in writing by the District in advance of incurring such expenses. Any direct reimbursable costs for materials will be reimbursable at the Contractor's actual cost, provided that the Contractor shall make a reasonable attempt to notify the District of the estimated amount of such reimbursable costs (or

any material adjustments thereto subsequently identified) prior to commencing the requested services. Concurrent with the execution of this Agreement, the Contractor shall provide the District with a current completed Internal Revenue Service Form W-9 (Request for Taxpayer Identification Number and Certification) (“**W-9**”). No payments will be made to the Contractor until the completed W-9 is provided. The W-9 shall be attached hereto and incorporated herein as **Exhibit B-1**.

b. Invoices. Invoices for the Services shall be submitted monthly, by the 10<sup>th</sup> of each month, during the term of this Agreement and shall contain the following information:

- i. An itemized statement of the Services performed.
- ii. Any other reasonable information required by the District to process payment of the invoice, including project and/or cost codes as provided in any applicable written service/work order.

The District shall be charged only for the actual time and direct costs incurred for the performance of the Services. Invoices received by the District after the 10<sup>th</sup> of each month may be processed the following month.

8. TIME FOR PAYMENT. Payment for the Services shall be made by the District within thirty (30) days of receipt of: (i) a timely, satisfactory, and detailed invoice in the form required by Section 7; and (ii) if applicable, a reasonably satisfactory and detailed Monthly Report, for that portion of the Services performed and not previously billed. The District may determine to waive or extend the deadline for filing the Monthly Report, or may make payment for Services to the Contractor notwithstanding a delay in filing the Monthly Report, upon reasonable request of the Contractor, if it is in the interest of the District to do so. In the event a Board meeting is not scheduled in time to review payment of an invoice, the Board hereby authorizes payment for Services, subject to the appropriation and budget requirements under Section 27 hereof, without the need for additional Board approval, so long as any payment required to be made does not exceed the amounts appropriated for such Services as set forth in the District’s approved budget. Such payment shall require review and approval of each Monthly Report and invoice by two officers of the District.

9. INDEPENDENT CONTRACTOR. The Contractor is an independent contractor and nothing in this Agreement shall constitute or designate the Contractor or any of its employees or agents as employees or agents of the District. The Contractor shall have full power and authority to select the means, manner, and method of performing its duties under this Agreement, without detailed control or direction from the District, and shall be responsible for supervising its own employees or subcontractors. The District is concerned only with the results to be obtained. The District shall not be obligated to secure, and shall not provide, any insurance coverage or employment benefits of any kind or type to or for the Contractor or its employees, sub-consultants, contractors, agents, or representatives, including coverage or benefits related but not limited to: local, state or federal income, or other tax contributions, insurance contributions (e.g. FICA taxes), workers’ compensation, disability, injury, health or life insurance, professional liability insurance, errors and omissions insurance, vacation or sick-time benefits, retirement account contributions, or any other form of taxes, benefits, or insurance. The Contractor shall be responsible for its safety,



and the safety of its employees, subcontractors, agents, and representatives. All personnel furnished by the Contractor will be deemed employees or subcontractors of the Contractor and will not for any purpose be considered employees or agents of the District. **The Contractor is not entitled to worker's compensation benefits or unemployment insurance benefits, unless unemployment compensation coverage is provided by the Contractor or some other entity other than the District, and the Contractor is obligated to pay federal and state income taxes on moneys by it earned pursuant to this Agreement.**

10. EQUAL OPPORTUNITY. This Agreement is subject to all applicable laws and executive orders relating to equal opportunity and non-discrimination in employment and the Contractor represents and warrants that it will not discriminate in its employment practices in violation of any such applicable law or executive order.

11. CONTRACTOR'S INSURANCE.

a. The Contractor shall acquire and maintain, at its sole cost and expense, during the entire term of this Agreement, insurance coverage in the minimum amounts set forth in **Exhibit C**, attached hereto and incorporated herein by this reference. A waiver of subrogation and rights of recovery against the District, its directors, officers, employees, and agents is required for Commercial General Liability and workers' compensation coverage. The Commercial General Liability and Comprehensive Automobile Liability Insurance policies will be endorsed to name the District as an additional insured. All coverage provided pursuant to this Agreement shall be written as primary policies, not contributing with and not supplemental to any coverage that the District may carry, and any insurance maintained by the District shall be considered excess. The District shall have the right to verify or confirm, at any time, all coverage, information, or representations contained in this Agreement.

b. Prior to commencing any work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement, as well as the amounts of coverage for the respective types of coverage, which certificate(s) shall be attached hereto as **Exhibit C-1**. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish certificates evidencing statutory workers' compensation insurance, comprehensive general liability insurance, and automobile liability insurance in amounts satisfactory to the District and the Contractor; provided, however, that sub-contractors of the Contractor shall not be required by the District to provide coverage in excess of that which is required hereunder of the Contractor. If the coverage required expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

c. The Contractor's failure to purchase the required insurance shall not serve to release it from any obligations contained in this Agreement, nor shall the purchase of the required insurance serve to limit the Contractor's liability under any provision in this Agreement. The Contractor shall be responsible for the payment of any deductibles on issued policies.

12. CONFIDENTIALITY AND CONFLICTS.

a. Confidentiality. Any information deemed confidential by the District and given to the Contractor by the District, or developed by the Contractor as a result of the performance of a particular task, shall remain confidential. In addition, the Contractor shall hold in strict confidence, and shall not use in competition, any information which the Contractor becomes aware of under or by virtue of this Agreement which the District deems confidential, or which the District has agreed to hold confidential, or which, if revealed to a third party, would reasonably be construed to be contrary to the interests of the District. Confidential information shall not include, however, any information which is: (i) generally known to the public at the time provided to the Contractor; (ii) provided to the Contractor by a person or entity not bound by confidentiality to the District; or (iii) independently developed by the Contractor without use of the District's confidential information. During the performance of this Agreement, if the Contractor is notified that certain information is to be considered confidential, the Contractor agrees to enter into a confidentiality agreement in a form reasonably acceptable to the District and the Contractor. The Contractor agrees that any of its employees, agents, or subcontractors with access to any information designated thereunder as confidential information of the District shall agree to be bound by the terms of such confidentiality agreement.

b. Personal Identifying Information. During the performance of this Agreement, the District may disclose Personal Identifying Information to the Contractor. "**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., the Contractor agrees to implement and maintain reasonable security procedures and practices that are: (i) appropriate to the nature of the Personal Identifying Information disclosed to the Contractor; and (ii) reasonably designed to help protect the Personal Identifying Information from unauthorized access, use, modification, disclosure, or destruction.

c. Conflicts. Prior to the execution of, and during the performance of this Agreement and prior to the execution of future agreements with the District, the Contractor agrees to notify the District of conflicts known to the Contractor that impact the Contractor's provision of Services to the District.

13. OWNERSHIP OF DOCUMENTS. All documents produced by or on behalf of the Contractor pursuant to this Agreement, including, but not limited to, all maps, plans, drawings, specifications, reports, electronic files, and other documents, in whatever form, shall remain the property of the District under all circumstances, upon payment to the Contractor of the invoices representing the work by which such materials were produced. At the District's request the Contractor will provide the District with all documents produced by or on behalf of the Contractor pursuant to this Agreement. The Contractor shall maintain electronic and reproducible copies on file of any such instruments of service involved in the Services for a period of two (2) years after termination of this Agreement, shall make them available for the District's use and shall provide such copies to the District upon request at no cost.

14. LIENS AND ENCUMBRANCES. The Contractor shall not have any right or interest in any District assets, or any claim or lien with respect thereto, arising out of this Agreement or the performance of the Services contemplated in this Agreement. The Contractor, for itself, hereby waives and releases any and all statutory or common law mechanic's, materialmen's, or other such lien claims, or rights to place a lien upon the District's property or any improvements thereon in connection with any Services performed under or in connection with this Agreement, and the Contractor shall cause all permitted subcontractors, suppliers, materialmen, and others claiming by, through, or under the Contractor to execute similar waivers prior to commencing any work or providing any materials in connection with the Services. The Contractor further agrees to execute a sworn affidavit respecting the payment and lien releases of all subcontractors, suppliers, and materialmen, and release of lien respecting the Services at such time or times and in such form as may be reasonably requested by the District. The Contractor will provide indemnification against all such liens for labor performed and/or materials supplied or used by the Contractor and/or any other person in connection with the Services undertaken by the Contractor, in accordance with Section 15, below.

15. INDEMNIFICATION.

a. The Contractor shall defend, indemnify, and hold harmless the District and each of its directors, officers, contractors, employees, agents, and consultants (collectively, the "**District Indemnitees**"), from and against any and all claims, demands, losses, liabilities, actions, lawsuits, damages, and expenses (the "**Claims**"), including reasonable legal expenses and attorneys' fees actually incurred, by the District Indemnitees arising directly or indirectly, in whole or in part, out of the errors or omissions, negligence, willful misconduct, or any criminal or tortious act or omission of the Contractor or any of its subcontractors, officers, agents, or employees, in connection with this Agreement and/or the Contractor's performance of the Services or work pursuant to this Agreement. Notwithstanding anything else in this Agreement or otherwise to the contrary, the Contractor is not obligated to indemnify the District Indemnitees for the negligence of the District or the negligence of any other District Indemnitee, except the Contractor. Except as otherwise provided by applicable law, this indemnification obligation will not be limited in any way by any limitation on the amount or types of damages, compensation, or benefits payable by or for the Contractor under workers' compensation acts, disability acts, or other employee benefit acts, provided that in no event shall the Contractor be liable for special/consequential or punitive damages.

b. In the event the Contractor fails to assume the defense of any Claims under this Section 15 within fifteen (15) days after notice from the District of the existence of such Claim, the District may assume the defense of the Claim with counsel of its own selection, and the Contractor will pay all reasonable expenses of such counsel. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation.

c. Insurance coverage requirements specified in this Agreement shall in no way lessen or limit the liability of the Contractor under the terms of this indemnification obligation. The Contractor shall obtain, at its own expense, any additional insurance that it deems necessary with respect to its obligations under this Agreement, including the indemnity obligations set forth

in Section 15. This defense and indemnification obligation shall survive the expiration or termination of this Agreement.

16. ASSIGNMENT. The Contractor shall not assign this Agreement or parts thereof, or its respective duties, without the express written consent of the District. Any attempted assignment of this Agreement in whole or in part with respect to which the District has not consented, in writing, shall be null and void and of no effect whatsoever.

17. SUB-CONTRACTORS. The Contractor is solely and fully responsible to the District for the performance of all Services in accordance with the terms set forth in this Agreement, whether performed by the Contractor or a subcontractor engaged by the Contractor, and neither the District's approval of any subcontractor, suppliers, or materialman, nor the failure of performance thereof by such persons or entities, will relieve, release, or affect in any manner the Contractor's duties, liabilities, or obligations under this Agreement. The Contractor shall not subcontract any Services without prior written approval by the District. The Contractor agrees that each and every agreement of the Contractor with any subcontractor to perform Services under this Agreement shall contain an indemnification provision identical to the one contained in this Agreement holding the District harmless for the acts of the subcontractor. Prior to commencing any Services, a subcontractor shall provide evidence of insurance coverage to the District in accordance with the requirements of this Agreement. The Contractor further agrees that all such subcontracts shall provide that they may be terminated immediately without cost or penalty upon termination of this Agreement, other than payment for services rendered prior to the date of any such termination.

18. TERMINATION. In addition to the termination provisions contained in Section 2, above, this Agreement may be terminated for convenience by the Contractor upon delivery of thirty (30) days' prior written notice to the District and by the District by giving the Contractor thirty (30) days' prior written notice. Each Party may terminate this Agreement for cause at any time upon written notice to the other Party setting forth the cause for termination and the notified Party's failure to cure the cause to the reasonable satisfaction of the Party given such notice within the cure period set forth in Section 19. If this Agreement is terminated, the Contractor shall be paid for all the Services satisfactorily performed prior to the designated termination date, including reimbursable expenses due. Said payment shall be made in the normal course of business. Should either Party to this Agreement be declared bankrupt, make a general assignment for the benefit of creditors, or commit a substantial and material breach of this Agreement in the view of the other Party, said other Party shall be excused from rendering or accepting any further performance under this Agreement. In the event of termination of this Agreement, the Contractor shall cooperate with the District to ensure a timely and efficient transition of all work and work product to the District or its designees. All time, fees, and costs associated with such transition shall not be billed by the Contractor to the District.

19. DEFAULT. If either Party fails to perform in accordance with the terms, covenants, and conditions of this Agreement, or is otherwise in default of any of the terms of this Agreement, the non-defaulting party shall deliver written notice to the defaulting party of the default, at the address specified in Section 20 below, and the defaulting party will have ten (10) days from and after receipt of the notice to cure the default. If the default is not of a type which can be cured within such ten (10)-day period and the defaulting party gives written notice to the

non-defaulting party within such ten (10)-day period that it is actively and diligently pursuing a cure, the defaulting party will have a reasonable period of time given the nature of the default following the end of the ten (10)-day period to cure the default, provided that the defaulting party is at all times within the additional time period actively and diligently pursuing the cure. If any default under this Agreement is not cured as described above, the non-defaulting party will, in addition to any other legal or equitable remedy, have the right to terminate this Agreement and enforce the defaulting party's obligations pursuant to this Agreement by an action for injunction or specific performance.

20. NOTICES. Any notice or communication required under this Agreement must be in writing, and may be given personally, sent via nationally recognized overnight carrier service, or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same will be deemed to have been given and received on the first to occur of: (i) actual receipt by any of the addressees designated below as the party to whom notices are to be sent; or (ii) three days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered or sent via nationally recognized overnight carrier service, a notice will be deemed to have been given and received on the first to occur of: (i) one business day after being deposited with a nationally recognized overnight air courier service; or (ii) delivery to the party to whom it is addressed. Any party hereto may at any time, by giving written notice to the other party hereto as provided in this Section 20 of this Agreement, designate additional persons to whom notices or communications will be given, and designate any other address in substitution of the address to which such notice or communication will be given. Such notices or communications will be given to the parties at their addresses set forth below:

District: RainDance Metropolitan District  
1625 Pelican Lakes Point, Suite 201  
Windsor, Colorado 80550  
Attention: Steve Southard  
Phone: (970) 686-5825  
Email: steve.southard@advancehoa.com

With a Copy to: WHITE BEAR ANKELE TANAKA & WALDRON  
2154 E. Commons Ave., Suite 2000  
Centennial, CO 80122  
Attention: Zachary P. White, Esq.  
Phone: (303) 858-1800  
E-mail: zwhite@wbapc.com

Contractor: M & E Painting  
1542 Taurus Ct.  
Loveland, CO 80537  
Attention: Jim Grimm  
Phone: (970) 207-1005  
Email: jim@mandepainting.com

21. AUDITS. The District shall have the right to audit, with reasonable notice, any of the Contractor's books and records solely as are necessary to substantiate any invoices and payments under this Agreement (including, but not limited to, receipts, time sheets, payroll, and personnel records) and the Contractor agrees to maintain adequate books and records for such purposes during the term of this Agreement and for a period of two (2) years after termination of this Agreement and to make the same available to the District at all reasonable times and for so long thereafter as there may remain any unresolved question or dispute regarding any item pertaining thereto.

22. ENTIRE AGREEMENT. This Agreement constitutes the entire agreement between the Parties hereto relating to the Services, and sets forth the rights, duties, and obligations of each to the other as of this date, and hereby supersedes any and all prior negotiations, representations, agreements, or arrangements of any kind with respect to the Services, whether written or oral. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect. This Agreement may not be modified except by a writing executed by both the Contractor and the District.

23. BINDING AGREEMENT. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and assigns of the Parties hereto.

24. NO WAIVER. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided in this Agreement, nor shall the waiver of any default be deemed a waiver of any subsequent default.

25. GOVERNING LAW.

a. Venue. Venue for all actions arising from this Agreement shall be in the District Court in and for the county in which the District is located. The Parties expressly and irrevocably waive any objections or rights which may affect venue of any such action, including, but not limited to, *forum non-conveniens* or otherwise. At the District's request, the Contractor shall carry on its duties and obligations under this Agreement during any legal proceedings and the District shall continue to pay for the Services performed under this Agreement until and unless this Agreement is otherwise terminated.

b. Choice of Law. Colorado law shall apply to any dispute, without regard to conflict of law principles that would result in the application of any law other than the law of the State of Colorado.

c. Litigation. At the District's request, the Contractor will consent to being joined in litigation between the District and third parties, but such consent shall not be construed as an admission of fault or liability. The Contractor shall not be responsible for delays in the performance of the Services caused by factors beyond its reasonable control including delays caused by Act of God, accidents, failure of any governmental or other regulatory authority to act in a timely manner, or failure of the District to furnish timely information or to approve or disapprove of Contractor's Services in a timely manner.

26. GOOD FAITH OF PARTIES. In the performance of this Agreement, or in considering any requested approval, acceptance, consent, or extension of time, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously, or unreasonably withhold, condition, or delay any approval, acceptance, consent, or extension of time required or requested pursuant to this Agreement.

27. SUBJECT TO 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. The Contractor expressly understands and agrees that the District's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board 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 Agreement 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 Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The District's obligations under this Agreement exist subject to annual budgeting and appropriations, and shall remain subject to the same for the entire term of this Agreement.

28. GOVERNMENTAL IMMUNITY. Nothing in this Agreement 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.

29. NEGOTIATED PROVISIONS. This Agreement shall not be construed more strictly against one Party than against the other merely by virtue of the fact that it may have been prepared by counsel for one of the Parties, it being acknowledged that each Party has contributed to the preparation of this Agreement.

30. SEVERABILITY. If any portion of this Agreement is declared by any court of competent jurisdiction to be invalid, void, or unenforceable, such decision shall not affect the validity of any other portion of this Agreement which shall remain in full force and effect, the intention being that such portions are severable. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Agreement a provision similar in terms to such illegal, invalid, or unenforceable provision so that the resulting reformed provision is legal, valid, and enforceable.

31. NO THIRD-PARTY BENEFICIARIES. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person other than Parties receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

32. OPEN RECORDS. The Parties understand that all material provided or produced under this Agreement may be subject to the Colorado Open Records Act, §§ 24-72-202, *et seq.*, C.R.S.

33. WARRANTY AND PERMITS. The Contractor shall and does by this Agreement guarantee and warrant that all workmanship, materials, and equipment furnished, installed, or performed for the accomplishment of the Services (collectively, the “**Work**”) will be of good quality and new, unless otherwise required or permitted by this Agreement. The Contractor further warrants that the Work will conform to all requirements of this Agreement and the applicable building code and all other applicable laws, ordinances, codes, rules, and regulations of any governmental authorities having jurisdiction over the Work. All materials are subject to the satisfaction and acceptance of the District, but payments for the completed Work will not constitute final acceptance nor discharge the obligation of the Contractor to correct defects at a later date. Such warranties set forth in this Agreement are in addition to, and not in lieu of, any other warranties prescribed by Colorado law.

a. The Contractor hereby warrants the Work for a period of one (1) year from the date of completion and initial acceptance of the Work. The Contractor will immediately correct or replace any Work that is defective or not conforming to this Agreement at its sole expense to the reasonable satisfaction of the District. The Contractor’s guarantees and warranties shall in all cases survive termination of this Agreement. This warranty shall be enforceable by the District, its successors and assigns.

b. Prior to final payment for any Services involving Work, and at any time thereafter but before the final inspection, as set forth below, the Contractor and the District shall, at the request of the District, conduct an inspection of the Work for the purpose of determining whether any Work is defective or otherwise not in conformance with this Agreement. The Contractor’s fees and costs associated with the inspection shall be included in the compensation schedule set forth in **Exhibit B** and shall not be billed separately to the District. In the event the Contractor neglects to include the fees and costs associated with the inspection in the compensation schedule set forth in **Exhibit B**, the Contractor is deemed to have waived these fees and costs. After completion of the inspection, the District will provide the Contractor with written notice of any Work requiring corrective action. The Contractor agrees to correct or replace the defective Work within a reasonable time, as agreed to by the Parties, but in no event later than thirty (30) calendar days from the date of notice from the District, unless otherwise agreed to by the District.

c. The Contractor agrees that if warranty issues appear before payment has been made under this Agreement, the District may withhold payment until such warranty issues are resolved to the District’s satisfaction. If repair or replacement of any warranty or defective Work is not made by the Contractor promptly upon request by the District as set forth in this Agreement, in addition to any other remedy, the District may withhold any payment the District may owe to the Contractor, including payments under other contracts or agreements related or unrelated to the Work and Services.

d. The Contractor shall promptly notify the District of any Work, whether by the Contractor, its subcontractors or any third parties, which the Contractor believes to be defective or not conforming with this Agreement.



e. The Contractor shall, at its expense, obtain all permits, licenses, and other consents required from all governmental authorities, utility companies, and appropriate parties under any restrictive covenants in connection with the Work. The Contractor shall comply with all the terms and conditions of all permits, licenses, and consents.

f. At or around eleven (11) months, but no more than one (1) year, after the completion and acceptance of the Work, the Contractor and the District shall, at the request of the District, conduct a final inspection of the Work for the purpose of determining whether any Work is defective or otherwise not in conformance with this Agreement. The Contractor's fees and costs associated with the inspection shall be included in the compensation schedule set forth in **Exhibit B** and shall not be billed separately to the District. In the event the Contractor neglects to include the fees and costs associated with the inspection in the compensation schedule set forth in **Exhibit B**, the Contractor is deemed to have waived these fees and costs. After completion of the final inspection, the District will provide the Contractor with written notice of any Work requiring corrective action. In the event the Contractor does not correct or replace the defective Work within thirty (30) calendar days from the date of notice from the District, or within such other reasonable time as agreed to by the Parties, the District may correct or replace the defective Work and the Contractor shall reimburse the District for the related costs and fees.

34. TAX EXEMPT STATUS. The District is exempt from Colorado state sales and use taxes. Accordingly, taxes from which the District is exempt shall not be included in any invoices submitted to the District. The District shall, upon request, furnish Contractor with a copy of its certificate of tax exemption. Contractor and subcontractors shall apply to the Colorado Department of Revenue, Sales Tax Division, for an Exemption Certificate and purchase materials tax free. The Contractor and subcontractors shall be liable for exempt taxes paid due to failure to apply for Exemption Certificates or for failure to use said certificate.

35. COUNTERPART EXECUTION. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

*[Signature pages follow].*

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

**DISTRICT:**  
RAINDANCE METROPOLITAN DISTRICT,  
a quasi-municipal corporation and political  
subdivision of the State of Colorado

---

Officer of the District

ATTEST:

---

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

---

General Counsel for the District

*District's Signature Page to Independent Contractor Agreement for Fence Staining Services  
with M&E Painting, LLC, dated [\_\_\_\_\_], 2023*

**CONTRACTOR:**

M & E Painting, LLC, a Colorado limited liability company

\_\_\_\_\_

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

STATE OF COLORADO )

) ss.

COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_ 2023, by \_\_\_\_\_, as the \_\_\_\_\_ of M & E Painting, LLC, a Colorado limited liability company.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

*Contractor's Signature Page to Independent Contractor Agreement for Fence Staining Services with RainDance Metropolitan District, dated [\_\_\_\_\_] , 2023*

## **EXHIBIT A**

### **SCOPE OF SERVICES**

#### **Preparation:**

- Mask and cover areas not being stained: Cement, landscaping etc.

#### **Stain Product, Color, etc.:**

- Customer will provide all stain needed.
- M&E will provide all sundries (tape, paper, plastic, etc.)

#### **Solid-color Stain Application:**

- Majority of Solid-color stain will be applied by spraying. Some areas may be brush-rolled.

#### **Cleanup:**

- We perform a daily job site cleanup at the end of each day. Our crews may store some of their equipment near the maintenance buildings.
- Upon completion of the stain job, we will perform a full job site cleanup and walkthrough to ensure your home is clean and free of any work site debris.

## **EXHIBIT B**

### **COMPENSATION SCHEDULE**

#### **Split-rail Fences to be Stained:**

**Pricing is based on linear feet for one side, top edges, and posts. Customer will supply all stain needed, as this will provide consistency throughout the neighborhoods. Estimate does not include spraying all wire mesh or pressure washing.**

- RainDance: Fence is also mostly one side only. Sections are 8ftX4ft and 8ftx5ft. These are also split rail fences with mostly 2 rails.

**Price: \$1.50 per linear foot for all fence heights and number of rails (price does not include pressure wash but this can be added)**

**EXHIBIT B-1**

CONTRACTOR'S COMPLETED W-9

## EXHIBIT C

### INSURANCE REQUIREMENTS

NOTE: All insurance required and provided hereunder shall also comply with the provisions of Section 11 of this Agreement.

1. Standard Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor involved with the performance of the Services, with policy amounts and coverage in compliance with the laws of the jurisdiction in which the Services will be performed.
2. Commercial General Liability Insurance with minimum limits of liability of not less than \$2,000,000 per occurrence for bodily injury and property damage liability; \$2,000,000 designated location, general aggregate; and \$1,000,000 umbrella. Such insurance will include coverage for contractual liability, personal injury, and broad form property damage, and shall include all major divisions of coverage and be on a comprehensive basis including, but not limited to:
  - a. premises operations;
  - b. personal injury liability without employment exclusion;
  - c. limited contractual;
  - d. broad form property damages, including completed operations;
  - e. medical payments;
  - f. products and completed operations;
  - g. independent consultants coverage; and
  - h. coverage inclusive of construction means, methods, techniques, sequences, and procedures, employed in the capacity of a construction consultant.

**This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**

3. Comprehensive Automobile Liability Insurance covering all owned, non-owned, and hired automobiles used in connection with the performance of the Services, with limits of liability of not less than \$1,000,000 combined single limit bodily injury and property damage. **This policy must include coverage extensions to cover the indemnification obligations contained in this Agreement to the extent caused by or arising out of bodily injury or property damage.**
4. If applicable: Contractor shall secure and maintain a third-party fidelity bond in favor of the District, covering the Contractor and its employees and agents who may provide or be responsible for the provision of Services where such activities contemplate the responsibility for money or property of the District. Such bond shall protect the District against any fraudulent or dishonest act which may result in the loss of money, securities,

or other property belonging to or in the possession of the District. Said bond shall be in an amount as determined by the District, from a surety acceptable to the District.

5. Any other insurance commonly used by contractors for services of the type to be performed pursuant to this Agreement.



**EXHIBIT C-1**  
CERTIFICATE(S) OF INSURANCE

**EXHIBIT D**

**CERTIFICATE OF GOOD STANDING WITH COLORADO SECRETARY OF STATE**

OFFICE OF THE SECRETARY OF STATE  
OF THE STATE OF COLORADO

**CERTIFICATE OF FACT OF GOOD STANDING**

I, Jena Griswold, as the Secretary of State of the State of Colorado, hereby certify that, according to the records of this office,

M & E Painting, LLC

is a

Limited Liability Company

formed or registered on 10/09/2004 under the law of Colorado, has complied with all applicable requirements of this office, and is in good standing with this office. This entity has been assigned entity identification number 20041351339 .

This certificate reflects facts established or disclosed by documents delivered to this office on paper through 06/21/2023 that have been posted, and by documents delivered to this office electronically through 06/23/2023 @ 09:57:35 .

I have affixed hereto the Great Seal of the State of Colorado and duly generated, executed, and issued this official certificate at Denver, Colorado on 06/23/2023 @ 09:57:35 in accordance with applicable law. This certificate is assigned Confirmation Number 15091390 .



*Jena Griswold*

Secretary of State of the State of Colorado

\*\*\*\*\*End of Certificate\*\*\*\*\*  
*Notice: A certificate issued electronically from the Colorado Secretary of State's website is fully and immediately valid and effective. However, as an option, the issuance and validity of a certificate obtained electronically may be established by visiting the Validate a Certificate page of the Secretary of State's website, <https://www.coloradosos.gov/biz/CertificateSearchCriteria.do> entering the certificate's confirmation number displayed on the certificate, and following the instructions displayed. Confirming the issuance of a certificate is merely optional and is not necessary to the valid and effective issuance of a certificate. For more information, visit our website, <https://www.coloradosos.gov> click "Businesses, trademarks, trade names" and select "Frequently Asked Questions."*

# **RainDance Metropolitan District No. 1**

## **WATER SYSTEM RULES AND REGULATIONS**

**July 31, 2023**

**TABLE OF CONTENTS**

**ARTICLE I - GENERAL..... 1**

**1.1 Authority..... 1**

**1.2 Purpose..... 1**

**1.3 Policy ..... 1**

**1.4 Scope..... 1**

**1.5 Intent of Rules and Regulations..... 1**

**1.6 Amendment..... 2**

**1.7 Miscellaneous..... 2**

    1.7.1 Usage and Titles ..... 2

    1.7.2 Severability..... 2

    1.7.3 Prior Offenses..... 2

    1.7.4 No Damage for Failure to Enforce ..... 3

    1.7.5 Availability of Service..... 3

    1.7.6 Control and Operation of Facilities ..... 3

    1.7.7 Inspections..... 3

    1.7.8 Ownership..... 3

**ARTICLE II ..... 4**

**DEFINITIONS..... 4**

**ARTICLE III..... 9**

**OWNERSHIP AND OPERATION OF FACILITIES..... 9**

**3.1 Responsibilities of District..... 9**

**3.2 Liability of District..... 9**

**3.3 Rights and Authority ..... 9**

**3.4 Ownership of Facilities ..... 9**

    3.4.1 Ownership of Irrigation Water Facilities..... 9

    3.4.2 Ownership of Irrigation Water Meters ..... 10

**3.5 Inspection Powers and Authority of District Agents ..... 10**

**3.6 Modification, Waiver and Suspension of Rules..... 10**

**ARTICLE IV..... 11**

**USE OF IRRIGATION WATER SYSTEMS ..... 11**

**4.1 Unauthorized Tampering with Systems.....Error! Bookmark not defined.**

    4.1.1 Unauthorized Use ..... 11

    4.1.2 Malicious Damage to System..... 11

    4.1.3 Violators Prosecuted..... 11

    4.1.4 Violators Fined ..... 11

**4.2 Use of Irrigation Water System ..... 11**

    4.2.1 Notice of Changes and Repairs of Leaks..... 11

    4.2.2 Stop and Waste Type Valve ..... 12

    4.2.3 Safety Devices ..... 12

    4.2.4 Irrigation Water Meters Required..... 12

4.2.5	Required Use of Irrigation Water System .....	13
4.2.6	Pressure Reducing Valve (“PRV”).....	13
<b>4.3</b>	<b>Inactive Service.....</b>	<b>13</b>
4.3.1	Definition.....	13
4.3.2	Availability .....	13
4.3.3	Inactive Charges .....	13
<b>4.4</b>	<b>Conservation Shutdown Use .....</b>	<b>14</b>
<b>ARTICLE V .....</b>		<b>15</b>
<b>APPLICATION FOR SERVICE .....</b>		<b>15</b>
<b>5.1</b>	<b>Inclusions .....</b>	<b>15</b>
<b>5.2</b>	<b>Service Outside the RainDance Districts .....</b>	<b>15</b>
<b>5.3</b>	<b>Application for Service .....</b>	<b>15</b>
5.3.1	Sprinkler System.....	15
5.3.2	Winter Taps .....	16
5.3.3	Additional Tap Information Required .....	16
5.3.4	Reassessment of Tap Fees .....	16
<b>5.4</b>	<b>Denial of Application .....</b>	<b>16</b>
<b>5.5</b>	<b>Cancellation of Application .....</b>	<b>16</b>
<b>5.6</b>	<b>Moved or Destroyed Buildings.....</b>	<b>16</b>
5.6.1	Abandoned Service Line .....	17
<b>5.7</b>	<b>Change in Customer’s Equipment, Service or Use of Property .....</b>	<b>17</b>
5.7.1	Unauthorized Connection Fee .....	17
5.7.2	Inspection Required.....	17
5.7.3	Redetermination of Tap Fees.....	17
<b>5.8</b>	<b>Unauthorized Connections and Fees .....</b>	<b>18</b>
<b>5.9</b>	<b>Revocation of Service.....</b>	<b>18</b>
<b>5.10</b>	<b>Revocation of Tap Rights .....</b>	<b>19</b>
<b>5.11</b>	<b>Activation/Deactivation of Service .....</b>	<b>19</b>
<b>ARTICLE VI.....</b>		<b>20</b>
<b>CONSTRUCTION OF SERVICE LINES .....</b>		<b>20</b>
<b>6.1</b>	<b>Compliance with Rules and Regulations.....</b>	<b>20</b>
<b>6.2</b>	<b>Inspection and Tapping Charges.....</b>	<b>20</b>
<b>6.3</b>	<b>Separate Service Lines Required.....</b>	<b>20</b>
<b>6.4</b>	<b>Construction and Connection .....</b>	<b>20</b>
<b>ARTICLE VII .....</b>		<b>22</b>
<b>MAIN LINE EXTENSIONS.....</b>		<b>22</b>
<b>7.1</b>	<b>Compliance with Rules and Regulations.....</b>	<b>22</b>
<b>7.2</b>	<b>Main Line Extensions by the District .....</b>	<b>22</b>
<b>7.3</b>	<b>Procedure for Main Line Extension by the District.....</b>	<b>22</b>
7.3.1	Performance Bonds and One Year Warranty .....	22
<b>7.4</b>	<b>Procedure for Main Line Extension by Developers .....</b>	<b>22</b>
7.4.1	Application for Approval.....	23

7.4.2	Deposits with the District .....	23
7.4.3	Performance and Payment Bonds.....	23
7.4.4	Special Structures Designed by District Engineer.....	23
7.4.5	Oversizing of Main Lines .....	24
7.4.6	Documentation Required.....	24
7.4.7	Contract Required.....	24
<b>7.5</b>	<b>Main Line Sizes.....</b>	<b>24</b>
<b>7.6</b>	<b>Locations of Main Line Extensions.....</b>	<b>24</b>
<b>ARTICLE VIII.....</b>		<b>26</b>
<b>RATES AND CHARGES.....</b>		<b>26</b>
<b>8.1</b>	<b>General.....</b>	<b>26</b>
<b>8.2</b>	<b>Application of this Article .....</b>	<b>26</b>
<b>8.3</b>	<b>Classification of Customers.....</b>	<b>26</b>
8.3.1	Single-Family Residential Unit .....	26
8.3.2	Multi-Family Unit.....	26
8.3.3	Hotel, Lodge, Motel, Accommodation Unit.....	26
8.3.4	Commercial, Industrial Service .....	26
<b>8.4</b>	<b>Tap Fee.....</b>	<b>Error! Bookmark not defined.</b>
8.4.1	Prepaid Tap Fees .....	27
8.4.2	Factors and Usage.....	27
8.4.3	Disputed Tap Application.....	27
<b>8.5</b>	<b>Transfer of Tap Fees.....</b>	<b>27</b>
8.5.1	Common Owner of Property .....	27
8.5.2	Good Credit .....	28
8.5.3	No Previous Connection to System.....	28
8.5.4	Payment of Difference.....	28
8.5.5	Approval in the Discretion of District .....	28
<b>8.6</b>	<b>Water Charge .....</b>	<b>28</b>
<b>8.7</b>	<b>Amended Tap Fees.....</b>	<b>28</b>
<b>8.8</b>	<b>Amended Water Charges .....</b>	<b>29</b>
<b>8.9</b>	<b>Payment of Water Charges .....</b>	<b>29</b>
<b>8.10</b>	<b>Penalty for Late Payment.....</b>	<b>29</b>
<b>8.11</b>	<b>Foreclosure Proceedings/Attorney’s Fees.....</b>	<b>30</b>
<b>8.12</b>	<b>Certificate of Amounts of County Treasurer .....</b>	<b>30</b>
<b>8.13</b>	<b>Required Equipment – Radio Frequency Units.....</b>	<b>30</b>
<b>APPENDIX A .....</b>		<b>1</b>
<b>SERVICE LINE CONSTRUCTION .....</b>		<b>1</b>
<b>APPENDIX B .....</b>		<b>1</b>
<b>WATER SERVICE RATES, IRRIGATION WATER SYSTEM.....</b>		<b>1</b>

## ARTICLE I - GENERAL

### 1.1 Authority

The RainDance Metropolitan District No. 1 (the “District”) is the service district for the RainDance Metropolitan District Nos. 1-4 (the “RainDance Districts”) and is a quasi-municipal corporation and political subdivision of the State of Colorado with the powers, whether specifically granted, reasonably implied, or necessary or incidental to those powers specifically granted for carrying out the objectives and purposes of the District.

### 1.2 Purpose

The purpose of these Rules and Regulations is to ensure an orderly and uniform administration of irrigation water operations within the boundaries of the community commonly known as Raindance, Town of Windsor, Weld County, Colorado. These Rules and Regulations apply only to the Irrigation Water System (as defined herein), and not to the potable water system, which is managed and controlled by the Town of Windsor.

### 1.3 Policy

The authority of the District to adopt bylaws, rates, rules, and regulations is expressly conferred by Colorado statute. The Board of Directors of the District (the “Board”) expressly finds and determines that the adoption of the following rates, rules, and regulations is necessary for the health, safety, prosperity, security, and general welfare of the inhabitants of the District and those within the District’s service area, which includes the RainDance Districts, and will ensure an orderly and uniform administration of the District affairs.

The Board of the District hereby declares that the Rules and Regulations hereinafter set forth will serve a public use and are necessary to promote the health, safety, prosperity, security, and general welfare of the inhabitants of RainDance.

### 1.4 Scope

These Rules and Regulations shall be treated and considered as comprehensive regulations governing the operations and functions of the Irrigation Water System.

### 1.5 Intent of Rules and Regulations

It is intended that these Rules and Regulations shall be liberally construed to affect the general purposes set forth herein, and that each and every part hereof is separate and distinct from all other parts. No omission or additional material set forth in these Rules and Regulations shall be construed as an alteration, waiver, or deviation from any grant of power, duty, or responsibility, or limitation or restriction imposed or conferred upon the



Board by virtue of statutes now existing or subsequently amended, or under any contract or agreement existing between the District and any other governmental entity. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law which is now enacted or may subsequently be enacted by the Colorado General Assembly, pertaining to the governmental or proprietary affairs of the District. Any ambiguity, conflict, omission, or question of interpretation of these Rules and Regulations shall be determined in the sole discretion of the District's Board.

## 1.6 Amendment

It is specifically acknowledged that the District shall retain the power to amend these Rules and Regulations, with respect to the District, to reflect those changes determined to be necessary by the Board. Prior notice of these amendments shall not be required to be provided by the District exercising its amendment powers pursuant to this Section. These Rules and Regulations may be altered, amended, or added to from time to time and such alterations, additions, or amendments shall be binding and of full force and effect as of the date of their adoption by the Board.

## 1.7 Miscellaneous

### 1.7.1 Usage and Titles

All words and phrases shall be construed and understood according to the common and approved usage of the language, but technical words and phrases and such others as may have acquired a particular and appropriate meaning in the law shall be construed and understood according to such particular and appropriate meaning. The title of any heading in these Rules and Regulations shall not be deemed in any way to restrict, qualify, or limit the effect of the provisions set forth in the section or subsection set forth under each heading.

### 1.7.2 Severability

Should any section, subsection, sentence, clause, or phrase of these Rules and Regulations be judicially determined to be invalid or unenforceable, such judgment shall not effect, impair, or invalidate the remaining provisions of these Rules and Regulations, the intention being that the various sections and provisions hereof are severable.

### 1.7.3 Prior Offenses

Nothing in these Rules and Regulations shall affect any offense or act committed or done, or any obligation, penalty, or forfeiture incurred by any Person or under any contract or right established or occurring before the effective date of these Rules and Regulations.

#### 1.7.4 No Damage for Failure to Enforce

Nothing herein contained shall create any right to damages against the District, its directors, officers, agents, or employees for the District's failure to enforce any or all of these Rules and Regulations.

#### 1.7.5 Availability of Service

Water service shall be available only in accordance with these Rules and Regulations, on the basis of the charges established therefor, and subject to all penalties and charges for violation thereof, or any statutes applicable and subject to the availability of facilities and capacity.

#### 1.7.6 Control and Operation of Facilities

All water facilities and property of the District shall be under the management of the District Manager and the control of the Board. No other Person shall have any right to enter upon, inspect, operate, adjust, change, alter, move, or relocate any portion of the District's facilities without prior written consent of the Board or the District Manager.

#### 1.7.7 Inspections

All inspections, observations, testing, and reviews performed by the District, whether of private premises to ensure compliance with these Rules and Regulations, or of the District's property and facilities, are performed for the sole and exclusive benefit of the District. No liability shall attach to the District by reason of any such inspections, observations, testing, or reviews or by reason of any denial or issuance of any approval or Permit for any work subject to the authority or jurisdiction of the District.

#### 1.7.8 Ownership

The District exercises all rights and responsibilities attendant to the full ownership of the water facilities and, in the future, shall accept ownership responsibilities only for additional facilities which have been formally conveyed to and accepted by the District.

## **ARTICLE II DEFINITIONS**

Unless the context specifically indicates otherwise, the meaning of the terms used herein shall be as follows:

### 2.1 Applicant

“Applicant” means any Person who applies to the District (as defined herein) for a service Connection or service disconnection, Main Line extension, or other such service agreement, or who attempts to have real property included within or excluded from the RainDance Districts, as the case may be.

### 2.2 Board

“Board” and “Board of Directors” mean the Board of Directors of the District.

### 2.3 Constructor

“Constructor” means the landowner, developer, subdivider, or agency actually paying for the construction of the lines.

### 2.4 Contractor

“Contractor” means any Person authorized by the District to perform work and to furnish materials within the District.

### 2.5 Conservation Shut Down

“Conservation Shut Down” means a shutoff by the District of the Irrigation Water System.

### 2.6 Curb Stop

“Curb Stop” means a water service Shutoff Valve, located between the Main Line and the Meter Loop.

### 2.7 Customer

“Customer” means any entity authorized to connect to and use the Irrigation Water System under a Permit issued by the District.

### 2.8 District

“District” means the RainDance Metropolitan District No. 1.

2.9 District Manager

“District Manager” means the Person retained by the Board to administer and supervise the affairs of the District and its employees.

2.10 District Engineer

“District Engineer” means that Person that has been authorized by the District to perform engineering services for the District.

2.11 Dwelling Unit

“Dwelling Unit” means one or more habitable rooms arranged, occupied, or intended or designed to be occupied by not more than one family with facilities for living, cooking, sleeping, and eating.

2.12 End Point

“End Point” means a transmitter used to read and send various data from the Meter to the Meter-reading software.

2.13 Equivalent Dwelling Unit

“Equivalent Dwelling Unit” or “Single Family Equivalent Dwelling Unit” means a use which is estimated to have an impact upon the Irrigation Water System equal to that of the average usage of a Dwelling Unit.

2.14 Gender

The use of any gender shall be applicable to all genders.

2.15 Inspector

“Inspector” means that Person who, under the direction of the District Manager, shall inspect all water Connections, excavations, installations of and repairs to the Irrigation Water System and facilities of the District, to ensure compliance with the Rules and Regulations.

2.16 Irrigation Water System

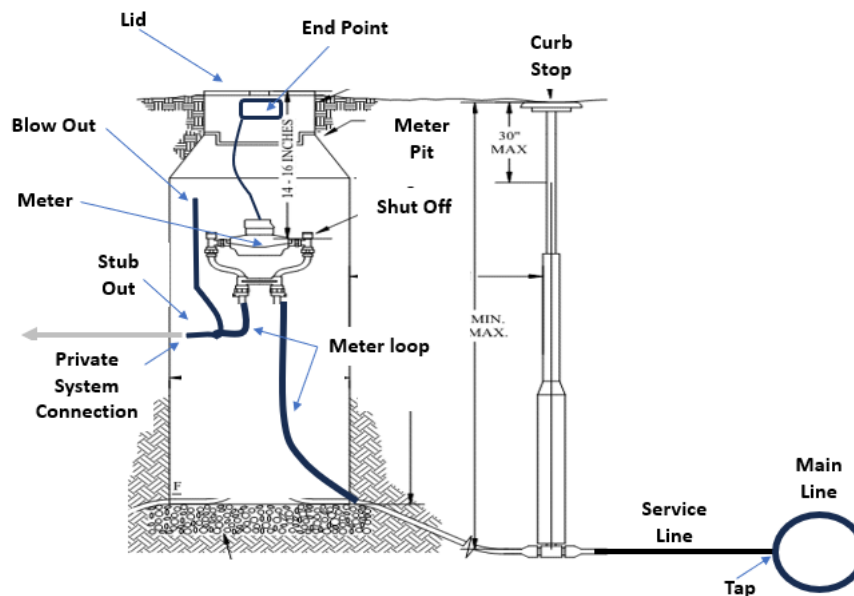
“Irrigation Water System” means any Main Line, appurtenances, accessories, or portion thereof owned and maintained by the District in connection with the management and control of irrigation water within the RainDance Districts’ boundaries.

## 2.17 Meter

“Meter” means a device used to measure non-potable irrigation water use.

## 2.18 Meter Diagram

The following diagram is meant to serve as an aid in understanding the design and layout of the Meter:



## 2.19 Meter Loop

“Meter Loop” means the copper piping from the Curb Stop that connects the Meter to the Stub Out.

## 2.20 Permit

“Permit” means the written permission to connect to or enlarge the use for the Irrigation Water System of the District pursuant to the Rules and Regulations of the District.

## 2.21 Person

“Person” means any entity of any nature, whether public or private.

## 2.22 Privately Owned Irrigation System

“Privately Owned Irrigation System” means any water lines, sprinkler heads, and appurtenances used in the irrigation of an individual lot that is not owned part of the Service Line.

#### 2.23 RainDance Districts

“RainDance Districts” means the District and RainDance Metropolitan District Nos. 2-4 and represents the service area to be provided irrigation water by the District.

#### 2.24 Rules and Regulations

“Rules and Regulations” means the Rules and Regulations of the District, including all amendments and policies as set forth in the District minutes and resolutions.

#### 2.24 Service Line

“Service Line” means any District-owned and -maintained pipe, line, or conduit used or to be used to provide irrigation water service from the Water Main to the Curb Stop, whether or not the pipe, line, or conduit is connected.

#### 2.25 Shall or May

Whenever “shall” is used herein, it shall be construed as a mandatory direction.

Whenever “may” is used herein, it shall be construed as a permissible but not mandatory direction.

#### 2.26 Shutoff Valve

“Shutoff Valve” means a hand valve located on top of the Meter Loop in each lot, for purposes of turning on and off the water supply to a Privately Owned Irrigation System.

#### 2.27 Singular and Plural

As pertains to these Rules and Regulations, the singular includes the plural and the plural the singular wherever applicable.

#### 2.28 Stub-out

“Stub-out” means any Connection from a Privately Owned Irrigation System to the Meter Loop.

#### 2.29 Tap or Connection

“Tap” or “Connection” means the connecting of the Service Line to the Main Line.

2.30 Tap Fee

“Tap Fee” means the payment to the District of a fee for the privilege of connecting a particular use to the Irrigation Water System, also referred to as Capital Facilities Fee.

2.31 Water Main and/or Main Line

“Water Main” and/or “Main Line” mean any pipe, piping, or system of piping used as a conduit for water in the Irrigation Water System and owned by the District.

2.32 Any Other Term

Any other term not herein defined shall be defined as presented in the “Glossary - Water and Sewage Control Engineering”, A.P.H.A., A.W.W.A., A.S.C.E., and F.W.S.A., latest editions.

**ARTICLE III**  
**OWNERSHIP AND OPERATION OF FACILITIES**

3.1 Responsibilities of District

Except as otherwise provided by these Rules and Regulations, the District is responsible for the operation and maintenance of the Irrigation Water System, which operation and maintenance shall be carried out in a sound and economical manner, in accordance with these Rules and Regulations. The District shall not be liable or responsible for inadequate service or interruption of service brought about by circumstances beyond its control.

3.2 Liability of District

It is expressly stipulated that no claim for damage shall be made against the District by reason of the following: failure by an owner to maintain properly, including winterizing, a Privately Owned Irrigation System and District-owned Meter; breakage of Main Lines; interruption of water service and the conditions resulting therefrom; breaking of any Service Line, pipe, clock, or Meter; failure of the water supply; shutting off or turning on water; making of Connections or extensions; damage caused by water running or escaping from open or defective faucets; burst Service Lines or other facilities not owned by the District; damage to sprinkler systems, appliances, or other apparatuses, devices, or equipment used for irrigation of property, resulting from shutting water off or turning it on, or from inadequate, excessive, or sporadic pressures; or for doing anything to the system of the District deemed necessary by the Board or its agents.

3.3 Rights and Authority

The District shall have no responsibility for notification to Customers of any of the foregoing conditions. All irrigation water users within the RainDance Districts shall be obligated to connect to Irrigation Water System. The District reserves the right to discontinue service to any property, at any time, for any reason deemed necessary or appropriate.

The District shall have the right to revoke service to any property for violations of these Rules and Regulations in accordance with the procedures set forth in these Rules and Regulations.

3.4 Ownership of Facilities

All existing and future Main Lines and other facilities connected with and forming an integral part of the Irrigation Water System are or shall become the property of the District, unless any contract with an owner or Customer provides otherwise. Said ownership will remain valid whether the Main Lines and other facilities are constructed, financed, paid for, or otherwise acquired by the District or any other Person.

3.4.1 Ownership of Irrigation Water Facilities



The District owns and is responsible for the maintenance of the Service Line, up to and including the Meter Loop on the Customer's property. The Customer is responsible for the maintenance of the Privately Owned Irrigation System serving his property, beginning at the end of the Meter Loop.

#### 3.4.2 Ownership of Irrigation Water Meters

Notwithstanding the above, all irrigation water Meters and Shutoff Valves are or shall become the property of the District. Such ownership by the District shall remain valid whether the Meters and/or Shutoff Valves are installed, financed, paid for, repaired, or maintained by another Person, provided such Meters and/or Shutoff Valves are on a District-owned Irrigation Water System.

#### 3.5 Inspection Powers and Authority of District Agents

Authorized employees or agents of the District, bearing proper credentials and identification, shall be permitted to enter upon all properties within the Service Area at all reasonable times for the purpose of inspection, observation, measurement, sampling, and testing, in accordance with the provisions of these Rules and Regulations. Failure to permit such inspection, observation, measurement, sampling, and/or testing upon the written request of the District Manager may result in a finding by the District that permission is being denied to conceal a violation, which may result in fines and/or the disconnection of service to the property of the party failing to permit such activity.

#### 3.6 Modification, Waiver, and Suspension of Rules

The Board or the District Manager, acting on instructions of the Board, shall have the sole authority to waive, suspend, or modify these Rules and Regulations, and any such waiver, suspension, or modification must be in writing and signed by the Board or the District Manager. Such waiver shall not be deemed an amendment of the Rules and Regulations. No waiver will be deemed a continuing waiver.

**ARTICLE IV  
USE OF IRRIGATION WATER SYSTEMS**

4.1 Unauthorized Tampering with Systems

4.1.1 Unauthorized Use

No unauthorized Person shall uncover, use, alter, disturb, or make any Connection with or opening onto, or use, alter, or disturb the Irrigation Water System without first obtaining a written Permit from the District. Unauthorized uses of or tampering with the Irrigation Water System include but are not limited to change in Customer's equipment, service, or use of property as defined in Section 5.7; an unauthorized activation or deactivation of irrigation water service; burying valve boxes; and modifying any irrigation water Meter, End Point, or Curb Stop. Any unauthorized use may result in fines and/or termination of service.

4.1.2 Malicious Damage to System

No Person shall maliciously, willfully, or negligently, break, damage, destroy, cover, uncover, deface, or tamper with any portion of the Irrigation Water System.

4.1.3 Violators Prosecuted

Any Person who violates the provisions of this Section 4.1 shall be prosecuted to the full extent of Colorado law.

4.1.4 Violators Fined

Any Person violating any of the provisions of these Rules and Regulations shall become liable to the District for payment of a fine as determined by the Board, plus any expense, loss, or damage occasioned by reason of such violation. Such costs shall constitute a perpetual lien upon the violator's property, as permitted under Section 32-1-1001, C.R.S., as amended, or a perpetual lien upon the property concerning which the violator was receiving services at the time of the violation in question, whichever the District Manager deems appropriate. See Section 5.8 regarding unauthorized Connections.

4.2 Use of Irrigation Water System

4.2.1 Request to Change or Move Meter Pit/Curb Stop and Repairs of Leaks

The Customer shall request in writing approval from the District prior to any expansion, addition, relocation, or modification to the service or use of property served by the Irrigation Water System. Each Customer shall be responsible for all costs associated with the construction, maintenance, and/or relocation of the Meter, Curb Stop, and length of the

Service Line up to the Curb Stop. Service Lines shall be constructed in accordance with these Rules and Regulations. No District-owned facilities shall be relocated by any Person other than District staff or Contractors.

The Customer shall repair any leaks or breaks in her Privately Owned Irrigation System within seventy-two (72) hours of obtaining knowledge of a leak or from the time of notification of such condition by the District. If satisfactory progress toward repairing said leak has not been completed within the same time period, the District Manager shall shut off the service until the leaks or breaks have been repaired. In addition, the District shall have the right to effect the repair, and the costs therefor shall constitute a lien on and against the property of such Customer, as security for payment of such cost, as provided for by Section 32-1-1001, C.R.S.

#### 4.2.2 Stop and Waste Type Valve

The Customer shall not use stop and waste type valves in conjunction with a Privately Owned Irrigation System. It is the responsibility of the Customer to bury the Privately Owned Irrigation Systems with sufficient cover to prevent it from freezing.

#### 4.2.3 Safety Devices

Each Customer having sprinkler systems, appliances, apparatuses, and/or other devices on his premises for irrigation, depending on pressure or water in pipes, or on a continual supply of water, shall provide, at his own expense, suitable safety devices to protect himself and his property against a stoppage of water supply or loss of pressure. The District expressly disclaims any liability or responsibility for any damage resulting from a Customer's failure to provide such appropriate protection.

#### 4.2.4 Meters Required

At such time as the Board deems necessary, the District shall charge for water usage pursuant to Meters installed to serve each unit at rates to be determined by the Board. No future Connection shall be made to the Irrigation Water System without a Meter having been installed to serve the subject unit. All Meters shall have devices for remote reading. The type of Meter and location of the Meter shall be subject to the approval of the District.

The District shall install the initial Meter and shall have the right to test, remove, repair, or replace any and all Meters and End Points. The cost of each Meter and End Point and the cost of installation of each Meter and End Point by the District shall be borne by the District at the rate set forth in Appendix B. It shall be the duty of each Customer to notify the District if his Meter is operating defectively as soon as he becomes aware of such defective operation. If any Meter is suspected to be defective, the District shall diligently pursue repair or replacement of said Meter at the District's expense. The Meters referred to in this

Section and throughout these Rules and Regulations are separate from the water meters measuring the use of potable water from the Town of Windsor.

The Customer shall be given written notice that the District suspects the Meter is defective. The Customer shall be given fifteen (15) days in which to respond, which response shall include scheduling with the District an appointment for a Meter inspection and replacement. If the Customer fails to respond, the Customer will be placed on the unmetered rate set forth in Appendix B, effective with the following billing cycle.

The Customer shall be given a second written notice that the District suspects the Meter is defective. The Customer shall be given fifteen (15) days in which to respond to the second notice, which response shall include scheduling an appointment for a Meter inspection and replacement. If the Customer fails to respond to the second notice, the District may disconnect the water service and charge the Customer the capital fee while the service is disconnected.

#### 4.2.5 Required Use of Irrigation Water System

It is not permitted to permanently irrigate property within the RainDance Districts other than with the District's irrigation water, unless approved by the District, or as otherwise permitted by State law.

#### 4.2.6 Pressure Reducing Valve ("PRV")

A PRV may be installed in Privately Owned Irrigation Systems after the Meter Loop.

### 4.3 Inactive Service

#### 4.3.1 Definition

Inactive Service means that the Privately Owned Irrigation System for the property is connected to an Irrigation Water System but the Meter is not set and the District's distribution system is not used to deliver water to the property. Inactive Service occurs where the Service Line is constructed initially only to the valve at the property line for the purpose of installing the Service Line prior to the paving of the street or where a regular residential or commercial Tap is converted to inactive status commencing twelve (12) months after the date the application for such status is approved by the District.

#### 4.3.2 Availability

Access to the Irrigation Water System is available to Applicants within the boundaries of the RainDance Districts or any contracting entity.

#### 4.4 Conservation Shut Down

A Conservation Shut Down is a management tool used to save irrigation water after heavy rainfall. Irrigation pumps are shut off for up to two (2) days when the community receives between .5 and .75 inches of rain and shut off for two (2) or three (3) days when rainfall totals exceed .75 inches and the soil is saturated. The pumps are turned on one (1) to two (2) days before additional irrigation is needed, based on the current soil moisture. The reactivation date is determined by the amount of water that is available in the soil.

**ARTICLE V**  
**APPLICATION FOR SERVICE**

5.1 Inclusions

Service will be furnished, subject to these Rules and Regulations, to property included within the RainDance Districts, pursuant to Section 32-1-401, C.R.S. It shall be incumbent upon the Applicant to furnish satisfactory evidence of inclusion whenever such evidence is requested by the District. Satisfactory evidence shall consist of tax receipt, or certification in lieu thereof, received from and signed by the County Treasurer, or documentation provided by one of the RainDance Districts. A Person owning land within and without the boundaries of one of the RainDance Districts who desires service to land currently located without the boundaries of the District, must include all of his land to be serviced by the Irrigation Water System into the boundaries of the applicable district. A formal petition for inclusion within one of the RainDance Districts shall be made to such district, on its standard form, by the Applicant, accompanied by a non-refundable payment of One Thousand Dollars (\$1,000.00) for costs associated with the inclusion of the property, including but not limited to legal fees and the estimated costs of publication and preparation of documents. Any additional costs or legal fees which may occur shall be assessed and paid by the Applicant prior to approval of inclusion by the Board for the applicable district. Until paid, the RainDance Districts will not process a petition for inclusion of property.

5.2 Service Outside the RainDance Districts

No service shall ever be provided to property outside of the RainDance Districts, except upon the express written consent of the District. Charges for furnishing service outside of the RainDance Districts shall be at the discretion of the Board, but no service shall be furnished to property outside of the RainDance Districts unless the charge therefor equals at least the cost of service, plus the estimated mill levy and Tap Fees for which such property would be responsible if it were within one of the RainDance Districts. In every case where the District furnishes service to property outside the RainDance Districts, the District reserves the right to discontinue the service when, in the judgment of the Board, it is in the best interest of the District to do so.

5.3 Application for Service

Application for service must be filed with the District in writing and accompanied by appropriate fees prior to any action to connect to the Irrigation Water System. Only upon authorized approval of the application and a receipt therefor may a Connection to the Irrigation Water System be made. The location of the Meter and the remote reading device shall be indicated on all applications for service.

5.3.1 Sprinkler System

If a water sprinkler system for lawn irrigation is to be used, it must be metered and meet the requirements of all applicable Town, County, and State codes.

#### 5.3.2 Winter Taps

Taps may be made by appointment during the winter months at the District's sole discretion, provided that the Tap location is heated.

#### 5.3.3 Additional Tap Information Required

All information requested by the District must be completed. In addition, the Meter location and arrangement, and a diagram of the Curb Stop valve box location must be included. A site plan or improvement plan shall accompany the Tap Permit application showing the location of the area to be irrigated relative to property lines.

#### 5.3.4 Reassessment of Tap Fees

Should any information disclosed on the application prove at any time to be false, or should the Applicant omit any information, the District shall have the right to reassess the Tap Fee originally charged at the rate current to the discovery by the District of the false or omitted information, and/or disconnect the service in question, and/or back-charge the property in question for service fees that may be due and owing, and/or charge any other or additional fee or penalty specified in these Rules and Regulations. Any reassessment shall be due and payable, together with any penalties or other additional fees charged, and together with interest at the maximum legal rate on the entire balance, upon and from the date of the original application.

#### 5.4 Denial of Application

The District reserves the exclusive right to deny application for service when, in the opinion of the District Board, the service applied for would create an excessive seasonal, or other, demand on the facilities. Denial may also be based upon an unresolved obligation between any of the RainDance Districts and the Applicant, inadequate documentation of easements for Main Lines serving the property, or any other reason as determined by the Board or District Manager.

#### 5.5 Cancellation of Application

The District reserves the right to revoke any prior approval of an application before service has been provided, and thereafter for any violation of these Rules and Regulations.

#### 5.6 Moved or Destroyed Buildings

When a building is moved or destroyed, the original Tap authorization shall remain, provided that a written request is made to, and approved by, the Board or District Manager, prior to cessation of payment of service charges.

#### 5.6.1 Abandoned Privately Owned Irrigation System

When a Privately Owned Irrigation System is abandoned permanently, the property owner or Customer shall close the Shutoff Valve on top of the Meter Loop.

### 5.7 Change in Customer's Equipment, Service or Use of Property

No expansion of or addition to the Customer's service or use of property served shall be made without the prior notification of and approval by the District. Any such change which, in the opinion of the District, will increase the burden placed on the Irrigation Water System by the Customer shall require a redetermination of the Tap Fee and service charge, and a payment by the Customer of any additional Tap Fee and service charge resulting from the redetermination. Subject to Section 5.6, above, Tap Fees previously paid with respect to the property in question shall be credited against the redetermined Tap Fee so that only the unpaid portion of any re-determined Tap Fee shall be due; provided, however, that redeterminations resulting in a conclusion that the Tap Fee, if assessed currently, would be in an amount less than that originally paid, shall not result in a refund to the Customer, and provided further that, when an expansion or change in use occurs which results in additional fees due, a credit for the existing use right shall be given.

#### 5.7.1 Unauthorized Connection Fee

Any violation of this Section shall result in the assessment of an unauthorized Connection fee determined by the Board, as provided by Section 5.8 of these Rules and Regulations, and the District shall take those steps authorized by these Rules and Regulations and Colorado law regarding the collection of said fees. (Also, see Section 4.1 Unauthorized Tampering with Systems.)

#### 5.7.2 Inspection Required

Any Customer believed to have changed equipment, service, or use of his property, in violation of this Section, shall be notified of such belief by the District, and shall be afforded fifteen (15) days from the date upon which the notice is mailed in which to respond to the District's notice. Any response by the Customer must include permission to make such inspection of the property in question as the Board or District Manager or his representatives deem necessary to establish clearly the nature of equipment, service, and use of the property in question. Failure to respond may result in the District discontinuing service to the property.

#### 5.7.3 Redetermination of Tap Fees



The District Manager or his representatives shall inspect the property in question. Following inspection, the District Manager shall make a determination as to the change in the Customer's equipment, service, or use of the property in question, and shall re-determine any additional Tap Fees and service charges due. In the event the decision of the Board or District Manager is deemed unsatisfactory to the Customer, the Customer may present a complaint in accordance with the Hearing and Appeal Procedures, Article IX, of these Rules and Regulations.

#### 5.8 Unauthorized Connections and Fees

No Person shall be allowed to connect onto the Irrigation Water System or to enlarge or otherwise change equipment, service, or use of property without prior payment of Tap Fees, approval of application for service, and adequate supervision and inspection of the Tap by District employees or agents. Any such Connection, enlargement, or change without payment, approval, supervision, and inspection shall be deemed an unauthorized Connection. Upon the discovery of any unauthorized Connections, the then-current Tap Fee shall become immediately due and payable, and the property shall automatically be assessed an additional unauthorized Connection fee equal to the then current Tap Fee per Equivalent Dwelling Unit as liquidated damages toward the District's costs associated with such unauthorized Connections.

The District shall send written notice to the owner of the property benefited by such Connections stating that an unauthorized Connection has been made between the subject property and the District's facilities. The owner shall then have fifteen (15) days from the date the notice is mailed to pay the then-current Tap Fee or proceed in accordance with the provisions of Section 5.7.2 of these Rules and Regulations.

#### 5.9 Revocation of Service

The District may revoke service upon non-payment of any valid fees or charges owing to the District. In the event of non-payment, the Customer shall be given not less than fifteen (15) days' advance notice in writing of the revocation, which notice shall set forth:

1. The reason for the revocation;
2. That the Customer has the right to contact the District, and the manner in which the District may be contacted for the purpose of resolving the obligations; and
3. That there exists an opportunity for a hearing in accordance with Article IX of these Rules and Regulations.

If payment of the outstanding obligation or a request for a hearing is not received by the District within fifteen (15) days of the date of mailing of the revocation notice, the District

Manager shall disconnect the service and the Customer shall be assessed the cost of the disconnection. While the service is disconnected, the Customer shall continue to be assessed the base service charges for irrigation water.

#### 5.10 Revocation of Tap Rights

The District may revoke the right to connect the Irrigation Water System and receive services under Section 5.3, above, upon non-payment of any fees owing to the District and remaining unpaid for a period of thirty (30) days, and whether or not the Customer owning the right to connect has actually connected to the Irrigation Water System. Such revocations shall be conducted in accordance with Section 5.9, above. If the right to connect to the Irrigation Water System is revoked, the Customer may reacquire such Tap rights only by reapplying for service in accordance with Section 5.3, above, and after paying all fees due and owing the District and the then-current Tap Fees charged by the District under these Rules and Regulations.

#### 5.11 Activation/Deactivation of Service

All activations and deactivations of water service through a Curb Stop that has been connected to the Irrigation Water System pursuant to a written Permit issued by the District shall be performed only by District personnel regardless of the ownership of the Curb Stop or Service Line and regardless of the circumstances respecting the activation or deactivation. The District shall assess a single activation/deactivation fee in the amount of \$250.00 for any such activation or deactivation performed, except when initial service is provided and when the service is performed for Customers requiring maintenance to their Service Lines, in which case there shall be no charge. The District will provide this service only for a Tap for new construction, one time prior to the occupancy of the building located on the property served.

All other requests for activation or deactivation of the District's service may be granted or denied by the Board or District Manager in the Board's or District Manager's sole discretion. In new construction, at the time the Meter is set, service charges begin unless the District is requested to perform the turn-off. In this event the Customer will be charged \$250.00 when service is turned on.

**ARTICLE VI  
CONSTRUCTION OF SERVICE LINES**

6.1 Compliance with Rules and Regulations

The requirements of these Rules and Regulations, and the Appendices attached hereto, are applicable to the construction of all Service Lines.

6.2 Inspection and Tapping Charges

All Taps shall be made by the District or its authorized representative and all Service Lines shall be inspected by a representative of the District. All irrigation water Service Lines are to be tested under normal operating pressure. Constructors of Service Lines shall schedule an open ditch inspection of all Service Lines. If said inspection is not made within twenty-four (24) hours of the request for inspection, excluding weekends and holidays, construction may proceed. There may be a charge for all inspections as determined from time to time by the Board. Further information regarding inspections and the charges for inspections may be obtained from the Board or the District Manager. Charges for each Tap are set forth in Appendix B, attached hereto.

6.3 Separate Service Lines Required

A separate and independent Service Line shall be provided for every lot and shall be installed at the expense of the property owner. There shall be one Meter installed for each separate lot served. A Curb Stop shall be located at the property line on all Service Lines. Each half of a duplex shall have a Curb Stop at the property line and shall have a separate Meter and Service Line. The Board or District Manager, in the exercise of his sole discretion, may provide an exemption from the above requirements for outdoor common space areas that are part of a condominium or other multi-family dwelling association. In such a case, the District shall bill the association for service charges assessed by the District for irrigation water usage in the association. In all cases where individual units are not separately metered, billing shall be to one entity for service to all units serviced through the same Meter or Service Line, and payment for less than all units shall be considered non-payment, allowing the District to terminate service.

6.4 Construction and Connection

The Contractor shall notify the District when the Service Line is ready for inspection and Connection to the District's main. One (1) working day's notice is required. The Connection shall be made to the main by District personnel. All Contractors, plumbers, and others doing work on any main, Service Lines, or structures in the RainDance Districts shall comply with County, State, or local regulations on excavation, backfill, compaction, and restoration of surface. All Permits, fees, and licenses, including but not limited to those

fees set forth in Appendix B, shall be paid for by the Contractor, plumber, or others doing work in the RainDance Districts, prior to the start of construction.

All excavations for service installation shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public or private property disturbed in the course of the work shall be restored in a manner satisfactory to the District. All daily inspection fees on construction required by any governmental agency, including the District, shall be paid by the plumber, Contractor, or others doing work for the District.

**ARTICLE VII  
MAIN LINE EXTENSIONS**

7.1 Compliance with Rules and Regulations

Main Line extensions shall comply with the requirements of these Rules and Regulations and the District's standard specifications for Service Line construction.

7.2 Main Line Extensions by the District

The District has the right to construct all Main Lines within the RainDance Districts. Developers who desire to construct such Main Lines prior to the date planned by the District for their construction may do so as provided in Section 7.4 herein.

7.3 Procedure for Main Line Extension by the District

The District may construct a Main Line extension if the Board deems it in the best interest of the District to do so. All Main Line extensions which are so authorized shall be bid, as provided by State law, and contracted for by the Board, with the Constructor installing the Main Lines being responsible to the Board. The District, through the District Engineer, shall supervise construction activity and coordinate all matters pertaining to the completion of the subject project, including periodic and final payments to the Constructor, inspection, and as-built drawings.

7.3.1 Performance Bonds and One Year Warranty

Pursuant to Sections 38-26-105 and 38-26-106, C.R.S., performance and payment bonds equal to the contract price at a minimum shall be furnished to the District by the Constructor on all construction contracted by the District. All Main Lines constructed shall be accepted by the District upon completion of construction, subject to a one (1) year warranty period, during which the Constructor shall promptly, without cost to the District, correct any defective work. All daily inspection fees required by any governmental authority, including the District, shall be paid by the Constructor.

Constructors who have completed construction of Main Line extensions shall, before the Main Lines are accepted by the District, deed the Main Lines and all appurtenances to the District, free and clear of all liens and encumbrances, and furnish to the District a surety bond or other acceptable collateral which shall cover all maintenance for one (1) year from the date of acceptance of the Main Lines by the District. Prior to the acceptance of the Main Lines by the District, the Constructor shall provide to the District reproducible, as-built drawings including Stub-out locations, coordinates of manholes, rim and invert elevations, and easements.

7.4 Procedure for Main Line Extension by Developers

The District has no obligation to extend any Main Line. In the discretion of the Board or District Manager, the District may permit an Applicant to construct, at the sole expense of the Applicant, Main Lines prior to their construction by the District. The Applicant shall enter into a written Main Line extension agreement with the District prior to proceeding with any extension.

#### 7.4.1 Application for Approval

All Applicants desiring to construct a Main Line within the District shall first make formal application to the Board or District Manager for approval. This application shall be in writing and shall contain a legal description of the property to be served by the Main Line, plans for such extension, and any other information required by the District, in its discretion. The staff shall then submit the recommended plans, with appropriate documentation, to the Board or District Manager for final approval. Said plans shall be reviewed for compliance with the District's specifications, and with other specifications and requirements appropriate to the situation. The cost of such study for compliance shall be borne by the Applicant.

#### 7.4.2 Deposits with the District

Prior to the execution of the Main Line extension agreement with the District, the Applicant shall deposit with the District an amount sufficient to compensate the District for engineering fees, legal fees, and other costs, except direct construction costs, anticipated to be incurred by the District as a result of the application and the construction of the Main Line.

#### 7.4.3 Performance and Payment Bonds

All contracts entered into by an Applicant for construction of any part of a Main Line shall be assignable to the District. All such contracts that an Applicant proposes to assign to the District shall include performance and payment bonds to be issued by the Contractor to the District pursuant to Sections 38-26-105 and 38-26-106, C.R.S. Said bonds shall be at a minimum equal to the contract price for the construction contracted for by the Applicant. All Main Lines shall be constructed according to applicable District, County, and State specifications. All Main Line extensions within the RainDance Districts shall be made under the supervision of the District staff at the Applicant's expense. Similarly, all daily inspection fees on mains required by any governmental agency, including the District, shall be paid by Applicant. Such costs may be subject to cost recovery if so designated in the cost recovery contract.

#### 7.4.4 Special Structures Designed by District Engineer

Special structures, such as pumping stations, pressure reducing valves, Meter vaults, etc., required to ensure proper operation of the extensions, shall be constructed from designs of the District Engineer or such other engineer as may be approved by the Board.

#### 7.4.5 Oversizing of Main Lines

The Applicant shall be responsible for oversizing Main Line extensions as required by the District, at the District's expense, subject to future cost recovery by the District from future extenders. Specifically, a future extender may be required to reimburse the District for the cost of oversizing, including reasonable interest, upon connecting a further extension.

#### 7.4.6 Documentation Required

Applicants who have completed construction of Main Lines shall, before the Main Lines are accepted by the District, deed the Main Lines and appurtenances to the District, free and clear of all liens and encumbrances, and furnish to the District bonds, which shall cover all maintenance for one (1) year from the date of acceptance of the Main Lines by the District. Prior to the acceptance of the Main Lines by the District, the Applicant shall provide the District with:

1. All easements necessary accompanying the Main Lines;
2. Four (4) Mylar, as-built drawings; and
3. A statement of the certified costs of the Main Lines.

#### 7.4.7 Contract Required

No reimbursement or recovery of costs shall be permitted for Main Line extensions, except as provided by fully executed contracts with the District. The District shall, in its sole discretion, determine when reimbursement may be made for Main Line extensions.

### 7.5 Main Line Sizes

The size of the Main Line required to serve any area served by the Irrigation Water System shall be determined by the District.

### 7.6 Locations of Main Line Extensions

Main Lines shall be installed in roads or street rights-of-way, as well as in easements granted to the District. Where required, facilities must cross land not being subdivided, or where such land is under the Applicant's control for the granting of public rights-of-way, each Applicant who desires service will, in consultation with and with the approval of the District, plat and grant to the District appropriate rights-of-way and easements in which such facilities will be constructed.

The District shall maintain sole discretion over the location of any Main Line extensions, including control over any parallel lines.



## **ARTICLE VIII RATES AND CHARGES**

### 7.7 General

The information contained in this Article is pertinent to all charges of whatever nature to be levied for the provision of irrigation water service. Said rates and charges are in existence and effect at this time, except as otherwise indicated, and shall remain in effect until modified by the Board pursuant to the applicable statutes of the State of Colorado. Nothing contained herein shall limit the Board from modifying rates and charges, or from modifying any classification.

### 7.8 Application of this Article

The rates, charges, and other information shown herein shall apply only to Customers inside the RainDance Districts and shall in no way obligate the District with respect to services provided outside the boundaries of the RainDance Districts.

### 7.9 Classification of Customers

For the purpose of levying fair, reasonable, uniform, and equitable charges, the following classifications and related definitions are provided:

#### 7.9.1 Single-Family Residential Unit

Includes single-family unit; a patio home is included under the definition of single-family residential unit.

#### 7.9.2 Multi-Family Unit

Includes duplex and clustered units, such as multi-family apartments, condominiums, and townhomes.

#### 7.9.3 Hotel, Lodge, Motel, Accommodation Unit

Includes accommodation rooms or suites of rooms or apartments designed for short-term commercial rental. All other auxiliary uses, i.e., restaurants, bars, athletic facilities, and public restrooms, are included under Section 8.3.4.

#### 7.9.4 Commercial, Industrial Service

All non-residential uses which are not included under Sections 8.3.1, 8.3.2, or 8.3.3.

## 7.10 Tap Fee

A Tap Fee shall be charged to all irrigation water service Customers of the District. Such Tap Fee is the Applicant's proportionate share of the Irrigation Water System cost in relation to the Applicant's use and may be used by the District for purposes of paying all or any part of the costs associated with the District's operation and maintenance expenses, including, without limitation, the District's ground maintenance services, such services to include but not be limited to the irrigation and landscaping of the RainDance Districts' open spaces and any other budgeted, general-fund expenditures of the District. Such Tap Fee shall be assessed and paid upon the date of the initial transfer of title of any property to any purchaser in which a Single-Family Residential Unit or Multi-Family Unit shall be constructed on such property. Tap Fees shall be assessed as provided for in the schedule of fees and charges attached hereto as Appendix B; provided, however, that:

### 7.10.1 Prepaid Tap Fees

Tap Fees may be prepaid, and Tap Permits issued, at any time in advance of Connection, in which case the commencement of service charges shall be governed by Section 8.6 of these Rules and Regulations. No refund of Tap Fees will be paid.

### 7.10.2 Factors and Usage

The fees and charges reflected in Appendix B, or as otherwise set forth in any resolution concerning the imposition of fees as may be adopted by the Board, are based upon factors of usage and physical structure, and upon the application by the District Manager of those factors to the facts and circumstances surrounding the application.

### 7.10.3 Disputed Tap Application

If a dispute arises between the District and the Applicant regarding the calculation of Tap Fees or the nature and use of the structure as it applies to Appendix B, the dispute will be settled in accordance with Article IX of these Rules and Regulations.

## 7.11 Transfer of Tap Fees

No Tap Fee paid on behalf of one property, or any portion thereof, may be transferred to any other property unless:

### 7.11.1 Common Owner of Property

The owner requesting the transfer is the common owner of the property for which the Tap Fee has been paid and the property to which the transfer of the Tap Fee, or portion thereof, is being requested.

#### 7.11.2 Good Credit

The owner requesting the transfer has no outstanding unpaid accounts with the District and has previously maintained good credit with the District.

#### 7.11.3 No Previous Connection to System

The property to which the Tap Fee initially applied has never been connected to the Irrigation Water System.

#### 7.11.4 Payment of Difference

The owner requesting the transfer shall pay to the District the difference between the Tap Fee which would otherwise be charged on the date the transfer is requested for the property to which transfer is being sought, and the Tap Fee previously paid, but in no event shall the District make a credit or refund. In the event an owner transfers only a portion of the total sum previously paid as a Tap Fee, the owner shall retain a credit, subject to the provisions of Section 5.10, for any non-transferred portion of the previously paid fee.

#### 7.11.5 Approval in the Discretion of District

Any approval of a request for a transfer of a Tap or fees shall be in the sole discretion of the District.

### 7.12 Water Charge

Until such time as the District begins to meter actual water usage, a Capital Fee shall be charged as reflected in the Schedule of Fees and Charges, attached hereto as Appendix B, or as may be adopted by any resolution of the Board concerning the imposition of fees. Unless otherwise determined by the District, the Irrigation Season shall be the period of April 15 through October 15.

The Capital Fee may be used by the District for purposes of paying all or any part of the costs associated with the District's operation and maintenance expenses, including but not limited to the operation and maintenance of the District's irrigation system and the District's ground maintenance services, such services to include, but not be limited to, the irrigation and landscaping of the RainDance Districts' open spaces, and any other budgeted expenditures of the District.

### 7.13 Amended Tap Fees

In those situations where a prospective user applies for a Permit for service to a property or use not defined in the preceding Article, or where, in the District Manager's opinion, said property represents a classification not contemplated in the establishment of the

previously defined Tap Fee, the Board or District Manager shall, in its/his sole discretion, establish a fair, reasonable, and equitable Tap Fee for said property.

#### 7.14 Amended Water Charges

At such time as the District begins to meter actual water usage, the District shall charge for monthly water usage to be determined by the Board in its sole discretion. In addition, in those situations where, in the Board's or District Manager's sole discretion, the water charges imposed herein do not represent a fair, reasonable, and equitable charge for the intended use, the Board or District Manager, in its/his sole discretion, may adjust said rates.

#### 7.15 Payment of Water Charges

It is the policy of the District to bill the Capital Fee and water usage fees in arrears.

When a condominium or other multi-unit dwelling association exists for a number of units receiving service for irrigation of outdoor common space for such units which do not have individual irrigation water service from the District, said association shall receive an annual invoice for the outdoor common space serviced by the association.

The District shall have the right to issue only one bill for irrigation water supplied to a multi-unit structure or development. Any structure with more than one living unit off the Service Line, which is not separately metered, shall establish one responsible party for irrigation water bills.

Payment of the Capital Fee and water usage fees shall become due, owing, and payable upon the date of written notification by the District that said Capital Fee and water usage fees are due. Where the Customer believes said statement is in error, the Customer must file, in writing, a notice to the District of the presumed error, and request a clarification from the District Manager. Upon review by the District Manager, and resubmittal and/or revision of the statement, payment shall be due no later than ten (10) days from the billing date of the resubmitted statement.

#### 7.16 Penalty for Late Payment

If the Customer is late by fifteen (15) days or more in payment of any charges due the District, the District shall assess a late fee in the amount of \$15.00 and an interest charge at the rate of one percent (18%) per month on the unpaid balance. The District shall further have the right, in its sole discretion, to terminate service to any Customer who becomes thirty (30) days or more delinquent in payment for scheduled services, following the opportunity for a hearing as outlined herein.

The District shall assess to any Customer who is delinquent in payment of his account, all legal, court, disconnection, and other costs necessary to or incidental to the collection of said account.

Until paid, all such fees, rates, penalties, or charges shall constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the same manner as provided by the laws of this state for the foreclosure of mechanics' liens.

#### 7.17 Foreclosure Proceedings/Attorney's Fees

If it becomes necessary after other efforts (letters, posted notices) to collect delinquent payments of any fee or charge imposed by the District, the District shall attempt to collect such amounts pursuant to any then-adopted Resolution Concerning the Collection of Delinquent Fees and Charges, which measures may include foreclosure as provided for by Section 32-1-1001(1)(j)(I), C.R.S. All of the provisions of these Rules and Regulations to the contrary notwithstanding, all Customers/users of the Irrigation Water System hereby agree to be bound by these Rules and Regulations as a matter of contract and for which there is good and valuable consideration.

#### 7.18 Certificate of Amounts of County Treasurer

In addition to any other means of collecting delinquent fees, rates, tolls, penalties, charges, or assessments made or levied solely for water services (including charges for availability of such service), the District may certify the delinquent amounts to the county treasurer for collection in the same manner as property taxes, in accordance with the provisions of statute, as amended. The District shall charge a fee for the administrative costs of this collection method, which fee shall be added to all delinquent amounts, including other penalties and interest charges, before certification.

#### 7.19 Required Equipment – Radio Frequency Units

All irrigation water Service Lines shall be metered with the following equipment in addition to the local code requirements. The Meter body shall be a 5/8" X 3/4" PMM Water Meter, with a Sensus Frequency register and radio Unit. Once installed, the service will be inspected and tested for compatibility with the Irrigation Water System. Upon approval, service will then be activated by the District.

**APPENDIX A**  
**SERVICE LINE CONSTRUCTION**

A.1 Rules and Regulations

The Applicant, Contractor, and property owner are responsible for knowledge of all provisions of the Rules and Regulations. The items below are restated for emphasis:

Tap Fees            Tap Fees must be paid prior to the scheduling of any inspections by the District.

Service Charges        Service Charges begin as of the date of turn on.

Unauthorized Tap      ANY CHANGE IN USE, CONVERSION OF ADDITIONAL UNITS, OR CONNECTION OF NEW STRUCTURE MADE WITHOUT PAYMENT OF A TAP FEE WILL BE CONSIDERED AN “UNAUTHORIZED TAP.”

The occurrence of an unauthorized Tap is subject to a penalty charge, as well as payment of the appropriate Tap Fee.

Property Owner        The property owner shall be held responsible in the event of nonpayment of all fees and charges due the District.

A.2 Standards for Service Lines

Prior to Service Line construction, the Constructor shall familiarize himself with the District standards and specifications. The owner or Constructor shall obtain approval for the location of the Service Line and submit appropriate sets of site and mechanical plans and inform the District’s personnel of intended schedule for construction.

Constructors shall apply for all permits. All permits, fees, and licenses shall be paid for by the Constructor plumber, or other doing the work in the District, prior to the start of construction.

A.3 Excavation

All excavation required for the installation of Service Lines shall be open trench work unless otherwise approved by the District Manager.

Pipe laying and backfill shall be performed in accordance with the District's standards and specifications. No excavation shall remain open for more than forty-eight (48) hours and all District mains are required to be covered overnight.

Where a street cut is required, the Contractor shall rebuild the road base in accordance with applicable City, County, or State regulations on excavation, backfill, compaction, and restoration of service. All excavation for all Service Lines shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public and private property disturbed in the course of the work shall be restored in a manner satisfactory to the District.

All backfill shall be maintained in a satisfactory condition and all places showing signs of settlement shall be filled and maintained during construction for a period of one year following completion of construction. When an Applicant is notified by the District that a backfill is hazardous, he shall correct such hazardous conditions at once.

#### A.4 Tapping the Main

The District's representative is authorized to make Taps onto the District's irrigation Water Mains. The Applicants of the irrigation water service Permit shall notify the District when the service is ready for inspection and Connection to the main. Appointments for inspection and Connection should be scheduled twenty-four (24) hours in advance. Contractor shall provide two (2) workers to assist the District in making the Taps on to the main.

#### A.5 Inspections

The Applicant for the irrigation Service Line Permit shall notify the District when the service is ready for inspection. Appointments for inspection and Connection should be scheduled twenty-four (24) hours in advance. The Connection shall be made by qualified personnel. All Service Lines shall be inspected by the District's representative, who shall have the authority to halt construction when, in his opinion, the District's Rules and Regulations for proper construction practices are being violated. Whenever any such violations occur, the District's representative shall, in writing, order further construction to cease until all deficiencies are corrected. No Service Lines shall be covered without the District representative's approval. Anyone making any installation without such approval shall be required to remove all soil or any other covering over the Service Line to allow its inspection.

#### A.6 Water Service Lines

Water Service Lines	Alignment of the water Service Line shall be located so as to take the shortest, most direct route, preferably perpendicular from the main to the Curb Stop. No water Service Line shall be laid parallel to any
---------------------	--

	bearing wall which might be thereby weakened. The water service shall be laid at a uniform grade in a straight alignment.
Pressure Test Required	Under supervision of the District representative, the water Service Line is to be water pressure tested at normal operating pressure from the Water Main to the building before backfill begins.
Curb Stop	<p>The Service Line shall have a Curb Stop control valve located at the property line, or as otherwise approved by the District, with easy access to the District. Curb Stop valve boxes must be accessible from the surface and located at the property line. The Curb Stop valve boxes must be installed prior to the Meter.</p> <p>The Service Line shall be a continuous line with no joints, if at all possible. Splices are allowed if distance exceeds the length of one hundred (100) feet. There shall be no splices between the Curb Stop and the main.</p>
Stub-Out	When water Service Lines are stubbed-out to property lines, the Stub-out shall be valved off and plugged, with a valve box installed to the ground surface. If no irrigation water Stub-out exists, District personnel will make all Taps up to two (2) inches.
Owner's Responsibility	The District is responsible for the maintenance of the water Service Line, up to and including the Curb Stop valve to the end of the Meter Loop. The Customer is responsible for the maintenance of the remaining portion of the private irrigation system after the Meter Loop, including the blow off cap. Owner is responsible for turning on/off the shut off valve located on the Meter Loop. Owner is responsible for properly winterizing their irrigation system as to avoid damages. serving the property.
Water Service Line Specification	Service Lines shall be constructed with type K copper up to two (2) inches; larger than two (2) inches shall be constructed with D.I.P. Service Lines shall be buried at least eight (8) feet with two (2) inch bedding and six (6) inch compacted cover. No lead-soldered fittings shall be allowed. All copper Connections must be compression joints or silver-soldered joints. Dry ice shall be used when making repairs to Curb Stop. All Taps larger than two (2) inches will be made by an approved Contractor and inspected by District personnel. Inspection of water Service Line is required. Inspection will be made with the Service Line under pressure. The District will record the actual location and depth of water Service Lines.



Service Line Separation	A ten (10) foot separation must be maintained between water Service Lines.
Meters And Remotes	<p>All water Service Lines shall have a Meter before irrigation water is turned on. Meters shall be provided and installed by the District. The original cost of the Meter and cost of installation shall be borne by the Customer. Repairs and replacements are funded by the Capital Fee and performed by the District or other authorized Contractor at the discretion of the District.</p> <p>All Meters must be bronze-bodied 5/8" X 3/4" PMM ECR/WP Water Meters with remote-read unit. Contractor or owner will be supplied a Meter Loop to be installed in the location of the Meter. The Contractor will remove the spool and install the Meter and a remote read unit upon installation.</p> <p>It shall be the builder's/Contractor's responsibility to protect the Meter from freezing or other physical damage during construction. After completion of the construction and acceptance by the owner, it shall be the owner's responsibility to protect the Meter from freezing, from damage due to high water pressure (e.g., PRV), and other physical damage.</p> <p>All Meter installations must be in freeze-proof, convenient, and easily accessible areas. Meter pit and Curb Stop should be completely exposed and available to District staff and should not be covered or buried. Owner is responsible for exposing the Meter pit or Curb Stop if covered or buried. In the event of an emergency, the District reserves the right to remove landscaping, hardscaping, decking, patios, awnings, etc. within the 10 foot easement, from the mainline to the Meter or Curb Stop.</p> <p>Irrigation water will remain turned off at Curb Stop until the Meter is installed. All irrigation water is to be metered, including that used during construction.</p>
Pressure Reducing Valves	Individual, pressure-reducing valves are permitted on all water Service Lines and shall be located upstream from (ahead of) the Meter.
Shut off Valves	Contractor may install Shutoff Valves ahead of PRV and after the Meter Loop to facilitate future repairs.
Backflow Prevention	Backflow prevention devices are required on all facilities where required by the Colorado Department of Health. All devices will be inspected and certified as working properly every year by a certified Inspector.

Construction	CONSTRUCTION SHALL BE IN ACCORDANCE WITH ALL APPLICABLE UNIFORM BUILDING CODES AND LOCAL BUILDING CODES.
Irrigation Water Turn on	<p>Irrigation water activation will be made by District personnel only from the main distribution system. Any service turned on by other than authorized personnel shall be considered illegal system tampering and subject to fees and penalties.</p> <p>All irrigation water shall be metered.</p> <p>All Meters will be installed by the District or authorized Contractor</p> <p>Irrigation water service is turned on and billing begins when the Meter is installed.</p>

## Appendix B

### WATER SERVICE RATES, IRRIGATION WATER SYSTEM

Capital Fees and water usage fees are assessed each April with subsequent usage billings, for each Single-Family Residential Unit, Commercial Unit, and Multi-Family Unit, in the amount set forth in the District's adopted Fee Schedule, as may be amended from time to time. Unless otherwise determined by the District, the Irrigation Season shall be the period of April 15 through October 15.

### WATERING SCHEDULE, IRRIGATION WATER SYSTEM – RESTRICTIONS OF USE

If conditions of supply so limit the water supply of the District's water system, that unrestricted water use may endanger the adequacy of that supply, the Board, exercising its discretion in the protection of the public health, safety, and welfare, may adopt the following emergency water use restrictions and such additional regulations and restrictions as are reasonably calculated under all conditions to conserve and protect that supply and to ensure a regular flow of water through the system. Emergency water use regulations and restrictions shall remain in force and effect until the Board determines that the conditions requiring their imposition no longer exist.

\* Special Permits may be issued to allow for special circumstances, including establishing new sod or other circumstances approved by the District.

Links to docs below:

[irrigation\\_water\\_owner\\_guide\\_2023.pdf \(raindancemetrodistrict.org\)](#)

[what\\_is\\_a\\_water\\_meter\\_and\\_transponder.pdf \(raindancemetrodistrict.org\)](#)

[residential\\_winterization\\_and\\_blow\\_out\\_process.pdf \(raindancemetrodistrict.org\)](#)

# Raindance Metropolitan District No. 1

## Check List

All Bank Accounts

November 1, 2022 - July 12, 2023

Check Number	Check Date	Payee	Amount
<b>Vendor Checks</b>			
Bill.com checks	11/01/22	CliftonLarsonAllen LLP	10,005.30
Bill.com checks	11/01/22	Town of Windsor	2,592.43
Bill.com checks	11/01/22	Ram Waste Systems, Inc	233.10
Bill.com checks	11/01/22	The LL Johnson Distributing Company	97.05
Bill.com checks	11/01/22	The LL Johnson Distributing Company	280.57
1ACH	11/03/22	Poudre Valley REA 2389	2,646.34
ACH	11/03/22	Poudre Valley REA 2389	1,058.70
Bill.com checks	11/04/22	Advance HOA Management, Inc	12,035.65
Bill.com checks	11/04/22	Advance HOA Management, Inc	11,404.09
Bill.com checks	11/04/22	Advance HOA Management, Inc	3,000.00
Bill.com checks	11/04/22	EnviroPest	85.00
Bill.com checks	11/04/22	SiteOne Landscape Supply, LLC	38.00
Bill.com checks	11/04/22	SiteOne Landscape Supply, LLC	1,837.79
Bill.com checks	11/04/22	SiteOne Landscape Supply, LLC	690.07
Bill.com checks	11/04/22	SiteOne Landscape Supply, LLC	315.63
Bill.com checks	11/04/22	Advance HOA Management, Inc	2,191.90
Bill.com checks	11/07/22	White Bear Ankele Tanaka & Waldron	6,785.29
Bill.com checks	11/07/22	Pelican Lakes LLC	981.86
Bill.com checks	11/07/22	Pelican Lakes LLC	646.89
Bill.com checks	11/07/22	H & E Equipment Services Inc.	4,581.12
Bill.com checks	11/07/22	Pelican Lakes LLC	7,407.30
Bill.com checks	11/07/22	Pelican Lakes LLC	113.10
Bill.com checks	11/07/22	Pelican Lakes LLC	34.74
Bill.com checks	11/07/22	Simplot Turf & Horticulture Denver	925.56
Bill.com checks	11/07/22	Golf & Sport Solutions	3,085.48
Bill.com checks	11/07/22	Crow Creek Construction LLC	2,266.65
ACH	11/14/22	GoTo	33.99
Bill.com checks	11/21/22	ASCAP	841.00
Bill.com checks	11/21/22	Prairie Mountain Media	26.40
Bill.com checks	11/21/22	EnviroPest	110.00
Bill.com checks	11/21/22	EON Office	121.87
Bill.com checks	11/21/22	Town of Windsor	2,864.58
Bill.com checks	11/21/22	Comcast	221.86
Bill.com checks	11/21/22	Walker Plumbing LLC	2,500.00
Bill.com checks	11/21/22	Complete Energy Services Inc.	3,550.00
Bill.com checks	11/21/22	Complete Energy Services Inc.	1,640.00
Bill.com checks	11/21/22	Quantum Pump & Controls	45,620.60
EFT	11/21/22	Amazon	327.80
ACH	11/22/22	Xcel Energy	13,399.59
Bill.com checks	11/22/22	Advance HOA Management, Inc	3,000.00
Bill.com checks	11/22/22	White Bear Ankele Tanaka & Waldron	8,605.99
Bill.com checks	11/22/22	72 Advertising Inc	570.00
Bill.com checks	11/22/22	Trollco Inc.	9.28
Bill.com checks	11/22/22	Bomgaars	128.97
Bill.com checks	11/22/22	Guiry's Inc.	55.86
Bill.com checks	11/22/22	Long View IT	250.00
Bill.com checks	11/22/22	Trollco Inc.	2,330.89
Bill.com checks	11/22/22	Trollco Inc.	3,198.00
Bill.com checks	11/22/22	Mazeplay Inc	2,250.00
Bill.com checks	11/22/22	Randall Schwalm	14,250.00
Bill.com checks	11/22/22	SiteOne Landscape Supply, LLC	757.50
Bill.com checks	11/22/22	Acculocate LLC	8,000.00
Bill.com checks	11/22/22	Bomgaars	86.25
Bill.com checks	11/22/22	Bomgaars	112.45
Bill.com checks	11/22/22	Bomgaars	95.07
Bill.com checks	11/22/22	Windsor Ace Hardware	12.99
Bill.com checks	11/22/22	Windsor Ace Hardware	26.99

# Raindance Metropolitan District No. 1

## Check List

All Bank Accounts

November 1, 2022 - July 12, 2023

Check Number	Check Date	Payee	Amount
Bill.com checks	11/22/22	Windsor Ace Hardware	49.99
Bill.com checks	11/22/22	Windsor Ace Hardware	15.98
Bill.com checks	11/22/22	Windsor Ace Hardware	44.98
Bill.com checks	11/22/22	Xcel Energy	107.69
Bill.com checks	11/22/22	Xcel Energy	571.77
Bill.com checks	11/22/22	Zak George Landscaping	4,677.12
Bill.com checks	11/22/22	Integrity Pool Builders	5,899.88
Bill.com checks	11/22/22	A1 Organics	322.95
Bill.com checks	11/22/22	A1 Organics	592.95
Bill.com checks	11/22/22	A1 Organics	592.95
Bill.com checks	11/22/22	A1 Organics	592.95
Bill.com checks	11/22/22	Martin and Wood Water Consultants, Inc	6,942.50
Bill.com checks	11/22/22	TST Inc	7,131.40
Bill.com checks	11/22/22	Trollco Inc.	34.98
Bill.com checks	11/22/22	Bomgaars	213.89
Bill.com checks	11/22/22	Colorado Water Well	2,170.26
Bill.com checks	11/22/22	Long View IT	5,575.00
Bill.com checks	11/22/22	Long View IT	2,000.00
Bill.com checks	11/22/22	Power Services Company	1,900.00
Bill.com checks	11/22/22	Power Services Company	2,660.00
Bill.com checks	11/22/22	Team Petroleum LLC	1,864.50
Bill.com checks	11/22/22	Intermountain Sales of Denver Inc.	91,484.41
Bill.com checks	11/22/22	Badger Meter	1,409.76
Bill.com checks	11/22/22	Dana Kepner Company, Inc	833.11
Bill.com checks	11/23/22	SNW Asset Management	936.45
Bill.com checks	11/23/22	SNW Asset Management	897.56
Bill.com checks	11/23/22	UNCC	336.70
Bill.com checks	11/23/22	Verdant Environmental LLC	3,884.00
Bill.com checks	11/23/22	US Bank	660.00
Bill.com checks	11/23/22	Badger Meter	1,406.20
ACH	11/25/22	Poudre Valley REA 2389	123.33
ACH	11/25/22	Xcel Energy	128.66
Bill.com checks	11/29/22	Colorado Special Districts Property Pool	2,076.00
Bill.com checks	11/29/22	Colorado Special Districts Property Pool	2,076.00
Bill.com checks	11/29/22	Colorado Special Districts Property Pool	2,076.00
Bill.com checks	11/29/22	Colorado Special Districts Property Pool	450.00
Bill.com checks	11/29/22	Colorado Special Districts Property Pool	450.00
Bill.com checks	11/29/22	Colorado Special Districts Property Pool	450.00
Bill.com checks	11/29/22	CliftonLarsonAllen LLP	13,665.97
Bill.com checks	11/29/22	GYMMASTER INTERNATIONAL INC.	440.00
Bill.com checks	11/29/22	SiteOne Landscape Supply, LLC	14,625.00
Bill.com checks	11/29/22	Advance HOA Management, Inc	75.00
Bill.com checks	11/29/22	Lyons Gaddis	27.50
check1096	11/30/22	Trollco Inc.	131,608.29
Bill.com checks	12/06/22	Advance HOA Management, Inc	11,907.02
Bill.com checks	12/06/22	Advance HOA Management, Inc	12,112.76
Bill.com checks	12/06/22	National Recreation Park Association	337.50
Bill.com checks	12/06/22	Guiry's Inc.	55.86
Bill.com checks	12/06/22	SiteOne Landscape Supply, LLC	228.75
Bill.com checks	12/06/22	Bomgaars	301.48
Bill.com checks	12/06/22	Southern exposure Landscape Mang. Inc	1,787.50
Bill.com checks	12/06/22	Town of Windsor	467.86
Bill.com checks	12/06/22	Ram Waste Systems, Inc	504.67
Bill.com checks	12/06/22	Southern exposure Landscape Mang. Inc	1,946.75
Bill.com checks	12/06/22	Vista Pipe and Supply LLC	14,613.71
Bill.com checks	12/06/22	Martin and Wood Water Consultants, Inc	2,598.75

**Raindance Metropolitan District No. 1****Check List**

All Bank Accounts

November 1, 2022 - July 12, 2023

<b>Check Number</b>	<b>Check Date</b>	<b>Payee</b>	<b>Amount</b>
Bill.com checks	12/06/22	TST Inc	1,032.50
Bill.com checks	12/06/22	Long View IT	450.00
Bill.com checks	12/06/22	Badger Meter	12,568.00
ACH	12/08/22	Poudre Valley REA 2389	2,759.54
ACH	12/08/22	Poudre Valley REA 2389	564.29
ACH	12/13/22	GoTo	33.99
Bill.com checks	12/16/22	Comcast	231.86
Bill.com checks	12/23/22	Advance HOA Management, Inc	4,500.00
Bill.com checks	12/23/22	TST Inc	270.00
Bill.com checks	12/23/22	GYMMASTER INTERNATIONAL INC.	440.00
Bill.com checks	12/23/22	UNCC	270.40
Bill.com checks	12/23/22	Zak George Landscaping	5,922.25
Bill.com checks	12/23/22	Xcel Energy	666.02
Bill.com checks	12/23/22	Xcel Energy	88.13
Bill.com checks	12/23/22	Verizon	80.16
Bill.com checks	12/23/22	Pelican Lakes LLC	6,238.17
Bill.com checks	12/23/22	Pelican Lakes LLC	3,250.00
Bill.com checks	12/23/22	TST Inc	785.00
Bill.com checks	12/23/22	Pure Seed Rose Agri-Seed Inc.	27,740.00
Bill.com checks	12/23/22	Lyons Gaddis	82.50
Bill.com checks	12/23/22	Pelican Lakes LLC	281.51
Bill.com checks	12/23/22	Badger Meter	1,425.78
Bill.com checks	12/23/22	GLH Construction Inc.	7,590.00
ACH	12/28/22	Xcel Energy	108.06
Bill.com checks	12/29/22	CliftonLarsonAllen LLP	12,360.84
Bill.com checks	12/29/22	Colorado Special Districts Property Pool	161,706.00
Bill.com checks	12/30/22	SiteOne Landscape Supply, LLC	378.75
Bill.com checks	12/30/22	Ram Waste Systems, Inc	271.57
EFT	12/30/22	Amazon	286.34
Bill.com checks	01/03/23	Poudre Tech	457.86
Bill.com checks	01/03/23	Advance HOA Management, Inc	3,279.94
ACH	01/05/23	Poudre Valley REA 2389	3,049.70
Bill.com checks	01/05/23	Colorado Water Well	3,025.38
Bill.com checks	01/05/23	Colorado Water Well	15,621.89
Bill.com checks	01/05/23	EON Office	14.52
Chk1098	01/09/23	Maxey Trailer Sales Truck Fitting	17,390.00
Bill.com checks	01/11/23	Advance HOA Management, Inc	11,872.69
Bill.com checks	01/11/23	Advance HOA Management, Inc	12,168.21
ACH	01/12/23	GoTo	34.15
Bill.com checks	01/13/23	TST Inc	1,517.00
Bill.com checks	01/13/23	H2O and Things that Grow	129,800.00
Bill.com checks	01/13/23	Trollco Inc.	5,490.00
Bill.com checks	01/13/23	Quantum Pump & Controls	37,506.48
Bill.com checks	01/13/23	TST Inc	9,747.00
Bill.com checks	01/13/23	Pelican Lakes LLC	336.09
Bill.com checks	01/13/23	H2O and Things that Grow	8,750.00
Bill.com checks	01/13/23	Long View IT	45.00
Bill.com checks	01/13/23	Long View IT	26.00
Bill.com checks	01/13/23	Zak George Landscaping	4,706.85
Bill.com checks	01/13/23	Raindance Development LLC	295.64
Bill.com checks	01/13/23	Bomgaars	35.57
Bill.com checks	01/13/23	Bomgaars	179.50
Bill.com checks	01/13/23	Zak George Landscaping	672.00
Bill.com checks	01/13/23	Pelican Lakes LLC	35.97
Bill.com checks	01/13/23	Pelican Lakes LLC	232.44
Bill.com checks	01/13/23	Pelican Lakes LLC	112.79
Bill.com checks	01/13/23	Long View IT	525.00
Bill.com checks	01/13/23	Schrader Propane	1,290.23

# Raindance Metropolitan District No. 1

## Check List

All Bank Accounts

November 1, 2022 - July 12, 2023

Check Number	Check Date	Payee	Amount
Bill.com checks	01/13/23	Schrader Propane	654.04
Bill.com checks	01/13/23	Badger Meter	18,852.00
Bill.com checks	01/13/23	Town of Windsor	78.90
Bill.com checks	01/13/23	Town of Windsor	100.17
Bill.com checks	01/13/23	The LL Johnson Distributing Company	415.84
Bill.com checks	01/13/23	The LL Johnson Distributing Company	1,264.59
Bill.com checks	01/13/23	The LL Johnson Distributing Company	1,615.72
Bill.com checks	01/13/23	The LL Johnson Distributing Company	7,200.48
Bill.com checks	01/13/23	The LL Johnson Distributing Company	1,999.21
Bill.com checks	01/13/23	Martin and Wood Water Consultants, Inc	2,032.50
Bill.com checks	01/13/23	White Bear Ankele Tanaka & Waldron	1,650.00
Bill.com checks	01/13/23	EnviroPest	85.00
Bill.com checks	01/13/23	White Bear Ankele Tanaka & Waldron	7,559.79
Bill.com checks	01/13/23	Long View IT	150.00
Bill.com checks	01/13/23	Long View IT	125.00
Bill.com checks	01/13/23	Long View IT	550.50
Bill.com checks	01/13/23	Long View IT	6,875.00
Bill.com checks	01/13/23	Long View IT	3,250.00
Bill.com checks	01/13/23	TST Inc	817.00
ACH	01/25/23	Xcel Energy	105.90
ACH	01/30/23	Advance HOA Management, Inc	12,569.39
Bill.com checks	01/30/23	Town of Windsor	70.94
Bill.com checks	01/30/23	Town of Windsor	100.17
Bill.com checks	01/30/23	Comcast	468.63
Bill.com checks	01/30/23	Schrader Propane	1,356.00
Bill.com checks	01/30/23	Town of Windsor	97.64
ACH	01/31/23	Amazon	1,167.67
Bill.com check	01/31/23	Xcel Energy	1,418.15
Bill.com checks	01/31/23	Digi-Pix Signs	516.00
Bill.com checks	01/31/23	Pelican Lakes LLC	336.09
Bill.com checks	01/31/23	White Bear Ankele Tanaka & Waldron	248.05
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	450.70
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	4,142.60
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	2,510.79
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	3,445.36
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,538.45
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	592.50
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	26,906.25
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	2,551.91
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	2,037.31
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,338.99
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	352.20
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	27,764.10
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	24,000.00
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	334.43
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,538.45
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	982.68
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,161.48
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,161.48
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	3,445.36
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	104.01
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	44,117.17
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	7,063.36
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,639.85
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	9,546.00
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	4,309.90
Bill.com checks	01/31/23	Advance HOA Management, Inc	202.95
Bill.com checks	01/31/23	Badger Meter	31,687.50

# Raindance Metropolitan District No. 1

## Check List

All Bank Accounts

November 1, 2022 - July 12, 2023

Check Number	Check Date	Payee	Amount
Bill.com checks	01/31/23	Badger Meter	1,426.67
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,461.19
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	79.00
Bill.com checks	01/31/23	Colorado Water Well	520.00
Bill.com checks	01/31/23	Colorado Water Well	520.00
Bill.com checks	01/31/23	Colorado Water Well	8,250.73
Bill.com checks	01/31/23	Tri-Tech Security Inc.	899.00
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,946.75
Bill.com checks	01/31/23	A1 Organics	592.95
Bill.com checks	01/31/23	Verizon	90.18
Bill.com checks	01/31/23	White Bear Ankele Tanaka & Waldron	38.00
Bill.com checks	01/31/23	Core Utilities Inc	600.00
Bill.com checks	01/31/23	EcologicDNA, LLC	2,676.50
Bill.com checks	01/31/23	Martin and Wood Water Consultants, Inc	1,443.50
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	4,179.34
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,163.09
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	371.42
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	900.48
Bill.com checks	01/31/23	Southern exposure Landscape Mang. Inc	1,052.70
Bill.com checks	01/31/23	Pelican Lakes LLC	150.00
Bill.com checks	01/31/23	Pelican Lakes LLC	681.63
Bill.com checks	01/31/23	UNCC	161.20
Bill.com checks	01/31/23	72 Advertising Inc	690.00
Bill.com checks	01/31/23	White Bear Ankele Tanaka & Waldron	8,510.30
Bill.com checks	01/31/23	Advance HOA Management, Inc	11,938.79
Bill.com checks	01/31/23	Advance HOA Management, Inc	4,500.00
Bill.com checks	01/31/23	CliftonLarsonAllen LLP	10,411.17
Bill.com checks	01/31/23	CliftonLarsonAllen LLP	3,633.75
1100	02/02/23	Poudre Valley REA 2389	107,272.00
ACH	02/02/23	Poudre Valley REA 2389	2,342.87
Bill.com checks	02/02/23	Poudre Valley REA 2389	16.04
Bill.com checks	02/06/23	Southern exposure Landscape Mang. Inc	1,927.62
Bill.com checks	02/13/23	Town of Windsor	95.10
ACH	02/14/23	Advance HOA Management, Inc	11,995.47
ACH	02/14/23	GoTo	34.15
Bill.com checks	02/14/23	The LL Johnson Distributing Company	88.81
Bill.com checks	02/14/23	Zak George Landscaping	4,958.90
Bill.com checks	02/14/23	Zak George Landscaping	891.10
Bill.com checks	02/14/23	Zak George Landscaping	3,315.35
Bill.com checks	02/14/23	Zak George Landscaping	316.25
Bill.com checks	02/14/23	Zak George Landscaping	4,477.50
Bill.com checks	02/21/23	Town of Windsor	100.17
Bill.com checks	02/21/23	Ram Waste Systems, Inc	268.07
Bill.com checks	02/21/23	Schrader Propane	1,028.30
ACH	02/22/23	Advance HOA Management, Inc	14,017.43
Bill.com checks	02/22/23	US Bank	2,750.00
Bill.com checks	02/22/23	SNW Asset Management	945.18
Bill.com checks	02/22/23	SNW Asset Management	901.77
Bill.com checks	02/22/23	CliftonLarsonAllen LLP	12,666.47
Bill.com checks	02/22/23	CliftonLarsonAllen LLP	3,830.00
Bill.com checks	02/22/23	Advance HOA Management, Inc	4,500.00
Bill.com checks	02/22/23	White Bear Ankele Tanaka & Waldron	8,615.27
Bill.com checks	02/22/23	GYMMASTER INTERNATIONAL INC.	440.00
Bill.com checks	02/22/23	White Bear Ankele Tanaka & Waldron	1,052.16
Bill.com checks	02/22/23	Digi-Pix Signs	516.00
Bill.com checks	02/22/23	Bomgaars	177.93
Bill.com checks	02/22/23	Zak George Landscaping	6,515.30
Bill.com checks	02/22/23	Zak George Landscaping	2,554.60



**Raindance Metropolitan District No. 1****Check List**

All Bank Accounts

November 1, 2022 - July 12, 2023

<b>Check Number</b>	<b>Check Date</b>	<b>Payee</b>	<b>Amount</b>
Bill.com checks	02/22/23	Verizon	20.04
Bill.com checks	02/22/23	TST Inc	3,432.00
Bill.com checks	02/22/23	Lyons Gaddis	252.50
Bill.com checks	02/22/23	UNCC	224.46
Bill.com checks	02/22/23	Badger Meter	1,426.67
ACH	02/24/23	Poudre Valley REA 2389	882.25
ACH	02/24/23	Xcel Energy	2,900.35
Bill.com checks	02/27/23	Special District Association of Colorado	1,237.50
Bill.com checks	02/27/23	Special District Association of Colorado	306.01
Bill.com checks	02/27/23	Special District Association of Colorado	305.75
Bill.com checks	02/27/23	Special District Association of Colorado	253.47
Bill.com checks	02/27/23	EnviroPest	76.00
Bill.com checks	02/27/23	EnviroPest	98.00
Bill.com checks	02/27/23	H & E Equipment Services Inc.	4,581.12
Bill.com checks	02/27/23	Whitney Irrigation Company	1,400.00
Bill.com checks	02/27/23	Quantum Pump & Controls	2,627.50
Bill.com checks	02/27/23	Conduct All Electric	1,126.50
1104	02/28/23	DemacLenko America, Inc.	320,333.00
1101&1103	02/28/23	Poudre Valley REA 2389	221,317.62
Wire	02/28/23	Prinoth LLC	69,280.00
ACH	03/02/23	Poudre Valley REA 2389	1,534.86
ACH	03/02/23	Poudre Valley REA 2389	857.22
ACH	03/08/23	Advance HOA Management, Inc	14,074.93
ACH	03/14/23	GoTo	34.15
Bill.com checks	03/14/23	Ram Waste Systems, Inc	268.07
Bill.com checks	03/14/23	Xcel Energy	1,302.65
Wire	03/16/23	Contech Engineered Solutions LLC	64,870.00
Bill.com checks	03/20/23	Lyons Gaddis	27.50
Bill.com checks	03/20/23	CliftonLarsonAllen LLP	206.25
Bill.com checks	03/20/23	CliftonLarsonAllen LLP	16,852.78
Bill.com checks	03/20/23	UNCC	131.58
Wire	03/22/23	MND	638,110.00
ACH	03/24/23	Advance HOA Management, Inc	15,728.12
ACH	03/24/23	Xcel Energy	2,235.17
Pool ACH	03/24/23	Xcel Energy	186.63
Bill.com checks	03/28/23	Xcel Energy	1,135.64
ACH	03/31/23	Amazon	746.64
Wire - *9327	04/05/23	Bemas Construction Inc.	1,045,383.16
ACH	04/06/23	GYMMASTER INTERNATIONAL INC.	440.00
ACH	04/06/23	Poudre Valley REA 2389	1,078.22
ACH - PVREA POOL	04/06/23	Poudre Tech	802.73
Bill.com Checks	04/06/23	Schrader Propane	1,171.30
Bill.com Checks	04/06/23	Schrader Propane	1,020.84
Bill.com Checks	04/06/23	Badger Meter	1,426.67
Bill.com Checks	04/06/23	Galloway & Company Inc.	787.50
Bill.com Checks	04/06/23	Advance HOA Management, Inc	4,500.00
Bill.com Checks	04/06/23	White Bear Ankele Tanaka & Waldron	6,187.95
Bill.com Checks	04/06/23	EnviroPest	85.00
Bill.com Checks	04/06/23	Raindance Communities, LLC	120.00
Bill.com Checks	04/06/23	White Bear Ankele Tanaka & Waldron	2,583.51
Bill.com Checks	04/06/23	CMS Environmental Solutions LLC	395.00
Bill.com Checks	04/06/23	CMS Environmental Solutions LLC	395.00
Bill.com Checks	04/06/23	Pelican Lakes LLC	242.33
Bill.com Checks	04/06/23	Pelican Lakes LLC	257.96
Bill.com Checks	04/06/23	Advance HOA Management, Inc	1,162.04
Bill.com Checks	04/06/23	Advance HOA Management, Inc	732.45
Bill.com Checks	04/06/23	Acculocate LLC	8,000.00
Bill.com Checks	04/06/23	Bomgaars	98.96

**Raindance Metropolitan District No. 1****Check List**

All Bank Accounts

November 1, 2022 - July 12, 2023

<b>Check Number</b>	<b>Check Date</b>	<b>Payee</b>	<b>Amount</b>
Bill.com Checks	04/06/23	Bomgaars	98.42
Bill.com Checks	04/06/23	Trollco Inc.	1,207.47
Bill.com Checks	04/06/23	Zak George Landscaping	3,581.10
Bill.com Checks	04/06/23	Zak George Landscaping	380.00
Bill.com Checks	04/06/23	Zak George Landscaping	4,345.65
Bill.com Checks	04/06/23	Zak George Landscaping	3,162.90
Bill.com Checks	04/06/23	Xcel Energy	29.33
Bill.com Checks	04/06/23	Southern exposure Landscape Mang. Inc	30,159.80
Bill.com Checks	04/06/23	Comcast	226.77
Bill.com Checks	04/06/23	Comcast	236.77
Bill.com Checks	04/06/23	Pelican Lakes LLC	24,952.68
Bill.com Checks	04/06/23	Ram Waste Systems, Inc	268.07
Bill.com Checks	04/06/23	DBC Irrigation Supply LOV	184.64
Bill.com Checks	04/06/23	DBC Irrigation Supply LOV	13.75
Bill.com Checks	04/06/23	DBC Irrigation Supply LOV	3.89
Bill.com Checks	04/06/23	Procraft Mechanical Inc.	10,395.00
Bill.com Checks	04/06/23	Pelican Lakes LLC	20,100.00
ACH	04/07/23	Advance HOA Management, Inc	15,963.89
ACH	04/12/23	GoTo	34.00
Bill.com Checks	04/17/23	Mail N Copy	65.00
Bill.com Checks	04/18/23	TST Inc	1,998.00
Bill.com Checks	04/18/23	C&H Logistics LLC	420.00
Bill.com Checks	04/18/23	UNCC	194.79
Bill.com Checks	04/18/23	Raindance Aquatic Investments LLC	3,755.56
Bill.com Checks	04/18/23	Raindance Aquatic Investments LLC	646.10
Bill.com Checks	04/18/23	Mile High Turf LLC	4,000.00
Bill.com Checks	04/18/23	Martin and Wood Water Consultants, Inc	1,100.00
Bill.com Checks	04/18/23	Martin and Wood Water Consultants, Inc	1,113.75
Bill.com Checks	04/18/23	TST Inc	23,979.87
Bill.com Checks	04/18/23	Galloway & Company Inc.	8,452.50
Bill.com Checks	04/18/23	Lind Land Company Inc.	786.16
Bill.com Checks	04/18/23	Quantum Pump & Controls	1,680.00
Bill.com Checks	04/18/23	Trollco Inc.	1,423.14
Bill.com Checks	04/18/23	Trollco Inc.	1,120.00
ACH	04/21/23	Poudre Valley REA 2389	454.67
ACH	04/25/23	Xcel Energy	4,957.90
ACH Pool	04/25/23	Xcel Energy	148.50
ACH	04/26/23	Advance HOA Management, Inc	15,242.03
wire	04/26/23	Bemas Construction Inc.	83,025.22
wire - *9327	04/26/23	Bemas Construction Inc.	1,071,456.84
ACH	04/30/23	Amazon	1,183.30
Ck1105 PVREA	05/02/23	Poudre Valley REA 2389	27,734.83
ACH	05/06/23	Poudre Valley REA 2389	1,493.61
ACH	05/06/23	Poudre Valley REA 2389	631.61
ACH	05/07/23	Advance HOA Management, Inc	14,944.26
Bill.com Checks	05/08/23	CliftonLarsonAllen LLP	13,879.60
Bill.com Checks	05/08/23	RLI	250.00
Bill.com Checks	05/08/23	RLI	250.00
Bill.com Checks	05/08/23	RLI	250.00
Bill.com Checks	05/08/23	Zak George Landscaping	5,360.50
Bill.com Checks	05/08/23	CliftonLarsonAllen LLP	1,348.75
Bill.com Checks	05/08/23	Xcel Energy	93.68
Bill.com Checks	05/08/23	C&H Aggregated LLC	2,053.51
Bill.com Checks	05/08/23	C&H Aggregated LLC	1,863.77
Bill.com Checks	05/08/23	5 Star Sweeping	1,620.00
Bill.com Checks	05/08/23	5 Star Sweeping	1,080.00
Bill.com Checks	05/08/23	Valley Irrigation of Greeley	3,651.13
Bill.com Checks	05/08/23	GLH Construction Inc.	3,126.88

# Raindance Metropolitan District No. 1

## Check List

All Bank Accounts

November 1, 2022 - July 12, 2023

Check Number	Check Date	Payee	Amount
Bill.com Checks	05/08/23	Ground Engineering	2,690.00
Bill.com Checks	05/08/23	RLI	250.00
Bill.com Checks	05/08/23	Mail N Copy	50.00
Bill.com Checks	05/08/23	Mail N Copy	65.00
Bill.com Checks	05/08/23	Mail N Copy	353.00
Bill.com Checks	05/08/23	Mail N Copy	120.00
Bill.com Checks	05/08/23	Mail N Copy	120.00
Bill.com Checks	05/08/23	Mail N Copy	120.00
Bill.com Checks	05/08/23	Guiry's Inc.	32.50
Bill.com Checks	05/08/23	Xcel Energy	791.56
Bill.com Checks	05/08/23	CMS Environmental Solutions LLC	395.00
Bill.com Checks	05/08/23	Ram Waste Systems, Inc	280.83
Bill.com Checks	05/08/23	Western United Electric Supply Corp	193,430.04
Bill.com Checks	05/08/23	The LL Johnson Distributing Company	309.63
Bill.com Checks	05/11/23	Advance HOA Management, Inc	1,849.36
Bill.com Checks	05/11/23	Advance HOA Management, Inc	4,500.00
ACH	05/16/23	GoTo	34.00
Bill.com Checks	05/17/23	UMB Bank N.A	3,500.00
Bill.com Checks	05/17/23	UMB Bank N.A	2,500.00
Bill.com Checks	05/17/23	Advance HOA Management, Inc	4,500.00
Bill.com Checks	05/17/23	White Bear Ankele Tanaka & Waldron	7,968.44
Bill.com Checks	05/17/23	White Bear Ankele Tanaka & Waldron	11,655.95
Bill.com Checks	05/17/23	Trollco Inc.	9.26
Bill.com Checks	05/17/23	EnviroPest	85.00
Bill.com Checks	05/17/23	Mail N Copy	120.00
Bill.com Checks	05/17/23	Mail N Copy	48.00
Bill.com Checks	05/17/23	API Systems Integrators	720.00
Bill.com Checks	05/17/23	White Bear Ankele Tanaka & Waldron	1,488.81
Bill.com Checks	05/17/23	White Bear Ankele Tanaka & Waldron	361.31
Bill.com Checks	05/17/23	Digi-Pix Signs	474.50
Bill.com Checks	05/17/23	BH Eaton Ditch Company	3,500.00
Bill.com Checks	05/17/23	Long View IT	100.00
Bill.com Checks	05/17/23	Acculocate LLC	8,000.00
Bill.com Checks	05/17/23	Acculocate LLC	8,000.00
Bill.com Checks	05/17/23	Acculocate LLC	8,000.00
Bill.com Checks	05/17/23	Acculocate LLC	8,000.00
Bill.com Checks	05/17/23	Acculocate LLC	8,000.00
Bill.com Checks	05/17/23	UNCC	259.29
Bill.com Checks	05/17/23	Ram Waste Systems, Inc	402.50
Bill.com Checks	05/17/23	Ram Waste Systems, Inc	402.50
Bill.com Checks	05/17/23	True Grit Power Washing	5,680.00
Bill.com Checks	05/17/23	B & J Locks LLC	144.23
Bill.com Checks	05/17/23	Integrity Pool Builders	7,719.72
Bill.com Checks	05/17/23	Walker Plumbing LLC	2,388.00
Bill.com Checks	05/17/23	Trollco Inc.	55.66
Bill.com Checks	05/17/23	Raindance Aquatic Investments LLC	15,801.32
Bill.com Checks	05/17/23	Pelican Lakes LLC	499.47
Bill.com Checks	05/17/23	Accuspray Solutions LLC	9,430.00
Bill.com Checks	05/17/23	Trollco Inc.	735.38
Bill.com Checks	05/17/23	Trollco Inc.	367.20
Bill.com Checks	05/17/23	Aqua Terra Enviromental LLC	1,700.00
Bill.com Checks	05/17/23	Colorado Water Well	600.00
Bill.com Checks	05/17/23	Pelican Lakes LLC	885.35
Bill.com Checks	05/17/23	SiteOne Landscape Supply, LLC	494.53
Bill.com Checks	05/17/23	DBC Irrigation Supply LOV	105.12
Bill.com Checks	05/17/23	H2O and Things that Grow	2,500.00
Bill.com Checks	05/17/23	Trollco Inc.	4,321.62
Bill.com Checks	05/17/23	Southern exposure Landscape Mang. Inc	577.00

**Raindance Metropolitan District No. 1****Check List**

All Bank Accounts

November 1, 2022 - July 12, 2023

<b>Check Number</b>	<b>Check Date</b>	<b>Payee</b>	<b>Amount</b>
Bill.com Checks	05/17/23	Zak George Landscaping	1,418.88
Bill.com Checks	05/17/23	Comcast	226.77
Bill.com Checks	05/17/23	Trollco Inc.	43.90
Bill.com Checks	05/17/23	Trollco Inc.	17,295.00
Bill.com Checks	05/17/23	Trollco Inc.	560.00
Bill.com Checks	05/17/23	5 Star Sweeping	1,134.00
Bill.com Checks	05/17/23	5 Star Sweeping	1,323.00
Bill.com Checks	05/17/23	5 Star Sweeping	1,039.50
Bill.com Checks	05/17/23	Quantum Pump & Controls	325.00
Bill.com Checks	05/17/23	Galloway & Company Inc.	1,156.25
Bill.com Checks	05/17/23	Crow Creek Construction LLC	12,200.00
Bill.com Checks	05/17/23	5 Star Sweeping	81.00
Bill.com Checks	05/17/23	5 Star Sweeping	54.00
Bill.com Checks	05/17/23	Badger Meter	1,424.00
Bill.com Checks	05/17/23	H2O and Things that Grow	4,400.00
Bill.com Checks	05/17/23	Zak George Landscaping	3,820.30
Bill.com Checks	05/17/23	Zak George Landscaping	2,770.35
Bill.com Checks	05/19/23	Conduct All Electric	13,872.35
ACH	05/22/23	Advance HOA Management, Inc	14,232.66
Bill.com Checks	05/22/23	C&H Logistics LLC	420.00
Bill.com Checks	05/22/23	H2O and Things that Grow	74,800.00
ACH	05/31/23	Xcel Energy	7,567.18
ACH	05/31/23	Xcel Energy	116.66
EFT	05/31/23	Amazon	1,723.81
ACH	06/01/23	Poudre Valley REA 2389	2,377.35
ACH	06/01/23	Poudre Valley REA 2389	2,052.24
Wire	06/01/23	DemacLenko America, Inc.	560,582.75
Bill.com Checks	06/02/23	Xcel Energy	311.86
Bill.com Checks	06/02/23	Xcel Energy	286.22
Wire	06/02/23	Bemas Construction Inc.	606,507.99
ACH	06/07/23	Advance HOA Management, Inc	15,031.41
ACH	06/13/23	GoTo	34.00
Bill.com Checks	06/13/23	Crow Creek Construction LLC	30,006.63
Bill.com Checks	06/15/23	Western United Electric Supply Corp	1,049.29
Bill.com Checks	06/15/23	Western United Electric Supply Corp	93,731.35
ACH	06/22/23	Advance HOA Management, Inc	17,011.89
ACH	06/22/23	Town of Windsor	6,037.94
ACH	06/26/23	Xcel Energy	17,138.11
ACH	06/27/23	Xcel Energy	4,949.97
ACH	06/28/23	Amazon	2,956.56
Ck 1109	06/29/23	Jeanette Balderrama	2,200.00
Ck 1110	06/29/23	Deere & Company	28,947.60
wire	06/30/23	MND	404,755.00
Wire	06/30/23	Copeland Precast Inc.	96,999.99
Bill.com Checks	07/03/23	Advance HOA Management, Inc	631.44
Bill.com Checks	07/03/23	Alphacard	475.00
Bill.com Checks	07/03/23	Bomgaars	499.99
Bill.com Checks	07/03/23	Bomgaars	163.68
Bill.com Checks	07/03/23	Bomgaars	59.46
Bill.com Checks	07/03/23	Bomgaars	83.94
Bill.com Checks	07/03/23	Bomgaars	32.99
Bill.com Checks	07/03/23	Bomgaars	79.31
Bill.com Checks	07/03/23	Bomgaars	181.90
Bill.com Checks	07/03/23	Bomgaars	105.54
Bill.com Checks	07/03/23	Bomgaars	24.99
Bill.com Checks	07/03/23	Bomgaars	219.96
Bill.com Checks	07/03/23	Bomgaars	14.47
Bill.com Checks	07/03/23	Bomgaars	649.99

# Raindance Metropolitan District No. 1

## Check List

All Bank Accounts

November 1, 2022 - July 12, 2023

Check Number	Check Date	Payee	Amount
Bill.com Checks	07/03/23	Bomgaars	25.96
Bill.com Checks	07/03/23	C&H Aggregated LLC	759.54
Bill.com Checks	07/03/23	C&H Logistics LLC	420.00
Bill.com Checks	07/03/23	CliftonLarsonAllen LLP	180.26
Bill.com Checks	07/03/23	CliftonLarsonAllen LLP	7,745.00
Bill.com Checks	07/03/23	CliftonLarsonAllen LLP	8,936.25
Bill.com Checks	07/03/23	CliftonLarsonAllen LLP	15,406.23
Bill.com Checks	07/03/23	Colorado Water Well	18,245.64
Bill.com Checks	07/03/23	Colorado Water Well	818.79
Bill.com Checks	07/03/23	Colorado Water Well	2,736.57
Bill.com Checks	07/03/23	Colorado Water Well	130.00
Bill.com Checks	07/03/23	Colorado Water Well	130.00
Bill.com Checks	07/03/23	Colorado Water Well	390.00
Bill.com Checks	07/03/23	Colorado Water Well	195.00
Bill.com Checks	07/03/23	Comcast	251.77
Bill.com Checks	07/03/23	Connecting Signs	144.00
Bill.com Checks	07/03/23	Connecting Signs	140.51
Bill.com Checks	07/03/23	Dana Kepner Company, Inc	929.35
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	649.37
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	329.61
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	214.04
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	266.08
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	792.33
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	1,199.69
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	125.47
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	115.09
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	117.93
Bill.com Checks	07/03/23	DBC Irrigation Supply LOV	326.34
Bill.com Checks	07/03/23	EnviroPest	110.00
Bill.com Checks	07/03/23	Galloway & Company Inc.	2,043.75
Bill.com Checks	07/03/23	Guiry's Inc.	130.00
Bill.com Checks	07/03/23	High Country Pipe & Utility	7,220.55
Bill.com Checks	07/03/23	Nobleman Electrical Contracting	16,700.00
Bill.com Checks	07/03/23	Nobleman Electrical Contracting	200.00
Bill.com Checks	07/03/23	Pawnee Buttes Seed Inc	3,300.00
Bill.com Checks	07/03/23	Pelican Lakes LLC	10,000.00
Bill.com Checks	07/03/23	Raindance Aquatic Investments LLC	113.28
Bill.com Checks	07/03/23	Schrader Propane	1,143.81
Bill.com Checks	07/03/23	SiteOne Landscape Supply, LLC	5,417.00
Bill.com Checks	07/03/23	SiteOne Landscape Supply, LLC	185.37
Bill.com Checks	07/03/23	SiteOne Landscape Supply, LLC	152.50
Bill.com Checks	07/03/23	Southern exposure Landscape Mang. Inc	2,876.61
Bill.com Checks	07/03/23	Southern exposure Landscape Mang. Inc	1,946.75
Bill.com Checks	07/03/23	Southern exposure Landscape Mang. Inc	84.00
Bill.com Checks	07/03/23	Southern exposure Landscape Mang. Inc	467.50
Bill.com Checks	07/03/23	Southern exposure Landscape Mang. Inc	1,470.85
Bill.com Checks	07/03/23	Southern exposure Landscape Mang. Inc	36,191.76
Bill.com Checks	07/03/23	The LL Johnson Distributing Company	2,241.13
Bill.com Checks	07/03/23	The LL Johnson Distributing Company	177.92
Bill.com Checks	07/03/23	Trollco Inc.	12,874.50
Bill.com Checks	07/03/23	Trollco Inc.	661.22
Bill.com Checks	07/03/23	Trollco Inc.	24.22
Bill.com Checks	07/03/23	Trollco Inc.	18.64
Bill.com Checks	07/03/23	Trollco Inc.	2,200.00
Bill.com Checks	07/03/23	Trollco Inc.	1,120.00
Bill.com Checks	07/03/23	Trollco Inc.	210.00
Bill.com Checks	07/03/23	Trollco Inc.	1,610.12
Bill.com Checks	07/03/23	TST Inc	162.00

# Raindance Metropolitan District No. 1

## Check List

All Bank Accounts

November 1, 2022 - July 12, 2023

Check Number	Check Date	Payee	Amount
Bill.com Checks	07/03/23	TST Inc	9,777.00
Bill.com Checks	07/03/23	TST Inc	27,455.51
Bill.com Checks	07/03/23	TST Inc	7,172.00
Bill.com Checks	07/03/23	TST Inc	13,944.51
Bill.com Checks	07/03/23	UNCC	285.09
Bill.com Checks	07/03/23	VB S-1 Assest LLC	4,896.00
Bill.com Checks	07/03/23	Verizon	10.02
Bill.com Checks	07/03/23	VIMA Partners LLC	478.25
Bill.com Checks	07/03/23	Walker Plumbing LLC	3,197.00
ACH	07/06/23	Poudre Valley REA 2389	2,299.30
ACH	07/06/23	Poudre Valley REA 2389	3,738.97
Ck 1112	07/10/23	Musco Sports Lighting LLC	59,000.00
Ck 1113	07/10/23	Ken Garff Ford Greeley	48,224.00
<b>Vendor Check Total</b>			<u>8,257,450.23</u>
<b>Check List Total</b>			<u><u>8,257,450.23</u></u>

Check count = 592

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
2022 AMENDED BUDGET**

	ADOPTED/ ORIGINAL	1ST AMENDMENT	2ND AMENDMENT
BEGINNING FUND BALANCE	\$ 4,876,472	\$ 3,487,491	\$ 3,487,491
<b>REVENUES</b>			
Property taxes	1,359,272	1,359,272	1,359,272
Specific ownership taxes	67,964	107,820	107,820
Stop curb repair revenue	60,000	70,000	70,000
Recreation fees (Pool & W-Club)	85,000	46,500	46,500
Other revenue	100,000	3,150	3,150
Interest income	-	-	-
Developer advance - overhead	60,000	60,000	120,000
Developer contribution - pool	273,400	270,006	270,006
Developer contribution - events	150,000	-	-
IGA - reimbursements for 7th Street Bridge	-	1,840,000	1,840,000
IGA - PTMD - River Resort cost share	-	-	-
IGA - PTMD - Maintenance building cost share	-	-	-
Transfers from District No. 2	53,551	54,170	54,170
Transfers from District No. 3	53,306	54,423	54,423
Transfers from District No. 4	16,043	16,208	16,208
Total revenues	<u>2,278,536</u>	<u>3,881,549</u>	<u>3,941,549</u>
Total funds available	<u>7,155,008</u>	<u>7,369,040</u>	<u>7,429,040</u>
<b>EXPENDITURES</b>			
General and administrative			
Accounting	165,000	150,000	150,000
Accounting - cost certification	-	15,000	15,000
Asset administration	10,000	-	-
Audit	15,000	15,600	15,600
Consulting and studies	30,000	15,100	15,100
County Treasurer's fee	20,390	20,389	20,389
Dues and licenses	2,000	2,095	2,095
Election expense	20,000	5,000	5,000
Engineering - cost certification	10,000	17,600	17,600
Insurance	50,000	148,229	148,229
Legal services	100,000	78,700	78,700
Management fee	36,000	36,000	36,000
Miscellaneous	10,000	7,800	7,800
Office overhead	60,000	60,000	120,000
Office supplies	5,000	1,700	1,700
Rent	24,000	4,800	4,800
Repay developer advance	60,000	60,000	120,000
Staffing	313,300	274,500	274,500
Operation and maintenance			
District events	250,000	250,000	370,000
District irrigation water usage	150,000	450,000	600,000
Equipment acquisition	225,000	135,000	135,000
Raindance farms	30,000	200,000	200,000
Repair and Maintenance	12,500	60,000	60,000
Landscaping	350,000	458,600	600,000
Small tools and supplies	-	24,000	24,000
Snow removal	60,000	60,000	60,000
Stop curb repair	32,500	36,250	36,250
Security	-	230,000	230,000
Utility locates	90,000	92,200	92,200
Utilities	75,000	116,400	116,400
Pool and clubhouse			
Pool management fees	265,000	400,500	400,500
Pool event	-	2,100	2,100
Pool supplies	50,000	12,600	12,600
Pool water usage	15,000	25,000	25,000
Pool gas and electricity	21,000	70,000	70,000
Pool telephone services	1,300	500	500
Pool internet	1,600	2,600	2,600
Pool insurance	9,200	22,000	22,000
Pool trash and recycle	1,250	2,800	2,800
Pool repair and maintenance	25,000	100,000	100,000
Pool security	50,000	30,000	30,000
Pool cleaning services	4,200	1,950	1,950
Pool miscellaneous	4,000	10,200	10,200
Landscaping- River Resort	-	30,000	30,000
Capital Outlay			
7th Street Bridge	-	620,000	620,000
Contingency			
Contingency	60,760	44,787	113,387
Total expenditures	<u>2,714,000</u>	<u>4,400,000</u>	<u>5,000,000</u>
Total expenditures and transfers out requiring appropriation	<u>2,714,000</u>	<u>4,400,000</u>	<u>5,000,000</u>
ENDING FUND BALANCE	\$ 4,441,008	\$ 2,969,040	\$ 2,429,040
EMERGENCY RESERVE	\$ 67,000	\$ 114,600	\$ 115,000

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
RESOLUTION TO FURTHER AMEND 2022 BUDGET**

WHEREAS, the Board of Directors of the Raindance Metropolitan District No. 1 (the “District”) certifies that at a special regular meeting of the Board of Directors of the District held July 31, 2023 a public hearing was held regarding the 2022 amended budget, and, subsequent thereto, the following Resolution was adopted by affirmative vote of a majority of the Board of Directors:

WHEREAS, the Board of Directors of the District adopted an amended budget and appropriated funds for fiscal year 2022 as follows:

General Fund	\$4,400,000
--------------	-------------

and;

WHEREAS, the necessity has arisen for additional expenditures by the District due to additional costs which could not have been reasonably anticipated at the time of adoption of the budget, requiring the expenditure of funds in excess of those appropriated for fiscal year 2022; and

WHEREAS, funds are available for such expenditure.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the District does hereby amend the adopted budget for fiscal year 2022 as follows:

General Fund	\$5,000,000
--------------	-------------

BE IT FURTHER RESOLVED, that such sums are hereby appropriated from the revenues of the District to the funds named above for the purpose stated, and that any ending fund balances shall be reserved for purposes of complying with Article X, Section 20 of the Colorado Constitution.

*[Remainder of Page Intentionally Left Blank]*



ADOPTED JULY 31, 2023.

**DISTRICT:**

**RAINDANCE METROPOLITAN DISTRICT  
NO. 1**, a quasi-municipal corporation and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
Officer of the District

Attest:

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

**APPROVED AS TO FORM:**

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

\_\_\_\_\_  
General Counsel to the District

STATE OF COLORADO  
COUNTY OF WELD  
RAINDANCE METROPOLITAN DISTRICT NO. 1

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted at a meeting held via teleconference on **July 31, 2023**, as recorded in the official record of the proceedings of the District.

IN WITNESS WHEREOF, I have hereunto subscribed my name this 31 day of July, 2023.

\_\_\_\_\_

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
Weld County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2022**

<b>INDEPENDENT AUDITOR'S REPORT</b>	<b>1</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
STATEMENT OF NET POSITION	1
STATEMENT OF ACTIVITIES	2
<b>FUND FINANCIAL STATEMENTS</b>	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES	5
GENERAL FUND – STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL	6
STATEMENT OF NET POSITION – PROPRIETARY FUNDS	7
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION – PROPRIETARY FUNDS	8
STATEMENT OF CASH FLOWS – PROPRIETARY FUNDS	9
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>10</b>
<b>SUPPLEMENTARY INFORMATION</b>	
CAPITAL PROJECTS FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL	31
ENTERPRISE FUND – SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUNDS AVAILABLE – BUDGET AND ACTUAL (BUDGETARY BASIS)	32
<b>OTHER INFORMATION</b>	
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY	34
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED	35

**INSERT INDEPENDENT AUDITOR'S REPORT**

## **BASIC FINANCIAL STATEMENTS**

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2022**

	Primary Government		
	Governmental Activities	Business- Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 7,266,631	\$ -	\$ 7,266,631
Cash and Investments - Restricted	66,300	7,920,290	7,986,590
Receivable - County Treasurer	5,724	-	5,724
Accounts Receivable	1,093,508	172,690	1,266,198
Prepaid Expenses	174,506	-	174,506
Due from District No. 2	2,351	-	2,351
Due from District No. 3	760	-	760
Due from District No. 4	140	-	140
Internal Balances	(343,654)	343,654	-
Property Taxes Receivable	2,051,047	-	2,051,047
Capital Assets, Not Being Depreciated	39,611,675	15,977,380	55,589,055
Capital Assets, Being Depreciated, Net	19,661,527	3,675,761	23,337,288
Total Assets	<u>69,590,515</u>	<u>28,089,775</u>	<u>97,680,290</u>
<b>LIABILITIES</b>			
Accounts Payable	501,763	601,767	1,103,530
Other Liability	1,148,081	-	1,148,081
Prepaid Assessments	-	38,663	38,663
Due to District No.3	3,200	-	3,200
Accrued Interest Payable	952	105,248	106,200
Noncurrent Liabilities:			
Due Within One Year	3,262	-	3,262
Due in More Than One Year	10,956,301	24,315,000	35,271,301
Total Liabilities	<u>12,613,559</u>	<u>25,060,678</u>	<u>37,674,237</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Property Tax Revenue	2,051,047	-	2,051,047
Total Deferred Inflows of Resources	<u>2,051,047</u>	<u>-</u>	<u>2,051,047</u>
<b>NET POSITION</b>			
Net Investment in Capital Asset	12,923,538	-	12,923,538
Restricted			
Emergency Reserves	66,300	-	66,300
Debt Service	-	2,427,349	2,427,349
Unrestricted	<u>41,936,071</u>	<u>601,748</u>	<u>42,537,819</u>
Total Net Position	<u>\$ 54,925,909</u>	<u>\$ 3,029,097</u>	<u>\$ 57,955,006</u>

See accompanying Notes to Basic Financial Statements.

(1)

DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

	Program Revenues			Net Revenues (Expenses) and Changes Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>FUNCTIONS/PROGRAMS</b>							
Primary Government:							
Governmental Activities:							
General Government	\$ 4,105,475	\$ 133,739	\$ 627,226	\$ 7,307,068	\$ 3,962,558	\$ -	\$ 3,962,558
Interest and Related Costs on Long-Term Debt	884,590	-	-	-	(884,590)	-	(884,590)
Total Governmental Activities	<u>4,990,065</u>	<u>133,739</u>	<u>627,226</u>	<u>7,307,068</u>	<u>3,077,968</u>	<u>-</u>	<u>3,077,968</u>
Business-Type Activities:							
Non-Potable Water	1,018,889	1,253,861	-	1,357,500	-	1,592,472	1,592,472
Interest and Related Costs on Long-Term Debt	1,263,635	-	-	-	-	(1,263,635)	(1,263,635)
Total Business-Type Activities	<u>2,282,524</u>	<u>1,253,861</u>	<u>-</u>	<u>1,357,500</u>	<u>-</u>	<u>328,837</u>	<u>328,837</u>
Total Primary Government	<u>\$ 7,272,589</u>	<u>\$ 1,387,600</u>	<u>\$ 627,226</u>	<u>\$ 8,664,568</u>	3,077,968	328,837	3,406,805
<b>GENERAL REVENUES</b>							
Property Taxes					1,359,272	-	1,359,272
Specific Ownership Taxes					80,449	-	80,449
Other Revenue					7,302	-	7,302
Interest Income					-	18,644	18,644
Total General Revenues					<u>1,447,023</u>	<u>18,644</u>	<u>1,465,667</u>
<b>SPECIAL ITEMS</b>							
Capital Assets Conveyed to Poudre Tech Metro District					(2,763,774)	-	(2,763,774)
Total General Revenues and Special Items					<u>(1,316,751)</u>	<u>18,644</u>	<u>(1,298,107)</u>
<b>CHANGE IN NET POSITION</b>							
					1,761,217	347,481	2,108,698
Net Position - Beginning of Year					<u>53,164,692</u>	<u>2,681,616</u>	<u>55,846,308</u>
<b>NET POSITION - END OF YEAR</b>							
					<u>\$ 54,925,909</u>	<u>\$ 3,029,097</u>	<u>\$ 57,955,006</u>

See accompanying Notes to Basic Financial Statements.

(2)

DRAFT. NO ASSURANCE IS PROVIDED ON THESE FINANCIAL STATEMENTS.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

<b>ASSETS</b>	General	Capital Projects	Total Governmental Funds
Cash and Investments	\$ 2,567,712	\$ 4,698,919	\$ 7,266,631
Cash and Investments - Restricted	66,300	-	66,300
Receivable - County Treasurer	5,724	-	5,724
Accounts Receivable	1,093,508	-	1,093,508
Due from District No. 2	2,351	-	2,351
Due from District No. 3	760	-	760
Due from District No. 4	140	-	140
Prepaid Expenses	174,506	-	174,506
Property Taxes Receivable	2,051,047	-	2,051,047
Total Assets	\$ 5,962,048	\$ 4,698,919	\$ 10,660,967
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 488,585	\$ 13,178	\$ 501,763
Other Liability	-	1,148,081	1,148,081
Due to Other Funds	343,654	-	343,654
Due to District No. 3	3,200	-	3,200
Total Liabilities	835,439	1,161,259	1,996,698
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Property Tax Revenue	2,051,047	-	2,051,047
Total Deferred Inflows of Resources	2,051,047	-	2,051,047
<b>FUND BALANCES</b>			
Nonspendable:			
Prepaid Expenses	\$ 174,506	\$ -	\$ 174,506
Restricted:			
Emergency Reserves	66,300	-	66,300
Assigned:			
Capital Projects	-	3,537,660	3,537,660
Designated for Next Year's Expenditures	114,723	-	114,723
Unrestricted:			
General Government	2,720,033	-	2,720,033
Total Fund Balances	3,075,562	3,537,660	6,613,222
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 5,962,048	\$ 4,698,919	
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.			
Capital Assets, Not Being Depreciated			39,611,675
Capital Assets, Being Depreciated, net			19,661,527
Long-term liabilities, including Developer advances, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds			
Lease Payable			(161,649)
Lease Interest Payable			(952)
Developer Advance Payable			(8,425,613)
Developer Advance Interest Payable			(2,372,301)
Net Position of Governmental Activities			\$ 54,925,909

See accompanying Notes to Basic Financial Statements.



**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**DECEMBER 31, 2022**

	General	Capital Projects	Total Governmental Funds
<b>REVENUES</b>			
Property Taxes	\$ 1,359,272	\$ -	\$ 1,359,272
Specific Ownership Taxes	80,449	-	80,449
IGA- reimbursements for 7th Street Bridge	1,842,516	-	1,842,516
Developer Contributions - Pool	270,006	-	270,006
Event Contributions	232,495	-	232,495
PIF - Golf Lots Premium	-	5,464,552	5,464,552
Transfers from District No. 2	54,159	-	54,159
Transfers from District No. 3	54,373	-	54,373
Transfers from District No. 4	16,193	-	16,193
Stop Curb Repair Revenue	87,500	-	87,500
Pool Admissions	46,239	-	46,239
Other Revenue	7,302	-	7,302
Total Revenues	4,050,504	5,464,552	9,515,056
<b>EXPENDITURES</b>			
General and Administrative:			
Accounting	134,249	-	134,249
Accounting - Cost Certification	13,981	-	13,981
Administration and Operations:			
Staffing	274,215	-	274,215
Management Fee	36,000	-	36,000
Audit	15,600	-	15,600
County Treasurer's Fees	20,389	-	20,389
Consulting and Studies	12,795	-	12,795
Construction Management	-	44,724	44,724
Dues	2,095	-	2,095
Engineering - Cost Certification	20,723	-	20,723
Election	4,960	-	4,960
Insurance	148,229	-	148,229
Legal Services	83,934	-	83,934
Office Supplies	1,287	-	1,287
Office Overhead	120,000	-	120,000
Miscellaneous	7,830	149	7,979
Operations and Maintenance:			
District Events	369,706	-	369,706
Equipment Acquisition	133,799	-	133,799
Landscaping	591,037	-	591,037
Raindance Farms	190,526	-	190,526
Repairs and Maintenance	67,706	-	67,706
Security	1,420	-	1,420
Snow Removal	54,598	-	54,598
Small tools and supplies	18,814	-	18,814
Stop Curb Repair	45,000	-	45,000
Utilities	130,298	-	130,298
Utility Locates	86,503	-	86,503
Water Usage	598,396	-	598,396
Pool and Clubhouse:			
Pool Cleaning Services	1,947	-	1,947
Pool Events	2,100	-	2,100
Pool Gas and Electricity	70,227	-	70,227
Pool Insurance	52,963	-	52,963
Pool Internet	2,642	-	2,642
Pool Management Fee	350,221	-	350,221
Pool Miscellaneous	8,230	-	8,230
Pool Repair and Maintenance	109,027	-	109,027
Pool Security	53,982	-	53,982
Pool Supplies	10,570	-	10,570
Pool Telephone Services	608	-	608
Pool Trash and Recycle	2,816	-	2,816
Pool Water Usage	23,370	-	23,370
Landscaping - River Resort	26,618	-	26,618
7th Street Bridge	652,213	-	652,213
Lease- Principal	4,800	-	4,800
Lease Downpayment	9,600	-	9,600
Public Improvements	-	-	-
Golf Course	-	216,323	216,323
Total Expenditures	4,566,024	5,482,069	10,048,093
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(515,520)	(17,517)	(533,037)
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer Advances	120,000	4,698,231	4,818,231
Repayment of Developer Advances	(120,000)	(4,481,908)	(4,601,908)
Leases	(166,449)	-	(166,449)
Lease Expenditure	166,449	-	166,449
Transfers From Other Funds	103,591	-	103,591
Transfer to Other Funds	-	(103,591)	(103,591)
Total Other Financing Sources (Uses)	103,591	112,732	216,323
<b>NET CHANGE IN FUND BALANCES</b>	(411,929)	95,215	(316,714)
Fund Balances - Beginning of Year	3,487,491	3,442,445	6,929,936
<b>FUND BALANCES - END OF YEAR</b>	\$ 3,075,562	\$ 3,537,660	\$ 6,613,222

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Governmental Funds \$ (316,714)

Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. In the statement of activities, capital outlay is not reported as an expenditure. However, the statement of activities will report as depreciation/amortization expense the allocation of the cost of any depreciable asset over the estimated useful life of the asset.

Capital Outlay - Current Year	6,550,455
Depreciation - Current Year	(446,188)
Capital Assets Conveyed to Other Governments	(2,763,774)

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Repayment of Developer Advances	4,601,908
Developer Advances - Current Year	(4,818,231)
Leases	(166,449)
Principal Payments on Leases	4,800

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued interest on Developer Advances - Change in Liability	(883,638)
Accrued interest on Lease - Change in Liability	(952)

Change in Net Position of Governmental Activities	\$ 1,761,217
---	--------------

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 1,359,272	\$ 1,359,272	\$ 1,359,272	\$ -
Specific Ownership Taxes	67,964	107,820	80,449	(27,371)
IGA- reimbursements for 7th Street Bridge	-	1,840,000	1,842,516	2,516
Developer Contributions - Pool	273,400	270,006	270,006	-
Developer Contributions - Events	150,000	-	-	-
Event Contributions	-	-	232,495	232,495
Transfers from District No. 2	53,551	54,170	54,159	(11)
Transfers from District No. 3	53,306	54,423	54,373	(50)
Transfers from District No. 4	16,043	16,208	16,193	(15)
Stop Curb Repair Revenue	60,000	70,000	87,500	17,500
Pool Admissions	85,000	46,500	46,239	(261)
Other Revenue	100,000	3,150	7,302	4,152
Total Revenues	<u>2,218,536</u>	<u>3,821,549</u>	<u>4,050,504</u>	<u>228,955</u>
<b>EXPENDITURES</b>				
General and Administrative:				
Accounting	165,000	150,000	134,249	15,751
Accounting - Cost Certification	-	15,000	13,981	1,019
Administration and Operations:				
Staffing	313,300	274,500	274,215	285
Management Fee	36,000	36,000	36,000	-
Asset Administration	10,000	-	-	-
Audit	15,000	15,600	15,600	-
Contingency	60,760	113,387	-	113,387
County Treasurer's Fees	20,390	20,389	20,389	-
Consulting and Studies	30,000	15,100	12,795	2,305
Dues	2,000	2,095	2,095	-
Engineering - Cost Certification	10,000	17,600	20,723	(3,123)
Election	20,000	5,000	4,960	40
Insurance	50,000	148,229	148,229	-
Legal Services	100,000	78,700	83,934	(5,234)
Office Supplies	5,000	1,700	1,287	413
Office Overhead	60,000	120,000	120,000	-
Miscellaneous	10,000	7,800	7,830	(30)
Operations and Maintenance:				
District Events	250,000	370,000	369,706	294
Equipment Acquisition	225,000	135,000	133,799	1,201
Landscaping	350,000	600,000	591,037	8,963
Raindance Farms	30,000	200,000	190,526	9,474
Repairs and Maintenance	12,500	60,000	67,706	(7,706)
Security	-	230,000	1,420	228,580
Snow Removal	60,000	60,000	54,598	5,402
Small tools and supplies	-	24,000	18,814	5,186
Stop Curb Repair	32,500	36,250	45,000	(8,750)
Utilities	75,000	116,400	130,298	(13,898)
Utility Locates	90,000	92,200	86,503	5,697
Water Usage	150,000	600,000	598,396	1,604
Pool and Clubhouse:				
Pool Cleaning Services	4,200	1,950	1,947	3
Pool Events	-	2,100	2,100	-
Pool Gas and Electricity	21,000	70,000	70,227	(227)
Pool Insurance	9,200	22,000	52,963	(30,963)
Pool Internet	1,600	2,600	2,642	(42)
Pool Management Fee	265,000	400,500	350,221	50,279
Pool Miscellaneous	4,000	10,200	8,230	1,970
Pool Repair and Maintenance	25,000	100,000	109,027	(9,027)
Pool Security	50,000	30,000	53,982	(23,982)
Pool Supplies	50,000	12,600	10,570	2,030
Pool Telephone Services	1,300	500	608	(108)
Pool Trash and Recycle	1,250	2,800	2,816	(16)
Pool Water Usage	15,000	25,000	23,370	1,630
Landscaping - River Resort	-	30,000	26,618	3,382
7th Street Bridge	-	620,000	652,213	(32,213)
Lease- Principal	24,000	4,800	4,800	-
Lease Downpayment	-	-	9,600	(9,600)
Total Expenditures	<u>2,654,000</u>	<u>4,880,000</u>	<u>4,566,024</u>	<u>313,976</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>				
	(435,464)	(1,058,451)	(515,520)	542,931
<b>OTHER FINANCING SOURCES (USES)</b>				
Developer Advance	60,000	120,000	120,000	-
Repayment of Developer Advances	(60,000)	(120,000)	(120,000)	-
Lease	-	-	(166,449)	(166,449)
Lease Expenditure	-	-	166,449	166,449
Transfers From Other Funds	-	-	103,591	103,591
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>103,591</u>	<u>103,591</u>
<b>NET CHANGE IN FUND BALANCE</b>				
	(435,464)	(1,058,451)	(411,929)	646,522
Fund Balance - Beginning of Year	<u>4,876,472</u>	<u>3,487,491</u>	<u>3,487,491</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 4,441,008</u>	<u>\$ 2,429,040</u>	<u>\$ 3,075,562</u>	<u>\$ 646,522</u>

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
STATEMENT OF NET POSITION –  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2022**

**ASSETS**

Cash and Investments Restricted	\$ 7,920,290
Accounts Receivable	172,690
Due from Other Funds	343,654
Capital Assets, Not Being Depreciated	15,977,380
Capital Assets, Being Depreciated, Net	3,675,761
Total Assets	28,089,775

**LIABILITIES**

Accounts Payable	601,767
Prepaid Assessments	38,663
Accrued Interest Payable	105,248
Noncurrent Liabilities:	
Due in More Than One Year	24,315,000
Total Liabilities	25,060,678

**NET POSITION**

Restricted	2,427,349
Unrestricted	601,748
Total Net Position	\$ 3,029,097

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION –  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2022**

	<u>Proprietary Fund Non- Potable Water</u>
<b>OPERATING REVENUES</b>	
Water Service Fees	\$ 1,253,861
Total Operating Revenues	<u>1,253,861</u>
<b>OPERATING EXPENSES</b>	
Administration - Billing	17,766
Consulting and Studies	181,833
Delivery and Ditch Expenses	2,400
Depreciation	250,782
District Manager and Staff	373,400
Legal Services	46,900
Miscellaneous	960
Pumping Services	5,190
Repairs and Maintenance	46,621
Tools and Equipment	351
Utilities	10,206
Water Purchase	82,480
Total Operating Expenses	<u>1,018,889</u>
<b>OPERATING INCOME</b>	234,972
<b>OTHER REVENUES AND EXPENDITURES</b>	
Capital Fees	235,000
Interest Income	18,644
Raw Water Dedication Fee	315,000
Water Meter Fees	807,500
Bond Interest- Series 2020	(1,262,975)
Paying Agent Fees	(660)
Total Other Revenues and Expenditures	<u>112,509</u>
<b>CHANGE IN NET POSITION</b>	347,481
Net Position - Beginning of Year	<u>2,681,616</u>
<b>NET POSITION - END OF YEAR</b>	<u><u>\$ 3,029,097</u></u>

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
STATEMENT OF CASH FLOWS –  
PROPRIETARY FUNDS  
YEAR ENDED DECEMBER 31, 2022**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from Customers	\$ 1,111,448
Payments to Suppliers	<u>(694,782)</u>
Net Cash Provided by Operating Activities	416,666

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Bond Interest - Series 2020	(1,262,975)
Paying Agent Fees	<u>(660)</u>
Net Cash Used by Noncapital Financing Activities	(1,263,635)

**CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES**

Water Meter Fees	859,500
Capital Fees	970,000
Capital Outlay	<u>(847,154)</u>
Net Cash Provided by Capital and Related Financing Activities	982,346

**CASH FLOWS FROM INVESTING ACTIVITIES**

Net Cash Provided by Investing Activities	<u>18,644</u>
---	---------------

**NET DECREASE IN CASH AND CASH EQUIVALENTS**

154,021

Cash and Cash Equivalents - Beginning of Year

7,766,269

**CASH AND CASH EQUIVALENTS - END OF YEAR**

\$ 7,920,290

**RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES**

Operating Income	\$ 234,972
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Depreciation Expense	250,782
Decrease in Accounts Payable	416,979
Increase in Accounts Receivable	(117,371)
Increase in Prepaid Assessments	(25,042)
Increase in Due from Other Funds	<u>(343,654)</u>
Net Cash Provided by Operating Activities	<u><u>\$ 416,666</u></u>

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Raindance Metropolitan District No. 1 (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree of the District Court in and for Weld County, Colorado, on June 12, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, operations, and maintenance of the public improvements within the District including streets, parks and recreation, water and wastewater facilities, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security. The District was organized in conjunction with three other related special districts – RainDance Metropolitan Districts No. 2, No. 3, and No. 4. The District serves as the Operating District which is responsible for coordinating the financing, construction, and maintenance of all Public Improvements and other services needed for RainDance Metropolitan Districts Nos. 2-4 (Financing Districts), which are responsible for providing the tax base needed to support financing of capital improvements.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees and all operations and administrative functions are contracted.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the governmental funds and the proprietary fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes and intergovernmental revenues. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Capital Projects Fund is used to account for financial resources to be used for the acquisition and construction of capital equipment and facilities.

The District reports the following major proprietary fund:

The Enterprise Fund accounts for the construction, operation, and maintenance of facilities, and water rights associated with providing non-potable water services that are operated in a manner where the intent of the District is that the costs of providing such services to the general public on a continuing basis be financed or recovered primarily through user charges.



**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating revenues consist of charges to customers for service provided. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses or capital contributions.

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2022.

**Pooled Cash and Investments**

The District follows the practice of pooling cash and investments of all funds to maximize investment earnings. Except when required by trust or other agreements, all cash is deposited to and disbursed from a single bank account. Cash in excess of immediate operating requirements is pooled for deposit and investment flexibility. Investment earnings are allocated periodically to the participating funds based upon each fund's average equity balance in the total cash and investments.

**Receivables**

Receivables are reported net of an allowance for uncollectible accounts, where applicable.

**Interfund Balances**

The District reports interfund balances that are representative of lending/borrowing arrangements between funds in the fund financial statements as due to/from other funds.

**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 always 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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Property Taxes (Continued)**

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

**Capital Assets**

Capital assets, which include construction in progress, land improvements, infrastructure, furniture and equipment, water meters and water rights, are reported in the government-wide and business-type financial statements. Capital assets are defined by the District as assets with an initial, individual costs of more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

Capital assets which are anticipated to be conveyed to other governmental entities are recorded as construction in progress and are not included in the calculation of net investment in capital assets.

The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the life of the asset are not capitalized.

Depreciation expense has been computed using the straight-line method over the estimated economic useful lives:

Buildings and Infrastructure	30 Years
Land Improvements	15 Years
Furniture and Equipment	5 to 20 Years
Water Meters	15 Years

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Leases**

The District determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

Lease assets represent the District's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Leases (Continued)**

lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Lease liabilities represent the District's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the District will exercise that option.

The District has elected to recognize payments for short-term leases with a lease term of 12 months or less as expenses as incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

Significant lease terms are disclosed in Note 6.

The District accounts for contracts containing both lease and non-lease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and non-lease components, and it is impractical to estimate the price of such components, the District treats the components as a single lease unit.

**Equity**

**Net Position**

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted and unrestricted.

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance (Continued)**

*Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

*Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government’s highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

*Assigned Fund Balance* – The portion of fund balance that is constrained by the government’s intent to be used for specific purposes, but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

*Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District’s practice to use the most restrictive classification first.

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$ 7,266,631
Cash and Investments - Restricted	7,986,590
Total Cash and Investments	<u>\$ 15,253,221</u>

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$ 15,253,221
Total Deposits	<u>\$ 15,253,221</u>

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Deposits with Financial Institutions (Continued)**

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, the District's cash deposits had a bank balance of \$15,357,104 and carrying balance of \$15,253,221. \$250,000 per financial institution is insured through FDIC, and the balance is collateralized in single institution pools.

**Investments**

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- . Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- . General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- . Local government investment pools

As of December 31, 2022, the District had no investments.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 ACCOUNTS RECEIVABLE**

The District has the following accounts receivable for General Fund and Enterprise Fund as of December 31, 2022.

	General Fund	Enterprise Fund
Accounts Receivable:		
Stop Curb Repair	\$ 170,000	\$ -
Due from PTMD/7th Street Bridge	921,258	-
Other Receivable	2,250	504
HOA Services	-	26,947
Non-Potable Water Usage	-	145,239
Total Receivables	\$ 1,093,508	\$ 172,690

**NOTE 5 CAPITAL ASSETS**

An analysis of the changes in capital assets for the year ended December 31, 2022 follows:

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

	Balance - December 31, 2021	Additions	Reductions	Balance - December 31, 2022
<b>Governmental Activities</b>				
Capital Assets, Not Being Depreciated:				
Construction in Progress	\$ 50,116,555	\$ 6,075,082	\$ 16,756,011	\$ 39,435,626
Right-to-Use Lease Land	-	176,049	-	176,049
Total Capital Assets, Not Being Depreciated	50,116,555	6,251,131	16,756,011	39,611,675
Capital Assets, Being Depreciated:				
Buildings and Infrastructure	5,883,175	14,143,013	-	20,026,188
Furniture and Equipment	39,233	148,548	-	187,781
Total Capital Assets, Being Depreciated	5,922,408	14,291,561	-	20,213,969
Less Accumulated Depreciation For:				
Buildings and Infrastructure	98,053	431,823	-	529,876
Furniture and Equipment	8,201	14,365	-	22,566
Total Accumulated Depreciation	106,254	446,188	-	552,442
Total Capital Assets, Being Depreciated, Net	5,816,154	13,845,373	-	19,661,527
Governmental Activities Capital Assets, Net	55,932,709	20,096,504	16,756,011	59,273,202
<b>Business-Type Activities</b>				
Capital Assets, Not Being Depreciated:				
Construction in Progress	-	94,320	-	94,320
Water Rights	15,883,060	-	-	15,883,060
Total Capital Assets, Not Being Depreciated	15,883,060	94,320	-	15,977,380
Capital Assets, Being Depreciated:				
Land Improvements	40,589	-	-	40,589
Equipment	420,864	104,564	-	525,428
Water Meters	2,995,799	648,270	-	3,644,069
Total Capital Assets, Being Depreciated	3,457,252	752,834	-	4,210,086
Less Accumulated Depreciation For:				
Land Improvements	1,353	2,706	-	4,059
Equipment	14,242	31,069	-	45,311
Water Meters	267,948	217,007	-	484,955
Total Accumulated Depreciation	283,543	250,782	-	534,325
Total Capital Assets, Being Depreciated, Net	3,173,709	502,052	-	3,675,761
Business-Type Activities Capital Assets, Net	19,056,769	596,372	-	19,653,141
Total Capital Assets, Net	\$ 74,989,478	\$ 20,692,876	\$ 16,756,011	\$ 78,926,343

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 CAPITAL ASSETS (CONTINUED)**

A significant portion of capital assets (public improvements) will be conveyed by the District to other local governments, and once conveyed, the District will not be responsible for the maintenance of those public improvements. Upon acceptance of the public improvements by other local governments, the District will remove the cost of construction from its books.

Depreciation expense recorded under governmental activities was charged to the general government function, and depreciation expense recorded under business-type activities was charged to non-potable water enterprise function on the statement of activities.

**NOTE 6 LONG-TERM OBLIGATIONS**

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2022:

	Balance - December 31, 2021	Additions	Retirements	Balance - December 31, 2022	Due Within One Year
<u>Governmental Activities</u>					
<b>Other Debts:</b>					
Developer Advances	\$ 8,209,290	\$ 4,818,231	\$ 4,601,908	\$ 8,425,613	\$ -
Accrued Interest on Developer Advances	1,488,663	883,638	-	2,372,301	-
Lease Payable	-	166,449	4,800	161,649	3,262
Total Governmental Activities	<u>9,697,953</u>	<u>5,868,318</u>	<u>4,606,708</u>	<u>10,959,563</u>	<u>-</u>
<u>Business-Type Activities</u>					
<b>Bonds Payable:</b>					
Non-Potable Water Enterprise Revenue Bonds Series 2020A	24,315,000	-	-	24,315,000	-
Total Bonds Payable	<u>24,315,000</u>	<u>-</u>	<u>-</u>	<u>24,315,000</u>	<u>-</u>
<b>Other Debts:</b>					
Developer Advances	-	373,400	373,400	-	-
Total Business-Type Activities	<u>24,315,000</u>	<u>373,400</u>	<u>373,400</u>	<u>24,315,000</u>	<u>-</u>
Total Long-Term Obligations	<u>\$ 34,012,953</u>	<u>\$ 6,241,718</u>	<u>\$ 4,980,108</u>	<u>\$ 35,274,563</u>	<u>\$ -</u>

**Non-Potable Water Enterprise Revenue Bonds, Series 2020 (the Bonds)**

The District, acting by and through its Water Activity Enterprise, issued the Bonds on August 6, 2020, in the par amount of \$24,315,000.

Proceeds from the sale of the Bonds were used to acquire certain water rights and fund and reimburse a portion of the costs of acquiring, constructing, and installing certain non-potable water-related infrastructure to serve the RainDance Development. A portion of the proceeds of the Bonds were also used to fund: (a) the Reserve Account, (b) a portion of the interest to accrue on the Bonds, and (c) the costs of issuing the Bonds.



**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)**

**Non-Potable Water Enterprise Revenue Bonds, Series 2020 (the Bonds) (Continued)**

Bonds Details

The Bonds were issued as two term bonds with the first bearing interest at 5.00% per annum and maturing on December 1, 2040 and the second bearing interest at 5.25% and maturing on December 1, 2050. Interest on the Bonds is payable semiannually on June 1 and December 1, beginning on December 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2024. To the extent principal of any Bond is not paid when due, such principal will remain outstanding until paid. To the extent interest on any Bond is not paid when due, such interest will compound semiannually on each June 1 and December 1, at the rate then borne by the Bond.

Bonds Optional Redemption

The Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2025, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2025, to November 30, 20	3.00%
December 1, 2026, to November 30, 20	2.00
December 1, 2027, to November 30, 20	1.00
December 1, 2028, and thereafter	0.00

Sources of Repayment for the Bonds

The District's primary revenue sources for repayment of the Bonds are rates assessed on residential and nonresidential customers of the District and RainDance Metropolitan District Nos. 2, 3, and 4 based on non-potable water usage within the District's Service Area and Capital Facilities Fees collected within the boundaries of RainDance Metropolitan District No. 2 (District No. 2).

The Bonds constitute special limited obligations of the District. The principal and interest on the Bonds is payable solely from "Net Revenue," meaning Gross Revenue after deducting Operations and Maintenance Expenses. As of December 31, 2022, "Net Revenue" available to pay the District's debt obligations was \$2,427,349.

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)**

**Non-Potable Water Enterprise Revenue Bonds, Series 2020 (the Bonds) (Continued)**

**Sources of Repayment for the Bonds (Continued)**

“Gross Revenue” means all income and revenue directly or indirectly derived by the District from the Non-Potable System, or any part thereof, including without limitation, any rates, fees, tap fees, standby charges, availability fees, tolls, and charges for the services furnished by, for the use of, or for the availability of, the Non-Potable System, plus Capital Facilities Fees, but excluding: (a) income from the sale of property, or rights or related contracts, settlements, or judgments held or obtained in connection with the Non-Potable System or its operations; (b) Tap Fees; (c) Transfer Fees; (d) moneys borrowed and used for providing capital improvements; (e) any money and securities, and investment income therefrom, in any refunding fund, escrow account, or similar account pledged to the payment of any bonds or other obligations for the purpose of defeasing the same; and (f) any moneys received as grants or appropriations from the United States, the state, or other sources, the use of which is limited or restricted by the grantor or donor to the provision of capital improvements or for other purposes resulting in the general unavailability thereof, except to the extent any such moneys are to be received as payments for the use of the Non-Potable System, services rendered thereby, or the availability of any such service.

“Operation and Maintenance Expenses” means all reasonable and necessary costs and expenses of the District for the operation, maintenance and repair of the Non-Potable System, including without limitation legal and overhead expenses of the District directly related to the administration of the Non-Potable System, insurance premiums, audits, charges of depository banks and paying agents, professional services, salaries and administrative expenses, labor, the cost of materials and supplies for operations, and the cost of leasing, renting or otherwise procuring water or water resources on a temporary or annual basis, but excluding depreciation and any portion of such costs, legal liabilities not based on contract, expenses incurred in connection with capital improvements, payments due in connection with any bonds or other obligations issued to provide capital improvements, charges for the accumulation of reserves and expenses funded or provided for from Tap Fees.

The Districts impose a one-time fee of \$2,500 per single-family detached residential unit and \$2,500 per single family attached and multi-family residential unit within their respective boundaries to provide a source of funding to pay for the initial capital direct and indirect costs associated with the construction, installation and acquisition of Public Improvements to serve the Districts. Only the fees imposed within the boundaries of District No. 2 (the Capital Facilities Fee) are pledged to the payment of the Bonds. The Capital Facilities Fees are due and owing upon the issuance of a building permit for any residential or commercial unit on a lot within District No. 2.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)**

**Non-Potable Water Enterprise Revenue Bonds, Series 2020 (the Bonds) (Continued)**  
**Non-Potable Water Rates**

The District covenants and agrees in the Bond Resolution to establish, maintain, and enforce a schedule of rates, fees, tolls, and charges for the availability of, services furnished by, or use of the Non-Potable System sufficient to satisfy one of the following two requirements each Fiscal Year:

- (i) generate Net Operating Revenue and Capital Facilities Fees in the Fiscal Year collectively equal to not less than:
  - a. an amount equal to 100% of the Annual Debt Service for the Outstanding Bonds and any Parity Lien Bonds in such Fiscal Year, plus
  - b. the amount necessary to replenish the Reserve Account to the Reserve Requirement and to replenish any reserve fund for Parity Lien Bonds to the Parity Lien Bonds Reserve Requirement (or to repay any Bond Insurer for draws on a Reserve Policy, as applicable); OR
- (ii) generate Net Operating Revenue and Capital Facilities Fees in the Fiscal Year which, together with the portion of Unrestricted Fund Balance as of December 31 of the immediately preceding Fiscal Year representing Capital Facilities Fees, will equal not less than:
  - a. an amount equal to 110% of the Annual Debt Service for the Outstanding Bonds and any Parity Lien Bonds in such Fiscal Year, plus
  - b. the amount necessary to replenish the Reserve Account to the Reserve Requirement and to replenish any reserve fund for Parity Lien Bonds to the Parity Lien Bonds Reserve Requirement (or to repay any Bond Insurer for draws on a Reserve Policy, as applicable).

In the event that revenues at any time are not sufficient to result in Net Operating Revenues in the amounts required as described above, the District is to promptly increase such rates, fees, tolls, and charges to the extent required to ensure compliance with the foregoing covenants.

The District further covenants and agrees to establish, maintain, and enforce a schedule of rates, fees, tolls, and charges for the availability of, services furnished by, or use of the Non-Potable System sufficient to maintain a minimum Unrestricted Fund Balance, calculated as of each December 31, commencing December 31, 2022, equal to not less than \$1,000,000. In the event that revenues are not sufficient to satisfy such minimum Unrestricted Fund Balance as of any December 31 occurring on or after December 31, 2022, the District is to promptly increase rates, fees, tolls, and charges to the extent required to ensure compliance with the foregoing covenants.

**Additional Security for Bonds**

The Bonds are also secured by amounts on deposit in the Reserve Account which was funded from proceeds of the Bonds in the amount of the Reserve Requirement of \$2,289,792 and by capitalized interest which was funded from proceeds of the Bonds in the amount of \$3,079,400. The balances in the Reserve Fund and the Capitalized Interest accounts as of December 31, 2022, are \$2,313,624 and \$189,177, respectively.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)**

**Non-Potable Water Enterprise Revenue Bonds, Series 2020 (the Bonds) (Continued)**

Events on Default

Events of default occur if the District fails to pay principal and interest on the Bonds when due; delays or fails to reconstruct of any part of the System that is destroyed or damaged and is not promptly repaired or replaced when the reconstruction is essential to the efficient operation of the System or the collection of Gross Revenue; and the District doesn't comply with other customary terms and conditions as described in the Bond Resolution.

Bonds Debt Service

The outstanding principal and interest of the Bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 1,262,975	\$ 1,262,975
2024	25,000	1,262,975	1,287,975
2025	30,000	1,261,725	1,291,725
2026	35,000	1,260,225	1,295,225
2027	45,000	1,258,475	1,303,475
2028-2032	450,000	6,249,125	6,699,125
2033-2037	2,265,000	5,992,125	8,257,125
2038-2042	4,885,000	5,169,900	10,054,900
2043-2047	8,145,000	3,561,338	11,706,338
2048-2050	8,435,000	1,016,925	9,451,925
Total	<u>\$ 24,315,000</u>	<u>\$ 28,295,788</u>	<u>\$ 52,610,788</u>

**Lease Payable**

The District entered into the Ground Lease Agreement with VB-Assets, LLC on July 13, 2022 to lease ten (10) acres of vacant land for aboveground storage and parking of vehicles for the District's related events. A related right-to use lease asset and liability have been recorded. The commencement date of the lease is June 1, 2022 and the expiration date is May 31 2052 unless extended. The lease provides annual payments of \$4,800, increasing two percent (2%) per year for the term, commencing on the commencement date and continuing on January 31 of each year thereafter during the term.

Total future minimum lease payments under lease agreements are as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 3,262	\$ 1,633	\$ 4,895
2024	3,390	1,604	4,994
2025	3,528	1,565	5,093
2026	3,666	1,530	5,196
2027	3,807	1,493	5,300
2028 - 2032	21,266	6,865	28,131
2033 - 2037	25,353	5,706	31,059
2038 - 2042	29,957	4,335	34,292
2043 - 2047	35,142	2,719	37,861
2048 - 2051	32,278	828	33,106
Total	<u>\$ 161,649</u>	<u>\$ 28,278</u>	<u>\$ 189,927</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 6 LONG-TERM OBLIGATIONS (CONTINUED)**

**Lease Payable (Continued)**

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	Governmental	
	<u>Activities</u>	
Land	\$ 176,049	
	<u>\$ 176,049</u>	

**Authorized Debt**

At December 31, 2022, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on May 6, 2014	Authorization Used for 2020 Bonds	Authorized But Unissued
Water	\$ 93,000,000	\$ 24,315,000	\$ 68,685,000
Sanitation/Stormwater	93,000,000	-	93,000,000
Streets	93,000,000	-	93,000,000
Parks and Recreation	93,000,000	-	93,000,000
Public Transportation	93,000,000	-	93,000,000
Fire Protection	93,000,000	-	93,000,000
Mosquito Control	93,000,000	-	93,000,000
Safety Protection	93,000,000	-	93,000,000
Security	93,000,000	-	93,000,000
TV Relay and Translation	93,000,000	-	93,000,000
Operation and Maintenance	93,000,000	-	93,000,000
Debt Refunding	93,000,000	-	93,000,000
Intergovernmental Agreements	93,000,000	-	93,000,000
Private Agreements	93,000,000	-	93,000,000
Special Assessments	93,000,000	-	93,000,000
Total	<u>\$ 1,395,000,000</u>	<u>\$ 24,315,000</u>	<u>\$ 1,370,685,000</u>

Pursuant to the Service Plan, the maximum general obligation indebtedness for all of Financing Districts combined is not to exceed \$93,000,000.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 7 NET POSITION**

The District has net position consisting of three components – net investment in capital assets, restricted, and unrestricted.

Net investment in capital assets consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. As of December 31, 2022, the District had net investment in capital assets calculated as follows:

	Governmental Activities
Net Investment in Capital Assets:	
Capital Assets, Net	\$ 20,653,873
Noncurrent Portion of Outstanding Long-Term Obligations	(7,730,335)
Net Investment in Capital Assets	\$ 12,923,538

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2022 as follows:

Restricted Net Position:		
Emergency Reserve	\$ 66,300	\$ -
Debt Service (Note 5)	-	2,427,349
Total Restricted Net Position	\$ 66,300	\$ 2,427,349

As of December 31, 2022, the District’s total unrestricted net position was \$42,537,819.

**NOTE 8 AGREEMENTS**

**District Coordinating Services Agreement (District Nos. 1-4)**

Effective as of January 1, 2018, the Districts entered into a District Coordinating Services Agreement (the Coordinating Services Agreement) for the purpose of establishing the respective obligations of the Districts with respect to the coordination, oversight, and funding of certain administrative costs of the Districts, and costs related to the continued operation and maintenance of certain of the Public Improvements within such Districts. Pursuant to the Coordinating Services Agreement, the District was designated as the “coordinating district” (the Coordinating District) and Districts No. 2, No. 3, and No. 4 were each designated as “financing districts” (the Financing Districts).

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Common Finance Plan Resolution**

On March 27, 2018, District No. 3 and the District adopted a Joint Resolution Regarding Intent to Implement Common Plan of Finance (the Common Finance Plan Resolution), pursuant to which: (i) the District and District No. 3 declared their mutual intent to implement the common plan of finance set forth and approved in the Service Plan to fund or reimburse all or a portion of the capital costs related to the Public Improvements to serve RainDance from the Bonds; and (ii) District No. 3 declared its intent, upon issuance of the Bonds, to transfer all available revenues to the District for the payment of such costs, including amounts owed by the District pursuant to the Reimbursement Agreements (as defined next).

On December 5, 2019, District No. 2 and the District adopted a Joint Resolution Regarding Intent to Implement Common Plan of Finance (the Common Finance Plan Resolution), pursuant to which: (a) the District and District No. 2 declared their mutual intent to implement the common plan of finance set forth and approved in the Service Plan to fund or reimburse from the Bonds all or a portion of the capital costs related to the Public Improvements to serve RainDance; and (b) District No. 2 declared its intent, upon issuance of the Bonds, to transfer all available proceeds to the District for the payment of such costs, including amounts owed by the District, pursuant to certain Reimbursement Agreement (as defined next).

**Infrastructure Acquisition and Reimbursement Agreements**

The District and the Developer have entered into two Infrastructure Acquisition and Reimbursement Agreements dated March 1, 2018 and January 1, 2020 (the Developer Reimbursement Agreements), and the District and a subsidiary of Journey Homes entered into a similar agreement, dated March 1, 2018 (the JH Reimbursement Agreement, and together with the Developer Reimbursement Agreements, the Reimbursement Agreements). Pursuant to the Reimbursement Agreements, it is be acknowledged that the Developer or Journey Homes, as applicable, has incurred certain costs related to the public infrastructure for the benefit of the District, and may incur additional costs related thereto, and that the District agrees to reimburse the Developer or Journey Homes, as applicable, for any and all costs of any kind related to the provision of the public improvements that may be lawfully funded by the District, after such costs are reviewed and certified by the District's Accountant and Engineer. As of December 31, 2022, outstanding advances under this agreement totaled \$8,425,613 in principal and \$2,224,341 in accrued interest.

**Agreement Regarding Lot PIF**

The District has entered into the Agreement Regarding Lot PIF (the Agreement) with Raindance Development LLC (the Developer) and TH Raindance Windsor LLC (the Builder) on October 15, 2021. Pursuant to the Agreement, the Developer desires to provide to the District a source of funding to construct a public golf course by requiring the Builder to pay to the District a public improvement fee (the PIF) in the amount established in the Agreement. With respect to the PIF, the District is authorized and empowered to exercise all rights and remedies related to the PIF available under the Purchase Contract without the necessity of further action on the part of the Developer. As of December 31, 2022, the District has collected PIF in the amount of \$5,464,552 under this Agreement.

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Funding and Reimbursement Agreements Golf Course**

On October 28, 2021, the District has entered into the Funding and Reimbursement Agreement (Golf Course), effective as of January 1, 2021, with Raindance Holdings, LLC (the Developer) to finance construction of a public golf course that will be owned and maintained by the District. Per the agreement, the Developer agrees to loan to the District one or more sums of money as needed to construct the golf course. The District and the Developer agree and acknowledge that the Developer has incurred certain costs related to the project for the benefit of the District, and may incur additional costs related thereto, and that the District agrees to reimburse to the Developer for such costs in accordance with the provisions of the agreement and after such costs are reviewed and certified by the District's Accountant and Engineer. Unreimbursed advances bear simple interest of 6.5% per annum, from the date any such advance is made to the date of repayment of such amount. The District anticipates repaying moneys advanced by the Developer with the proceeds of the PIF. As of December 31, 2022, the District received and repaid advances under this agreement in the amount of \$4,481,908, and outstanding advances totaled \$147,960 in accrued interest.

**Construction of Sanitary Sewer Facilities Intergovernmental Agreement**

The District and the Town of Windsor (the Town) have entered into the Construction of Sanitary Sewer Facilities and Related Oversizing Credits and Reimbursements Agreement (the IGA) dated June 16, 2020. Pursuant to the IGA, the Town shall reimburse to the District for certain costs of constructing the Sewer Interceptor that relate to Poudre Heights Improvements. The reimbursement amount shall be limited to those actual costs certified by the District as district eligible costs, and shall be made upon submitting an "Acceptance Resolution" to the Town with certificates from the District's Engineer and CPA, relating to completion, costs, and eligibility. No reimbursements were made by the Town in 2022.

**Intergovernmental Agreement Regarding New Liberty Road Modifications**

The District and the Town of Windsor (the Town) have entered into the Intergovernmental Agreement Regarding New Liberty Road Modifications (the IGA) dated June 10, 2021. Per the IGA, the Town shall be responsible for the design of the New Liberty Road Expansion, and the District shall review the design of the New Liberty Road Expansion and provide input into design decisions. Also pursuant to the IGA, the District shall reimburse the Town for one-third (1/3) of design-related costs incurred by the Town with respect to the New Liberty Road Expansion. Upon completion of the modifications, the Town shall provide the District an "Acceptance Resolution" adopted by the Town's Board and supported by the Town's Engineer's Certificate. The District's share of design and construction costs shall be due within 30 days of the Town's presentation of the approved Acceptance Resolution. As of December 31, 2022, the District has not made any reimbursements to the Town per the IGA.

**Intergovernmental Agreement Regarding 7th Street Pedestrian Bridge**

On May 14, 2021, the Town of Windsor (the Town), the District, and Poudre Tech Metropolitan District (PTMD) entered into the Intergovernmental Agreement Regarding 7<sup>th</sup> Street Pedestrian Bridge Construction, Maintenance, and Right-Of-Way Encroachment (the Agreement). Pursuant to the Agreement, the District agrees to construct the Pedestrian Bridge as designed in the Improvement Plan and initially pay all related design and



**RAINDANCE METROPOLITAN DISTRICT NO. 1  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 8 AGREEMENTS (CONTINUED)**

**Intergovernmental Agreement Regarding 7th Street Pedestrian Bridge (Continued)**

construction costs. The Town, the District and PTMD shall each be responsible for the one-third (1/3) of all costs incurred by the District and certified by the District's Engineer. Upon substantial completion of the Pedestrian Bridge and presentation of the Cost Certification, the Town and PTMD shall pay to the District their respective shares of the total amount certified in the Cost Certification within 30 days of receipt thereof, or as otherwise agreed to in writing. Per the Agreement, PTMD is appointed and designated to be the owner of the Pedestrian Bridge. As of December 31, 2022, the District had incurred and certified the project-related costs in the amount of \$2,763,774. The corresponding assets were conveyed to PTMD.

**Agreements for Utility Oversizing Reimbursement**

On December 14, 2022, the Town of Windsor (the Town) and Raindance Development, LLC (the Developer) entered into the Agreements for Utility Oversizing Reimbursement (the Agreements) for Raindance Major Infrastructure, Raindance 15<sup>th</sup> Filing and Raindance 8<sup>th</sup> Filing. Per the Agreements, the Town intends to reimburse that portion of the Developer's costs attributed to utility Oversizing upon completion of the projects and verification of the related costs by the Town Engineering Department. As of December 31, 2022, the Town certified and reimbursed the utility oversizing costs in the amount of \$1,148,081 to the District. The reimbursement was recorded under Other Liabilities in the District's books. It is anticipated that the District will repay the amount of reimbursement to the Developer within a year.

**NOTE 9 RELATED PARTIES**

The Developer of the property which constitutes the District is RainDance Land Company, LLC, a Delaware limited liability company (Developer). Certain members of the Board of Directors of the District are officers or employees of or related to the Developer or an entity affiliated with the Developer or the majority owner of the Developer, and may have conflicts of interest in dealing with the District.

**NOTE 10 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool

**RAINDANCE METROPOLITAN DISTRICT NO. 1**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 10 RISK MANAGEMENT (CONTINUED)**

determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 11 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the state of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the emergency reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. At December 31, 2022, the District determined its required emergency reserve to be approximately \$66,300.

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.

**SUPPLEMENTARY INFORMATION**

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
PIF - Golf Lots Premium	\$ 15,000,000	\$ 5,464,552	\$ (9,535,448)
Total Revenues	<u>15,000,000</u>	<u>5,464,552</u>	<u>(9,535,448)</u>
<b>EXPENDITURES</b>			
Capital Outlay- Public Improvements	11,000,000	216,323	10,783,677
Construction Management	-	44,724	(44,724)
Golf Course	6,500,000	4,957,018	1,542,982
Golf Course- Hoedown Hill	-	179,170	(179,170)
Golf Course - Country Store	-	44,728	(44,728)
Golf Course- Maintenance Building	-	39,957	(39,957)
Miscellaneous	-	149	(149)
Total Expenditures	<u>17,500,000</u>	<u>5,482,069</u>	<u>12,017,931</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,500,000)	(17,517)	2,482,483
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer Advances- Public Improvements	11,000,000	216,323	(10,783,677)
Developer Advances- Golf Course	6,500,000	4,481,908	(2,018,092)
Repayment of Developer Advances	(6,500,000)	(4,481,908)	2,018,092
Transfer to Other Funds	-	(103,591)	(103,591)
Total Other Financing Sources (Uses)	<u>11,000,000</u>	<u>112,732</u>	<u>(10,887,268)</u>
<b>NET CHANGE IN FUND BALANCE</b>	8,500,000	95,215	(8,404,785)
Fund Balance - Beginning of Year	<u>2,551,961</u>	<u>3,442,445</u>	<u>890,484</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 11,051,961</u>	<u>\$ 3,537,660</u>	<u>\$ (7,514,301)</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUNDS AVAILABLE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Capital Fees	\$ 310,000	\$ 235,000	\$ (75,000)
Interest Income	11,000	18,644	7,644
Raw Water Dedication Fee	-	315,000	315,000
Water Service Fees	530,000	1,253,861	723,861
Water Meter Fees	805,000	807,500	2,500
Total Revenues	1,656,000	2,630,005	974,005
<b>EXPENDITURES</b>			
General and Administrative:			
Administration - Billing	40,000	17,766	22,234
Consulting and Studies	200,000	181,833	18,167
Legal Services	80,000	46,900	33,100
Operations and Maintenance:			
Delivery and Ditch Expenses	15,000	2,400	12,600
District Manager and Staff	200,000	373,400	(173,400)
Miscellaneous	-	960	(960)
Pumping Services	-	5,190	(5,190)
Repairs and Maintenance	24,000	46,621	(22,621)
Scada	25,000	-	25,000
Tools and Equipment	24,000	351	23,649
Utilities	120,000	10,206	109,794
Water Purchase	-	82,480	(82,480)
Water Meters and Installation	805,000	648,270	156,730
Debt Service:			
Bond Interest - Series 2020	1,262,975	1,262,975	-
Paying Agent Fees	3,800	660	3,140
Capital Outlay:			
Capital Outlay	600,000	198,884	401,116
Contingency	60,000	-	60,000
Total Expenditures	3,459,775	2,878,896	580,879
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,803,775)	(248,891)	1,554,884
<b>OTHER FINANCING SOURCES (USES)</b>			
Developer Advances	200,000	373,400	173,400
Repayment of Developer Advances	(200,000)	(373,400)	(173,400)
Total Other Financing Sources (Uses)	-	-	-
<b>CHANGE IN FUNDS AVAILABLE</b>	(1,803,775)	(248,891)	1,554,884
Funds Available- Beginning	7,563,963	8,045,095	481,132
<b>Funds Available- Ending</b>	\$ 5,760,188	\$ 7,796,204	\$ 2,036,016
<b>ADJUSTMENTS TO RECONCILE BUDGET BASIS TO GAAP BASIS</b>			
Change in Funds Available		(248,891)	
Depreciation Expense		(250,782)	
Prior Year Accrued Bond Interest		105,248	
Current Year Accrued Bond Interest		(105,248)	
Capital Outlay		847,154	
<b>CHANGE IN NET POSITION</b>		347,481	
Net Position - Beginning of Year		2,681,616	
<b>NET POSITION - END OF YEAR</b>		\$ 3,029,097	

## **OTHER INFORMATION**

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY  
DECEMBER 31, 2022**

\$24,315,000 Non-Potable Water Enterprise Revenue Bonds,  
Series 2020

Dated August 5, 2020

Principal Due December 1

Interest Rate 5.00% - 5.25%

Payable June 1 and December 1

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 1,262,975	\$ 1,262,975
2024	25,000	1,262,975	1,287,975
2025	30,000	1,261,725	1,291,725
2026	35,000	1,260,225	1,295,225
2027	45,000	1,258,475	1,303,475
2028	55,000	1,256,225	1,311,225
2029	60,000	1,253,475	1,313,475
2030	75,000	1,250,475	1,325,475
2031	90,000	1,246,725	1,336,725
2032	170,000	1,242,225	1,412,225
2033	255,000	1,233,725	1,488,725
2034	350,000	1,220,975	1,570,975
2035	450,000	1,203,475	1,653,475
2036	560,000	1,180,975	1,740,975
2037	650,000	1,152,975	1,802,975
2038	750,000	1,120,475	1,870,475
2039	855,000	1,082,975	1,937,975
2040	970,000	1,040,225	2,010,225
2041	1,090,000	991,725	2,081,725
2042	1,220,000	934,500	2,154,500
2043	1,360,000	870,450	2,230,450
2044	1,510,000	799,050	2,309,050
2045	1,670,000	719,775	2,389,775
2046	1,755,000	632,100	2,387,100
2047	1,850,000	539,963	2,389,963
2048	1,945,000	442,837	2,387,837
2049	2,045,000	340,725	2,385,725
2050	4,445,000	233,363	4,678,363
<b>Total</b>	<b><u>\$ 24,315,000</u></b>	<b><u>\$ 28,295,788</u></b>	<b><u>\$ 52,610,788</u></b>

**RAINDANCE METROPOLITAN DISTRICT NO. 1  
SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
DECEMBER 31, 2022**

<u>Year Ended December 31,</u>	<u>Assessed Valuation</u>	<u>Mill Levy</u>		<u>Total Property Taxes</u>		<u>Percent Collected to Levied</u>
		<u>General</u>	<u>Debt Service</u>	<u>Levied</u>	<u>Collected</u>	
2018	\$ 14,460	39.000	0.000	\$ 564	\$ 564	100.00 %
2019	3,775,010	39.000	0.000	147,225	147,215	99.99
2020	88,047,060	39.000	0.000	3,433,835	3,293,757	95.92
2021	89,297,570	39.000	0.000	3,482,605	3,552,079	101.99
2022	34,853,120	39.000	0.000	1,359,272	1,359,272	100.00
Estimated for Year Ending December 31, 2023	\$ 52,590,940	39.000	0.000	\$ 2,051,047		

NOTE: Property taxes collected in any one year include collection of delinquent property taxes levied in prior years. Information received from the County Treasurer does not permit identification of specific year of levy.



**RAINDANCE METROPOLITAN DISTRICT NO. 2  
Weld County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2022**

<b>INDEPENDENT AUDITOR’S REPORT</b>	<b>I</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF NET POSITION</b>	<b>1</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>2</b>
<b>FUND FINANCIAL STATEMENTS</b>	
<b>BALANCE SHEET – GOVERNMENTAL FUNDS</b>	<b>3</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN         FUND BALANCES – GOVERNMENTAL FUNDS</b>	<b>4</b>
<b>RECONCILIATION OF THE STATEMENT OF REVENUES,         EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE         GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES</b>	<b>5</b>
<b>GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND         CHANGES IN FUND BALANCES – BUDGET AND ACTUAL</b>	<b>6</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>7</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES,     AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL</b>	<b>22</b>
<b>SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY</b>	<b>23</b>
<b>OTHER INFORMATION</b>	
<b>OTHER INFORMATION FOR 2019 CDA</b>	<b>25</b>

**INSERT INDEPENDENT AUDITOR'S REPORT**

## **BASIC FINANCIAL STATEMENTS**

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 5
Cash and Investments - Restricted	1,841,846
Receivable from County Treasurer	3,009
Interest Receivable	4,277
Property Tax Receivable	784,121
Total Assets	2,633,258
<b>LIABILITIES</b>	
Due to District No. 1	2,351
Accrued Bonds Interest Payable	80,458
Noncurrent Liabilities:	
Due in More Than One Year	25,416,393
Total Liabilities	25,499,202
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Property Tax Revenue	784,121
Total Deferred Inflows of Resources	784,121
<b>NET POSITION</b>	
Unrestricted	(23,650,065)
Total Net Position	\$ (23,650,065)

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED DECEMBER 31, 2022**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 54,945	\$ -	\$ -	\$ -	\$ (54,945)
Interest and Related Costs on Long-Term Debt	1,353,400	-	-	-	(1,353,400)
Total Governmental Activities	\$ 1,408,345	\$ -	\$ -	\$ -	(1,408,345)
 <b>GENERAL REVENUES</b>					
Property Taxes					332,151
Specific Ownership Taxes					19,669
Net Investment Income/ Net Change in FV of Investments					(59,326)
Total General Revenues					292,494
 <b>CHANGE IN NET POSITION</b>					
Net Position - Beginning of Year					(22,534,214)
 <b>NET POSITION - END OF YEAR</b>					
					\$ (23,650,065)

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

	General	Debt Service	Total Governmental Funds
<b>ASSETS</b>			
Cash and Investments	\$ 5	\$ -	\$ 5
Cash and Investments - Restricted	-	1,841,846	1,841,846
Receivable from County Treasurer	469	2,540	3,009
Interest Receivable	-	4,277	4,277
Property Tax Receivable	52,270	731,851	784,121
	<u>\$ 52,744</u>	<u>\$ 2,580,514</u>	<u>\$ 2,633,258</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Due to District No. 1	\$ 469	\$ 1,882	\$ 2,351
Total Liabilities	<u>469</u>	<u>1,882</u>	<u>2,351</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Property Tax Revenue	52,270	731,851	784,121
Total Deferred Inflows of Resources	<u>52,270</u>	<u>731,851</u>	<u>784,121</u>
<b>FUND BALANCES</b>			
Restricted:			
Debt Service	-	1,846,781	1,846,781
Unrestricted:			
General Government	5	-	5
Total Fund Balances	<u>5</u>	<u>1,846,781</u>	<u>1,846,786</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 52,744</u>	<u>\$ 2,580,514</u>	
Amounts reported for governmental activities in the statement of net position are different because:			
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.			
Accrued Bonds Interest Payable			(1,202,386)
Bonds Payable			(24,294,460)
Developer Advance Payable			(5)
Subtotal			<u>(25,496,851)</u>
Net Position of Governmental Activities			<u>\$ (23,650,065)</u>

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED DECEMBER 31, 2022**

	General	Debt Service	Total Governmental Funds
<b>REVENUES</b>			
Property Taxes	\$ 51,754	\$ 280,397	\$ 332,151
Specific Ownership Taxes	3,065	16,604	19,669
Net Investment Income/ Net Change in FV of Investments	126	(59,452)	(59,326)
Total Revenues	54,945	237,549	292,494
<b>EXPENDITURES</b>			
Banking Fees	-	20	20
Bond Interest Senior Bonds	-	965,500	965,500
County Treasurer's Fees	786	4,259	5,045
Investment Advisory Fee	-	3,787	3,787
Paying Agent Fees	-	2,500	2,500
Transfer to District No. 1	54,159	-	54,159
Total Expenditures	54,945	976,066	1,031,011
<b>NET CHANGE IN FUND BALANCES</b>	-	(738,517)	(738,517)
Fund Balances - Beginning of Year	5	2,585,298	2,585,303
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 5</b>	<b>\$ 1,846,781</b>	<b>\$ 1,846,786</b>

See accompanying Notes to Basic Financial Statements.



**RAINDANCE METROPOLITAN DISTRICT NO. 2  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Governmental Funds \$ (738,517)

Amounts reported for governmental activities in the statement of activities are different because:

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Bond Premium Amortization	21,227
Accrued Interest on Bonds - Change in Liability	<u>(398,561)</u>

Change in Net Position of Governmental Activities \$ (1,115,851)

*See accompanying Notes to Basic Financial Statements.*

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 51,779	\$ 51,780	\$ 51,754	\$ (26)
Specific Ownership Taxes	2,589	3,115	3,065	(50)
Other Revenue	-	1,012	-	(1,012)
Interest Income	-	93	126	33
Total Revenues	<u>54,368</u>	<u>56,000</u>	<u>54,945</u>	<u>(1,055)</u>
<b>EXPENDITURES</b>				
Contingency	-	1,012	-	1,012
Banking Fees	40	40	-	40
County Treasurer's Fees	777	778	786	(8)
Transfer to District No. 1	<u>53,551</u>	<u>54,170</u>	<u>54,159</u>	<u>11</u>
Total Expenditures	<u>54,368</u>	<u>56,000</u>	<u>54,945</u>	<u>1,055</u>
<b>NET CHANGE IN FUND BALANCES</b>				
	-	-	-	-
Fund Balances - Beginning of Year	<u>5</u>	<u>5</u>	<u>5</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ 5</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ -</u></u>

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Raindance Metropolitan District No. 2 (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree issued by the District Court in and for Weld County, Colorado, on June 6, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, operations, and maintenance of the public improvements within the District including streets, parks and recreation, water and wastewater facilities, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security. The District was organized in conjunction with three other related metropolitan districts – RainDance Metropolitan Districts No. 1, No. 3, and No. 4. RainDance Metropolitan District No. 1 serves as the Operating District which is responsible for coordinating the financing, construction, and maintenance of all Public Improvements and other services needed for RainDance Metropolitan District Nos. 2 - 4 (Financing Districts, and together with the District, the Districts), which are responsible for providing the tax base needed to support financing of capital improvements and operations and maintenance.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees, and all operations and administrative functions are contracted.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest, and other costs related to the Series 2019 Bonds.

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2022.

**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 always 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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Equity**

**Net Position**

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted, and unrestricted.

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

*Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

*Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the Board of Directors. The constraint may be removed or changed only through formal action of the Board of Directors.

*Assigned Fund Balance* – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the Board of Directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

*Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Statement of Net Position:

Cash and Investments	\$	5
Cash and Investments - Restricted		1,841,846
Total Cash and Investments	<u>\$</u>	<u>1,841,851</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$ 364,542
Investments	<u>1,477,309</u>
Total Deposits	<u><u>\$ 1,841,851</u></u>

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, the District's cash deposits had a bank balance and carrying balance of \$364,542.

**Investments**

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the Board of Directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- General obligation and revenue bonds of U.S. local government entities
- Certain certificates of participation
- Certain securities lending agreements
- Bankers' acceptances of certain banks
- Commercial paper
- Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- Certain money market funds
- Guaranteed investment contracts
- Local government investment pools

**Fair Value Measurement and Application**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments not measured at fair value and not categorized include governmental money market funds (PFM Funds Governmental Select series), money market funds (generally held by Bank Trust Departments in their role as paying agent or trustee), CSAFE (which are recorded at amortized cost), and COLOTRUST (which are recorded at net asset value).

As of December 31, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
U.S. Treasury Notes	Average 2.21 years	\$ 1,025,790
Corporate Securities	Average 0.08 years	59,891
Municipal Bonds	Average 1.65 years	391,628
Total		<u>\$ 1,477,309</u>



**RAINDANCE METROPOLITAN DISTRICT NO. 2  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**U.S. Treasury Notes, Corporate Securities, and Municipal Bonds**

Debt service monies held in trust by US Bank in the Debt Reserve Fund were invested in U.S. Treasury Notes (Aaa and AAA ratings), Corporate Securities (Aaa ratings), and Municipal Bonds (Aa2, Aa3, and Aaa ratings) with average maturities of 2.21 years, 0.08 years, and 1.65 years, respectively. The District has engaged the services of a registered Investment Advisor (providing financial advisory and asset management services) to receive financial advice and to assist in the management of these funds, including the buying and selling of securities held in such portfolio.

**NOTE 4 LONG-TERM OBLIGATIONS**

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2022:

<u>Governmental Activities</u>	Balance - December 31, 2021	Additions	Retirements	Balance - December 31, 2022	Due Within One Year
<b>Bonds Payable:</b>					
Limited Tax General					
Obligation Bonds:					
Series 2019A	\$ 19,310,000	\$ -	\$ -	\$ 19,310,000	\$ -
Series 2019A - Premium	430,687	-	21,227	409,460	-
Series 2019B	4,575,000	-	-	4,575,000	-
Accrued interest on					
Series 2019B Bonds	723,367	398,561	-	1,121,928	-
<b>Total Bonds Payable</b>	<u>25,039,054</u>	<u>398,561</u>	<u>21,227</u>	<u>25,416,388</u>	<u>-</u>
<b>Other Debts:</b>					
Developer Advances	5	-	-	5	-
Total Long-Term Obligations	<u>\$ 25,039,059</u>	<u>\$ 398,561</u>	<u>\$ 21,227</u>	<u>\$ 25,416,393</u>	<u>\$ -</u>

The details of the District's long-term obligations are as follows:

The District issued **Limited Tax General Obligation Bonds, Series 2019A** (the Senior Bonds) and **Subordinate Limited Tax General Obligation Bonds, Series 2019B** (the Subordinate Bonds and together with the Senior Bonds, the Bonds) on December 20, 2019, in the amounts of \$19,310,000 and \$4,575,000, respectively.

**Use of Proceeds**

Proceeds from the sale of the Bonds were used to finance certain public infrastructure. A portion of the proceeds of the Senior Bonds were also used to fund: (a) the Reserve Fund, (b) capitalized interest, and (c) the costs of issuing the Bonds.

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Optional Redemption**

Both the Senior Bonds and the Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2024 and on any date thereafter, upon payment of par, accrued interest, and a redemption premium of a percentage of the principal amount redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2024 to November 30, 2025	3.00%
December 1, 2025 to November 30, 2026	2.00
December 1, 2026 to November 30, 2027	1.00
December 1, 2027 and thereafter	0.00

**Senior Bonds Details**

The Senior Bonds bear interest at 5%, payable semi-annually to the extent of Senior Pledged Revenue available on June 1 and December 1 (Interest Payment Dates), beginning on June 1, 2020. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2025. The Bonds mature on December 1, 2049.

To the extent principal of any Senior Bond is not paid when due, such principal will remain outstanding until paid. To the extent interest on any Senior Bond is not paid when due, such unpaid interest will compound semi-annually on each Interest Payment Date, at the rate then borne by the Senior Bond.

The Senior Bonds are not subject to acceleration and do not have any unused lines of credit. No assets have been pledged as collateral on the Senior Bonds.

**Senior Pledged Revenue**

The Senior Bonds are secured by and payable from the Senior Pledged Revenue consisting of the following revenues, net of any costs of collection:

- (a) all Senior Property Tax Revenues;
- (b) all Senior Specific Ownership Tax Revenues; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund.

**Senior Property Tax Revenues**

Senior Property Tax Revenues means all moneys derived from imposition by the District of the Senior Required Mill Levy. Senior Property Tax Revenues are net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Senior Required Mill Levy**

The District has covenanted to impose a Senior Required Mill Levy each year in an amount sufficient to pay the principal of, premium if any, and interest on the Senior Bonds as they become due and payable and to replenish the Reserve Fund to the Reserve Requirement, but not in excess of 39 mills (subject to adjustment for changes in the method of calculating assessed valuation occurring after January 1, 2014) less the then-applicable Permitted O&M Mill Levy. However, for so long as the amount on deposit in the Surplus Fund is less than the Maximum Surplus Amount, the Senior Required Mill Levy will be 39 mills (subject to adjustment) less the then-applicable Permitted O&M Mill Levy. The Permitted O&M Mill Levy is generally the maximum mill levy needed to generate property taxes, net of collection costs, in the amount of \$50,000 for 2020 and inflated 1% per year thereafter.

**Reserve Fund**

The Senior Bonds are also secured by amounts on deposit in the Reserve Fund, which were funded with proceeds of the Senior Bonds in the amount of \$1,549,250.

**Surplus Fund**

Senior Pledged Revenue that is not needed to pay debt service on the Senior Bonds in any year will be deposited to and held in the Surplus Fund, up to the Maximum Surplus Amount of \$780,000. Amounts on deposit in the Surplus Fund (if any) on the final maturity date of the Senior Bonds will be applied to the payment of the Senior Bonds.

**Events of Default of the Senior Bonds**

Events of default occur if the District fails to impose the Senior Required Mill Levy or apply the Pledged Revenue as required by the Indenture, and does not comply with other customary terms and conditions with normal municipal financing as described in the Senior Bonds Indenture.

**2019A Senior Bonds Debt Service**

The outstanding principal and interest of the 2019A Senior Bonds are due as follows:

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ -	\$ 965,500	\$ 965,500
2024	-	965,500	965,500
2025	60,000	965,500	1,025,500
2026	220,000	962,500	1,182,500
2027	300,000	951,500	1,251,500
2028 – 2032	1,980,000	4,500,250	6,480,250
2033 – 2037	2,865,000	3,921,000	6,786,000
2038 – 2042	4,050,000	3,093,250	7,143,250
2043 – 2047	5,550,000	1,938,000	7,488,000
2048 – 2049	4,285,000	361,750	4,646,750
Total	<u>\$ 19,310,000</u>	<u>\$ 18,624,750</u>	<u>\$ 37,934,750</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Subordinate Bonds Details**

The Subordinate Bonds bear interest at 7.5% and are structured as “cash flow” bonds, meaning that no regularly scheduled payments of principal are due on the Subordinate Bonds prior to their maturity date. Rather, principal on the Subordinate Bonds is payable annually on each December 15 from, and to the extent of, Subordinate Pledged Revenue. Interest on the Subordinate Bonds is payable on each December 15, commencing December 15, 2020, to the extent of the Subordinate Pledged Revenue. Accrued unpaid interest on the Subordinate Bonds will compound annually on each December 15, at the rate then borne by the Subordinate Bond.

In the event that any amount of principal of or interest on the Subordinate Bonds remains unpaid on December 15, 2059, the Subordinate Bonds will be deemed discharged on December 15, 2059, regardless of the principal and interest amounts remaining unpaid.

The Subordinate Bonds are not subject to acceleration and do not have any unused lines of credit. No assets have been pledged as collateral on the Subordinate Bonds.

**Subordinate Pledged Revenue**

The Subordinate Bonds are secured by and payable from the Subordinate Pledged Revenue, consisting of the following revenues, net of any costs of collection:

- (a) all Subordinate Property Tax Revenues;
- (b) all Subordinate Specific Ownership Tax Revenues; and
- (c) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

**Subordinate Property Tax Revenues**

Subordinate Property Tax Revenues include all moneys derived from imposition by the District of the Subordinate Required Mill Levy. Subordinate Property Tax Revenues are net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

**Subordinate Required Mill Levy**

The District has covenanted to impose a Subordinate Required Mill Levy in the amount of (i) 39 mills (subject to adjustment for changes in the method of calculating assessed valuation occurring after January 1, 2014) less the Senior Required Mill and less the then-applicable Permitted O&M Mill Levy, or (ii) such lesser mill levy that will generate Subordinate Property Tax Revenues which will pay the Subordinate Bonds in full. As a result, the Subordinate Required Mill Levy will be zero at any time that the Senior Required Mill Levy, together with the then-applicable Permitted O&M Mill Levy, is equal to 39 mills, as adjusted.

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Events of Default of the Subordinate Bonds**

Events of default occur if the District fails to impose the Subordinate Required Mill Levy or apply the Subordinate Pledged Revenue as required by the Indenture, and does not comply with other customary terms and conditions with normal municipal financing as described in the Subordinate Bonds Indenture.

**2019B Subordinate Bonds Debt Service**

The annual debt service requirements on the 2019B Subordinate Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue.

**Authorized Debt**

At December 31, 2022, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	Amount Authorized on May 6, 2014	Authorization Used for 2019 Bonds	Authorized But Unissued
Water	\$ 93,000,000	\$ 3,956,432	\$ 89,043,568
Sanitation/Stormwater	93,000,000	6,261,698	86,738,302
Streets	93,000,000	14,138,890	78,861,110
Parks and Recreation	93,000,000	-	93,000,000
Public Transportation	93,000,000	-	93,000,000
Fire Protection	93,000,000	-	93,000,000
Mosquito Control	93,000,000	-	93,000,000
Safety Protection	93,000,000	-	93,000,000
Security	93,000,000	-	93,000,000
TV Relay and Translation	93,000,000	-	93,000,000
Operation and Maintenance	93,000,000	-	93,000,000
Debt Refunding	93,000,000	-	93,000,000
Intergovernmental Agreements	93,000,000	-	93,000,000
Private Agreements	93,000,000	-	93,000,000
Special Assessments	93,000,000	-	93,000,000
Total	<u>\$ 1,395,000,000</u>	<u>\$ 24,357,020</u>	<u>\$ 1,370,642,980</u>

Pursuant to the Service Plan, the maximum general obligation indebtedness for all of Financing Districts combined is not to exceed \$93,000,000.

**NOTE 5 NET POSITION**

The District has net position consisting of one component – unrestricted.

The District has a deficit in unrestricted net position because it carries a bond payable that was issued to finance public improvements that were either conveyed to other governmental entity or were transferred to District No.1.

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 6 AGREEMENTS/RESOLUTIONS**

**District Coordinating Services Agreement (District Nos. 1-4)**

Effective as of January 1, 2018, the Districts entered into a District Coordinating Services Agreement (the Coordinating Services Agreement) for the purpose of establishing the respective obligations of the Districts with respect to the coordination, oversight, and funding of certain administrative costs of the Districts, and costs related to the continued operation and maintenance of certain of the Public Improvements within such Districts. Pursuant to the Coordinating Services Agreement, District No. 1 was designated as the “coordinating district” (the Coordinating District). The District, District No. 3, and District No. 4 were each designated as “financing districts” (the Financing Districts).

**Common Finance Plan Resolution and Infrastructure Acquisition and Reimbursement Agreement**

On December 5, 2019, District No. 1 and the District adopted a Joint Resolution Regarding Intent to Implement Common Plan of Finance (the Common Finance Plan Resolution), pursuant to which: (a) the District and District No. 1 declared their mutual intent to implement the common plan of finance set forth and approved in the Service Plan to fund or reimburse from the Bonds all or a portion of the capital costs related to the Public Improvements to serve RainDance; and (b) The District declared its intent, upon issuance of the Bonds, to transfer all available proceeds to District No. 1 for the payment of such costs, including amounts owed by District No. 1, pursuant to certain Reimbursement Agreement.

District No. 1 and the Developer have entered into an Infrastructure Acquisition and Reimbursement Agreement dated March 1, 2018 (the Reimbursement Agreement). Pursuant to the Reimbursement Agreement, it is acknowledged that the Developer has incurred certain costs related to the public infrastructure for the benefit of RainDance community, and may incur additional costs related thereto during a period when District No. 1 is unable to fund such costs, and District No. 1 and the Developer desire to establish terms and conditions under which District No. 1 (a) shall reimburse the Developer for any and all costs of any kind related to the provision of the Public Improvements that may be lawfully funded by District No. 1 under the Special District Act and the Service Plan (collectively, District Eligible Costs) which are subject to an Accountant’s Cost Certification and Engineer’s Cost Certification (Certified District Eligible Costs) to the extent constituting repayment obligations under the Reimbursement Agreement; (b) may acquire any such Public Improvements constructed for the benefit of RainDance community that are to be owned by District No. 1 from the Developer and shall pay Certified District Eligible Costs; and (c) shall reimburse the Developer for Certified District Eligible Costs incurred by the Developer for Public Improvements that are being dedicated to the Town or other governmental entities.

**RAINDANCE METROPOLITAN DISTRICT NO. 2**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 7 RELATED PARTIES**

The Developer of the property which constitutes the District is RainDance Land Company, LLC, a Delaware limited liability company (Developer). Certain members of the Board of Directors of the District are officers or employees of or related to the Developer or an entity affiliated with the Developer or the majority owner of the Developer, and may have conflicts of interest in dealing with the District.

**NOTE 8 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue. On May 6, 2014, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The District transfers its net operating revenue to District No. 1. Therefore, the Emergency Reserves related to the District's revenues are reported in District No. 1.

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)**

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate Fiscal Year Spending limits, will require judicial interpretation.



## **SUPPLEMENTARY INFORMATION**

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 280,534	\$ 280,397	\$ (137)
Specific Ownership Taxes	14,027	16,604	2,577
Net Investment Income/ Net Change in FV of Investments	2,500	(59,452)	(61,952)
Total Revenues	<u>297,061</u>	<u>237,549</u>	<u>(59,512)</u>
<b>EXPENDITURES</b>			
Bond Interest Senior Bonds	965,500	965,500	-
Banking Fees	-	20	(20)
County Treasurer's Fees	4,208	4,259	(51)
Investment Advisory Fee	8,500	3,787	4,713
Paying Agent Fees	3,000	2,500	500
Contingency	18,792	-	18,792
Total Expenditures	<u>1,000,000</u>	<u>976,066</u>	<u>23,934</u>
<b>NET CHANGE IN FUND BALANCES</b>	(702,939)	(738,517)	(35,578)
Fund Balances - Beginning of Year	<u>2,598,390</u>	<u>2,585,298</u>	<u>(13,092)</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,895,451</u>	<u>\$ 1,846,781</u>	<u>\$ (48,670)</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<u>Bonds and Interest Maturing in the Year Ending December 31,</u>	\$19,310,000 Limited Tax General Obligation Bonds Series 2019A Interest 5.00% Dated December 20, 2019 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
	Principal	Interest	Total
2023	\$ -	\$ 965,500	\$ 965,500
2024	-	965,500	965,500
2025	60,000	965,500	1,025,500
2026	220,000	962,500	1,182,500
2027	300,000	951,500	1,251,500
2028	340,000	936,500	1,276,500
2029	355,000	919,500	1,274,500
2030	400,000	901,750	1,301,750
2031	420,000	881,750	1,301,750
2032	465,000	860,750	1,325,750
2033	490,000	837,500	1,327,500
2034	540,000	813,000	1,353,000
2035	565,000	786,000	1,351,000
2036	620,000	757,750	1,377,750
2037	650,000	726,750	1,376,750
2038	710,000	694,250	1,404,250
2039	745,000	658,750	1,403,750
2040	815,000	621,500	1,436,500
2041	855,000	580,750	1,435,750
2042	925,000	538,000	1,463,000
2043	970,000	491,750	1,461,750
2044	1,050,000	443,250	1,493,250
2045	1,100,000	390,750	1,490,750
2046	1,185,000	335,750	1,520,750
2047	1,245,000	276,500	1,521,500
2048	1,335,000	214,250	1,549,250
2049	2,950,000	147,500	3,097,500
Total	\$ 19,310,000	\$ 18,624,750	\$ 37,934,750

**ANNUAL INFORMATION REQUIRED  
BY THE CONTINUING DISCLOSURE AGREEMENT  
RELATED TO THE LIMITED TAX GENERAL  
OBLIGATION BONDS, SERIES 2019A AND B (“2019 CDA”)**

**RAINDANCE METROPOLITAN DISTRICT NO. 2  
OTHER INFORMATION FOR 2019 CDA  
DECEMBER 31, 2022**

Year Ended December 31,		Assessed Valuation	Percent Change	Mill Levy			Total Property Taxes		Percent Collected to Levied
Levy Year	Collection Year			General	Debt Service	Total	Levied	Collected	
2017	2018	\$ 7,948,670	-67.64%	39.000	0.000	39.000	\$ 309,998	\$ 309,998	100.00 %
2018	2019	1,806,860	(77.27)	39.000	0.000	39.000	70,468	70,468	100.00
2019	2020	1,068,210	(40.88)	43.418	0.000	43.418	46,380	46,380	100.00
2020	2021	1,771,450	65.83	29.191	10.604	39.795	70,494	74,458	105.62
2021	2022	8,183,850	361.99	6.327	34.279	40.606	332,312	332,151	99.95
Estimated for Year Ending December 31,									
2022	2023	\$ 17,888,420	118.58 %	2.922	40.912	43.834	\$ 784,121		

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
Weld County, Colorado**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTARY INFORMATION**

**YEAR ENDED DECEMBER 31, 2022**

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
TABLE OF CONTENTS  
YEAR ENDED DECEMBER 31, 2022**

<b>INDEPENDENT AUDITOR’S REPORT</b>	<b>1</b>
<b>BASIC FINANCIAL STATEMENTS</b>	
<b>GOVERNMENT-WIDE FINANCIAL STATEMENTS</b>	
<b>STATEMENT OF NET POSITION</b>	<b>1</b>
<b>STATEMENT OF ACTIVITIES</b>	<b>2</b>
<b>FUND FINANCIAL STATEMENTS</b>	
<b>BALANCE SHEET – GOVERNMENTAL FUNDS</b>	<b>3</b>
<b>STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN         FUND BALANCES – GOVERNMENTAL FUNDS</b>	<b>4</b>
<b>RECONCILIATION OF THE STATEMENT OF REVENUES,         EXPENDITURES, AND CHANGES IN FUND BALANCES OF THE         GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES</b>	<b>5</b>
<b>GENERAL FUND – STATEMENT OF REVENUES, EXPENDITURES, AND         CHANGES IN FUND BALANCE – BUDGET AND ACTUAL</b>	<b>6</b>
<b>NOTES TO BASIC FINANCIAL STATEMENTS</b>	<b>7</b>
<b>SUPPLEMENTARY INFORMATION</b>	
<b>DEBT SERVICE FUND – SCHEDULE OF REVENUES, EXPENDITURES,     AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL</b>	<b>22</b>
<b>SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY</b>	<b>23</b>
<b>OTHER INFORMATION</b>	
<b>SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY     TAXES COLLECTED</b>	<b>25</b>
<b>OTHER INFORMATION FOR 2018 CDA</b>	<b>26</b>

**INSERT INDEPENDENT AUDITOR'S REPORT**



## **BASIC FINANCIAL STATEMENTS**

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
STATEMENT OF NET POSITION  
DECEMBER 31, 2022**

	Governmental Activities
<b>ASSETS</b>	
Cash and Investments	\$ 519
Cash and Investments - Restricted	2,803,021
Receivable from County Treasurer	4,920
Due from District No. 1	3,200
Interest Receivable	5,508
Property Tax Receivable	1,171,495
Total Assets	3,988,663
<b>LIABILITIES</b>	
Due to District No. 1	760
Accrued Bonds Interest Payable	78,823
Noncurrent Liabilities:	
Due within One Year	80,000
Due in More Than One Year	20,448,613
Total Liabilities	20,608,196
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Deferred Property Tax Revenue	1,171,495
Total Deferred Inflows of Resources	1,171,495
<b>NET POSITION</b>	
Restricted for:	
Debt Service	75,297
Unrestricted	(17,866,325)
Total Net Position	\$ (17,791,028)

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
STATEMENT OF ACTIVITIES  
YEAR ENDED DECEMBER 31, 2022**

		Program Revenues			Net Revenues (Expenses) and Change in Net Position
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary Government:					
Governmental Activities:					
General Government	\$ 69,087	\$ -	\$ -	\$ -	\$ (69,087)
Interest and Related Costs on Long-Term Debt	1,263,786	-	-	257,500	(1,006,286)
Total Governmental Activities	\$ 1,332,873	\$ -	\$ -	\$ 257,500	(1,075,373)
<b>GENERAL REVENUES</b>					
Property Taxes					1,032,670
Specific Ownership Taxes					60,469
Net Investment Income/ Net Change in FV of Investments					(30,647)
Total General Revenues					1,062,492
<b>CHANGE IN NET POSITION</b>					(12,881)
Net Position - Beginning of Year					(17,778,147)
<b>NET POSITION - END OF YEAR</b>					\$ (17,791,028)

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2022**

	General	Debt Service	Total Governmental Funds
<b>ASSETS</b>			
Cash and Investments	\$ 519	\$ -	\$ 519
Cash and Investments - Restricted	-	2,803,021	2,803,021
Receivable from County Treasurer	246	4,674	4,920
Due from District No. 1	-	3,200	3,200
Interest Receivable	-	5,508	5,508
Property Tax Receivable	52,017	1,119,478	1,171,495
Total Assets	<u>\$ 52,782</u>	<u>\$ 3,935,881</u>	<u>\$ 3,988,663</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Due to District No. 1	\$ 760	\$ -	\$ 760
Total Liabilities	760	-	760
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Property Tax Revenue	52,017	1,119,478	1,171,495
Total Deferred Inflows of Resources	52,017	1,119,478	1,171,495
<b>FUND BALANCES</b>			
Restricted:			
Debt Service	-	2,816,403	2,816,403
Unrestricted:			
General Government	5	-	5
Total Fund Balances	<u>5</u>	<u>2,816,403</u>	<u>2,816,408</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 52,782</u>	<u>\$ 3,935,881</u>	
Amounts reported for governmental activities in the statement of net position are different because:			
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not recorded as liabilities in the funds.			
Accrued Bonds Interest Payable			(1,317,431)
Bonds Payable			(19,290,000)
Developer Advance Payable			(5)
Subtotal			(20,607,436)
Net Position of Governmental Activities			<u>\$ (17,791,028)</u>

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
YEAR ENDED DECEMBER 31, 2022**

	General	Debt Service	Total Governmental Funds
<b>REVENUES</b>			
Property Taxes	\$ 52,107	\$ 980,563	\$ 1,032,670
Specific Ownership Taxes	3,019	57,450	60,469
Net Investment Income/ Net Change in FV of Investments	20	(30,667)	(30,647)
Facilities Fees	-	257,500	257,500
Total Revenues	55,146	1,264,846	1,319,992
<b>EXPENDITURES</b>			
Bond Interest - Series 2018A	-	945,875	945,875
County Treasurer's Fees	773	14,714	15,487
Investment Advisory Fees	-	4,633	4,633
Paying Agent Fees	-	6,000	6,000
Miscellaneous	-	20	20
Transfer to District No. 1	54,373	-	54,373
Total Expenditures	55,146	971,242	1,026,388
<b>NET CHANGE IN FUND BALANCES</b>	-	293,604	293,604
Fund Balances - Beginning of Year	5	2,522,799	2,522,804
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ 5</b>	<b>\$ 2,816,403</b>	<b>\$ 2,816,408</b>

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
 RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
 IN FUND BALANCES OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
 YEAR ENDED DECEMBER 31, 2022**

Net Change in Fund Balances - Governmental Funds	\$ 293,604
--	------------

Amounts reported for governmental activities in the statement of activities are different because:

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Accrued Interest on Bonds - Change in Liability	<u>(306,485)</u>
---	------------------

Change in Net Position of Governmental Activities	<u>\$ (12,881)</u>
---	--------------------

*See accompanying Notes to Basic Financial Statements.*

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Budget		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Property Taxes	\$ 51,504	\$ 52,079	\$ 52,107	\$ 28
Specific Ownership Taxes	2,575	3,098	3,019	(79)
Other Revenue	-	1,104	-	(1,104)
Interest Income		19	20	1
Total Revenues	<u>54,079</u>	<u>56,300</u>	<u>55,146</u>	<u>(1,154)</u>
<b>EXPENDITURES</b>				
County Treasurer's Fees	773	773	773	-
Transfer to District No. 1	53,306	54,423	54,373	50
Contingency	-	1,104	-	1,104
Total Expenditures	<u>54,079</u>	<u>56,300</u>	<u>55,146</u>	<u>1,154</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	<u>5</u>	<u>5</u>	<u>5</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ -</u>

See accompanying Notes to Basic Financial Statements.

**RAINDANCE METROPOLITAN DISTRICT NO. 3**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 1 DEFINITION OF REPORTING ENTITY**

Raindance Metropolitan District No. 3 (the District), a quasi-municipal corporation and a political subdivision of the State of Colorado, was organized by order and decree issued by the District Court in and for Weld County, Colorado, on June 6, 2014, and is governed pursuant to provisions of the Colorado Special District Act (Title 32, Article 1, Colorado Revised Statutes).

The District was organized to provide financing for the planning, design, acquisition, construction, installation, relocation, redevelopment, operations, and maintenance of the public improvements within the District including streets, parks and recreation, water and wastewater facilities, transportation, mosquito control, safety protection, fire protection, television relay and translation, and security. The District was organized in conjunction with three other related metropolitan districts – RainDance Metropolitan Districts No. 1, No. 2, and No. 4. RainDance Metropolitan District No. 1 serves as the Operating District which is responsible for coordinating the financing, construction, and maintenance of all Public Improvements and other services needed for RainDance Metropolitan District Nos. 2 - 4 (Financing Districts, and together with the District, the Districts,) which are responsible for providing the tax base needed to support financing of capital improvements and operations and maintenance.

The District follows the Governmental Accounting Standards Board (GASB) accounting pronouncements which provide guidance for determining which governmental activities, organizations and functions should be included within the financial reporting entity. GASB pronouncements set forth the financial accountability of a governmental organization's elected governing body as the basic criterion for including a possible component governmental organization in a primary government's legal entity. Financial accountability includes, but is not limited to, appointment of a voting majority of the organization's governing body, ability to impose its will on the organization, a potential for the organization to provide specific financial benefits or burdens, and fiscal dependency.

The District is not financially accountable for any other organization, nor is the District a component unit of any other primary governmental entity.

The District has no employees, and all operations and administrative functions are contracted.

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The more significant accounting policies of the District are described as follows:

**Government-Wide and Fund Financial Statements**

The government-wide financial statements include the statement of net position and the statement of activities. These financial statements include all of the activities of the District. The effect of interfund activity has been removed from these statements. Governmental activities are normally supported by property taxes and intergovernmental revenues.



**RAINDANCE METROPOLITAN DISTRICT NO. 3**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Government-Wide and Fund Financial Statements (Continued)**

The statement of net position reports all financial and capital resources of the District. The difference between the sum of assets and deferred outflows and the sum of liabilities and deferred inflows is reported as net position.

The statement of activities demonstrates the degree to which the direct and indirect expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided for the governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

**Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. The major sources of revenue susceptible to accrual are property taxes. All other revenue items are considered to be measurable and available only when cash is received by the District. The District has determined that Developer advances are not considered as revenue susceptible to accrual. Expenditures, other than interest on long-term obligations, are recorded when the liability is incurred or the long-term obligation due.

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The Debt Service Fund accounts for the resources accumulated and payments made for principal, interest and other costs related to the Series 2018 Bonds.

**RAINDANCE METROPOLITAN DISTRICT NO. 3**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Budgets**

In accordance with the State Budget Law, the District's Board of Directors holds public hearings in the fall each year to approve the budget and appropriate the funds for the ensuing year. The appropriation is at the total fund expenditures and other financing uses level and lapses at year-end. The District's Board of Directors can modify the budget by line item within the total appropriation without notification. The appropriation can only be modified upon completion of notification and publication requirements. The budget includes each fund on its basis of accounting unless otherwise indicated.

The District amended its annual budget for the year ended December 31, 2022.

**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 always 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, sale of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

Property taxes, net of estimated uncollectible taxes, are recorded initially as deferred inflow of resources in the year they are levied and measurable. The property tax revenues are recorded as revenue in the year they are available or collected.

**Deferred Inflows of Resources**

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category. Accordingly, the item, *deferred property tax revenue*, is deferred and recognized as an inflow of resources in the period that the amount becomes available.

**Equity**

**Net Position**

For government-wide presentation purposes, when both restricted and unrestricted resources are available for use, it is the District's practice to use restricted resources first, then unrestricted resources as they are needed.

In the government-wide financial statements, fund equity is classified as net position. Net position may be classified into three components: net investment in capital assets, restricted, and unrestricted.

**RAINDANCE METROPOLITAN DISTRICT NO. 3**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Equity (Continued)**

**Fund Balance**

Fund balance for governmental funds should be reported in classifications that comprise a hierarchy based on the extent to which the government is bound to honor constraints on the specific purposes for which spending can occur. Governmental funds report up to five classifications of fund balance: nonspendable, restricted, committed, assigned, and unassigned. Because circumstances differ among governments, not every government or every governmental fund will present all of these components. The following classifications describe the relative strength of the spending constraints:

*Nonspendable Fund Balance* – The portion of fund balance that cannot be spent because it is either not in spendable form (such as prepaid amounts or inventory) or legally or contractually required to be maintained intact.

*Restricted Fund Balance* – The portion of fund balance that is constrained to being used for a specific purpose by external parties (such as bondholders), constitutional provisions, or enabling legislation.

*Committed Fund Balance* – The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority, the board of directors. The constraint may be removed or changed only through formal action of the board of directors.

*Assigned Fund Balance* – The portion of fund balance that is constrained by the government's intent to be used for specific purposes but is neither restricted nor committed. Intent is expressed by the board of directors to be used for a specific purpose. Constraints imposed on the use of assigned amounts are more easily removed or modified than those imposed on amounts that are classified as committed.

*Unassigned Fund Balance* – The residual portion of fund balance that does not meet any of the criteria described above.

If more than one classification of fund balance is available for use when an expenditure is incurred, it is the District's practice to use the most restrictive classification first.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS**

Cash and investments as of December 31, 2022, are classified in the accompanying financial statements as follows:

Cash and Investments	\$ 519
Cash and Investments - Restricted	<u>2,803,021</u>
Total Cash and Investments	<u><u>\$ 2,803,540</u></u>

Cash and investments as of December 31, 2022, consist of the following:

Deposits with Financial Institutions	\$ 10,307
Investments	<u>2,793,233</u>
Total Cash and Investments	<u><u>\$ 2,803,540</u></u>

**Deposits with Financial Institutions**

The Colorado Public Deposit Protection Act (PDPA) requires that all units of local government deposit cash in eligible public depositories. Eligibility is determined by state regulators. Amounts on deposit in excess of federal insurance levels must be collateralized. The eligible collateral is determined by the PDPA. PDPA allows the institution to create a single collateral pool for all public funds. The pool for all the uninsured public deposits as a group is to be maintained by another institution or held in trust. The market value of the collateral must be at least 102% of the aggregate uninsured deposits.

The State Commissioners for banks and financial services are required by statute to monitor the naming of eligible depositories and reporting of the uninsured deposits and assets maintained in the collateral pools.

At December 31, 2022, the District's cash deposits had a bank balance and carrying balance of \$10,307.

**Investments**

The District has not adopted a formal investment policy; however, the District follows state statutes regarding investments.

The District generally limits its concentration of investments to those noted with an asterisk (\*) below, which are believed to have minimal credit risk, minimal interest rate risk and no foreign currency risk. Additionally, the District is not subject to concentration risk or investment custodial risk disclosure requirements for investments that are in the possession of another party.

Colorado revised statutes limit investment maturities to five years or less unless formally approved by the board of directors. Such actions are generally associated with a debt service reserve or sinking fund requirements.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Colorado statutes specify investment instruments meeting defined rating and risk criteria in which local governments may invest which include:

- \* Obligations of the United States, certain U.S. government agency securities, and securities of the World Bank
- \* General obligation and revenue bonds of U.S. local government entities
- . Certain certificates of participation
- . Certain securities lending agreements
- . Bankers' acceptances of certain banks
- . Commercial paper
- . Written repurchase agreements and certain reverse repurchase agreements collateralized by certain authorized securities
- . Certain money market funds
- . Guaranteed investment contracts
- \* Local government investment pools

**Fair Value Measurement and Application**

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, Level 2 inputs are significant other observable inputs, and Level 3 inputs are significant unobservable inputs. Investments not measured at fair value and not categorized include governmental money market funds (PFM Funds Governmental Select series), money market funds (generally held by Bank Trust Departments in their role as paying agent or trustee), CSAFE (which are recorded at amortized cost), and COLOTRUST (which are recorded at net asset value).

As of December 31, 2022, the District had the following investments:

<u>Investment</u>	<u>Maturity</u>	<u>Amount</u>
Colorado Local Government Liquid Asset Trust (COLOTRUST)	Weighted-Average Under 60 Days	\$ 1,361,308
Corporate Bonds	Average 0.96 Years	316,441
Municipal Bonds	Average 1.42 Years	297,499
U.S. Treasury Notes	Average 1.47 Years	817,985
Total		<u>\$ 2,793,233</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 3**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 3 CASH AND INVESTMENTS (CONTINUED)**

**COLOTRUST**

The District invested in the Colorado Local Government Liquid Asset Trust (COLOTRUST) (the Trust), an investment vehicle established for local government entities in Colorado to pool surplus funds. The State Securities Commissioner administers and enforces all State statutes governing the Trust. The Trust currently offers three portfolios – COLOTRUST PRIME, COLOTRUST PLUS+, and COLOTRUST EDGE.

COLOTRUST PRIME and COLOTRUST PLUS+, which operate similarly to a money market fund and each share is equal in value to \$1.00, offer daily liquidity. Both portfolios may invest in U.S. Treasury securities and repurchase agreements collateralized by U.S. Treasury securities. COLOTRUST PLUS+ may also invest in certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

COLOTRUST EDGE, a variable Net Asset Value (NAV) Local Government Investment Pool, offers weekly liquidity and is managed to approximate a \$10.00 transactional share price. COLOTRUST EDGE may invest in securities authorized by CRS 24-75-601, including U.S. Treasury securities, repurchase agreements collateralized by U.S. Treasury securities, certain obligations of U.S. government agencies, highest rated commercial paper, and any security allowed under CRS 24-75-601.

A designated custodial bank serves as custodian for the Trust's portfolios pursuant to a custodian agreement. The custodian acts as safekeeping agent for the Trust's investment portfolios and provides services as the depository in connection with direct investments and withdrawals. The custodian's internal records segregate investments owned by the Trust. COLOTRUST PRIME and COLOTRUST PLUS+ are rated AAAM by Standard & Poor's. COLOTRUST EDGE is rated AAAsf/S1 by Fitch Ratings. COLOTRUST records its investments at fair value and the District records its investment in COLOTRUST at net asset value as determined by fair value. There are no unfunded commitments, the redemption frequency is daily or weekly, and there is no redemption notice period.

**U.S. Treasury Notes, Corporate Bonds and Municipal Bonds**

Debt service monies held in trust by UMB Bank in the Debt Reserve Fund were invested in Corporate Bonds (Aaa ratings), Municipal Bonds (Aaa and Aa2 ratings), and U.S. Treasury Notes (Aaa ratings), with average maturities of 0.96 years, 1.42 years, and 1.47 years, respectively. The District has engaged the services of a registered Investment Advisor (providing financial advisory and asset management services) to receive financial advice and to assist in the management of these funds, including the buying and selling of securities held in such portfolio.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 LONG-TERM OBLIGATIONS**

The following is an analysis of changes in the District's long-term obligations for the year ended December 31, 2022:

<u>Governmental Activities</u>	Balance - December 31, 2021	Additions	Retirements	Balance - December 31, 2022	Due Within One Year
<b>Bonds Payable:</b>					
Limited Tax General Obligation Bonds:					
Series 2018A	\$ 16,450,000	\$ -	\$ -	\$ 16,450,000	\$ 80,000
Series 2018B	2,840,000	-	-	2,840,000	-
Accrued Interest on Series 2018B Bonds	932,123	306,485	-	1,238,608	-
Total Bonds Payable	<u>20,222,123</u>	<u>306,485</u>	<u>-</u>	<u>20,528,608</u>	<u>80,000</u>
<b>Other Debts:</b>					
Developer Advances	5	-	-	5	-
Total Long-Term Obligations	<u>\$ 20,222,128</u>	<u>\$ 306,485</u>	<u>\$ -</u>	<u>\$ 20,528,613</u>	<u>\$ 80,000</u>

The details of the District's long-term obligations are as follows:

**Limited Tax General Obligation Bonds, Series 2018A** (the Senior Bonds) and **Subordinate Limited Tax General Obligation Bonds, Series 2018B** (the Subordinate Bonds, and together with the 2018A Senior Bonds, the Bonds).

**Bond Details**

The District issued the Bonds on May 17, 2018, in the amounts of \$16,450,000 for the 2018A Senior Bonds and \$2,840,000 for the 2018B Subordinate Bonds. Proceeds from the sale of the Bonds were applied to fund and reimburse a portion of the costs of certain public improvements. A portion of the proceeds from the sale of the 2018A Senior Bonds were applied to: (i) fund capitalized interest on the 2018A Senior Bonds; (ii) fund the Senior Reserve Fund; and (iii) pay the costs of issuing the Bonds.

The 2018A Senior Bonds bear interest at 5.75%, payable semiannually on June 1 and December 1 of each year, commencing December 1, 2018. Annual mandatory sinking fund principal payments are due on December 1, beginning on December 1, 2023. The 2018A Senior Bonds mature on December 1, 2047. To the extent the 2018A Senior Bonds are not paid when due, the unpaid principal will continue to bear interest and the unpaid interest will compound semiannually on each June 1 and December 1, at the rate ten borne by the 2018A Senior Bond, until the total repayment obligation of the District for the 2018A Senior Bonds equals the amount permitted by law and the District's electoral authorization.

The 2018A Senior Bonds are not subject to acceleration and do not have any unused lines of credit. No assets have been pledged as collateral on the Senior Bonds.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Bond Details (Continued)**

The 2018B Subordinate Bonds bear interest at 8.125% and mature on December 15, 2047. The 2018B Subordinate Bonds constitute subordinate “cash flow” bonds, meaning that no regularly scheduled principal payments are due prior to the maturity date, and interest payments not paid when due will accrue and compound until sufficient Subordinate Pledged Revenue is available for payment. Principal and interest payments are due on the 2018B Subordinate Bonds on each December 15 only to the extent Subordinate Pledged Revenue is available. In the event that Subordinate Pledged Revenue is insufficient to pay the 2018B Subordinate Bonds, the unpaid principal will continue to bear interest and the unpaid interest will compound annually on December 15, at the rate then borne by the 2018B Subordinate Bond, until the total repayment obligation of the District for the 2018B Subordinate Bonds equals the amount permitted by law and the Election. Any amounts due and owing on the 2018B Subordinate Bonds remaining outstanding after the application of all Subordinate Pledged Revenue available on December 15, 2057, shall be deemed discharged on December 15, 2057, regardless of the principal and interest amounts remaining unpaid.

The 2018B Subordinate Bonds are not subject to acceleration and do not have any unused lines of credit. No assets have been pledged as collateral on the 2018B Subordinate Bonds.

**Optional Redemption**

The 2018A Senior Bonds are subject to redemption prior to maturity, at the option of the District, on December 1, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 1, 2023, to November 30, 2024	3.00%
December 1, 2024, to November 30, 2025	2.00
December 1, 2025, to November 30, 2026	1.00
December 1, 2026, and thereafter	0.00

The 2018B Subordinate Bonds are subject to redemption prior to maturity, at the option of the District, on December 15, 2023, and on any date thereafter, upon payment of par, accrued interest, and a redemption premium equal to a percentage of the principal amount so redeemed, as follows:

<u>Date of Redemption</u>	<u>Redemption Premium</u>
December 15, 2023, to December 14, 2024	3.00%
December 15, 2024, to December 14, 2025	2.00
December 15, 2025, to December 14, 2026	1.00
December 15, 2026, and thereafter	0.00



**RAINDANCE METROPOLITAN DISTRICT NO. 3  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**Pledged Revenue**

The 2018A Senior Bonds are payable solely from and to the extent of Senior Pledged Revenue, defined in the 2018A Senior Indenture as the following, net of any costs of collection: (i) all Senior Property Tax Revenues; (ii) all Senior Specific Ownership Tax Revenues; (iii) all Capital Fees, including the Facility Fees; and (iv) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Senior Bond Fund. The 2018A Senior Bonds are additionally secured by the Senior Reserve Fund and by amounts in the Senior Surplus Fund, if any.

The 2018B Subordinate Bonds are payable solely from and to the extent of the Subordinate Pledged Revenue defined generally in the 2018B Subordinate Indenture as the following, net of any costs of collection: (i) all Subordinate Property Tax Revenues; (ii) all Subordinate Specific Ownership Tax Revenues; (iii) all Subordinate Capital Fee Revenue (meaning any Capital Fees remaining after deduction of any amounts applied to the payment of the 2018A Senior Bonds); (iv) any amounts in the Senior Surplus Fund upon the termination of such fund pursuant to the Senior Indenture; and (v) any other legally available moneys which the District determines, in its absolute discretion, to credit to the Subordinate Bond Fund.

**Property Tax Revenues**

“Senior Property Tax Revenues” are generally defined as all moneys derived from imposition by the District of the Senior Required Mill Levy and are net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

“Subordinate Property Tax Revenues” are defined as all moneys derived from imposition by the District of the Subordinate Required Mill Levy and are net of the costs of collection and any tax refunds or abatements authorized by or on behalf of the County.

**Events of Default of the Bonds**

Events of default of the Bonds occur if the District fails or refuses to impose the Senior Required Mill Levy and/or the Subordinate Required Mill Levy or to apply the Pledged Revenue and or the Subordinate Pledged Revenue as required by the Bonds Indentures and does not comply with other customary terms and conditions with normal municipal financing as described in the Bonds Indenture.

**2018A Senior Bonds Debt Service**

The outstanding principal and interest of the 2018A Senior Bonds are due as follows:

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 4 LONG-TERM OBLIGATIONS (CONTINUED)**

**2018A Senior Bonds Debt Service (Continued)**

<u>Year Ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 80,000	\$ 945,875	\$ 1,025,875
2024	195,000	941,275	1,136,275
2025	215,000	930,063	1,145,063
2026	250,000	917,700	1,167,700
2027	265,000	903,325	1,168,325
2028 – 2032	1,790,000	4,252,988	6,042,988
2033 – 2037	2,705,000	3,638,600	6,343,600
2038 – 2042	3,945,000	2,726,650	6,671,650
2043 – 2047	7,005,000	1,415,650	8,420,650
Total	<u>\$ 16,450,000</u>	<u>\$ 16,672,125</u>	<u>\$ 33,122,125</u>

The annual debt service requirements on the 2018B Subordinate Bonds are not currently determinable since they are payable only from available Subordinate Pledged Revenue.

**Authorized Debt**

At December 31, 2022, the District had authorized but unissued indebtedness in the following amounts allocated for the following purposes:

	<u>Amount Authorized on May 6, 2014</u>	<u>Authorization Used for 2018 Bonds</u>	<u>Authorized But Unissued</u>
Water	\$ 93,000,000	\$ 3,245,924	\$ 89,754,076
Sanitation/Stormwater	93,000,000	3,929,452	89,070,548
Streets	93,000,000	12,038,407	80,961,593
Parks and Recreation	93,000,000	75,000	92,925,000
Public Transportation	93,000,000	-	93,000,000
Fire Protection	93,000,000	-	93,000,000
Mosquito Control	93,000,000	-	93,000,000
Safety Protection	93,000,000	1,217	92,998,783
Security	93,000,000	-	93,000,000
TV Relay and Translation	93,000,000	-	93,000,000
Operation and Maintenance	93,000,000	-	93,000,000
Debt Refunding	93,000,000	-	93,000,000
Intergovernmental Agreements	93,000,000	-	93,000,000
Private Agreements	93,000,000	-	93,000,000
Special Assessments	93,000,000	-	93,000,000
Total	<u>\$ 1,395,000,000</u>	<u>\$ 19,290,000</u>	<u>\$ 1,375,710,000</u>

Pursuant to the Service Plan, the maximum general obligation indebtedness for all of Financing Districts combined is not to exceed \$93,000,000.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 5 NET POSITION**

The District has net position consisting of two components – restricted and unrestricted.

Restricted net position includes assets that are restricted for use either externally imposed by creditors, grantors, contributors, or laws and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The District had restricted net position as of December 31, 2022 as follows:

	Governmental Activities
Restricted Net Position	
Debt Service	\$ 75,297
Total Restricted Net Position	\$ 75,297

The District has a deficit in unrestricted net position because it carries a bond payable that was issued to finance public improvements that were either conveyed to other governmental entity or were transferred to District No.1.

**NOTE 6 AGREEMENTS**

**District Coordinating Services Agreement (District Nos. 1-4)**

Effective as of January 1, 2018, the Districts entered into a District Coordinating Services Agreement (the Coordinating Services Agreement) for the purpose of establishing the respective obligations of the Districts with respect to the coordination, oversight, and funding of certain administrative costs of the Districts, and costs related to the continued operation and maintenance of certain of the Public Improvements within such Districts. Pursuant to the Coordinating Services Agreement, District No. 1 was designated as the “coordinating district” (the Coordinating District). The District, District No. 2, and District No. 4 were each designated as “financing districts” (the Financing Districts).

**Common Finance Plan Resolution**

On March 27, 2018, District No. 1 and the District adopted a Joint Resolution Regarding Intent to Implement Common Plan of Finance (the Common Finance Plan Resolution), pursuant to which: (i) the District and District No. 1 declared their mutual intent to implement the common plan of finance set forth and approved in the Service Plan to fund or reimburse all or a portion of the capital costs related to the Public Improvements to serve Raindance from the Bonds; and (ii) the District declared its intent, upon issuance of the Bonds, to transfer all available revenues to District No. 1 for the payment of such costs, including amounts owed by District No. 1, pursuant to certain Reimbursement Agreements.

**RAINDANCE METROPOLITAN DISTRICT NO. 3**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022**

**NOTE 7 RELATED PARTIES**

The Developer of the property which constitutes the District is RainDance Land Company, LLC, a Delaware limited liability company (Developer). Certain members of the Board of Directors of the District are officers or employees of or related to the Developer or an entity affiliated with the Developer or the majority owner of the Developer, and may have conflicts of interest in dealing with the District.

**NOTE 8 RISK MANAGEMENT**

The District is exposed to various risks of loss related to torts; thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees; or acts of God.

The District is a member of the Colorado Special Districts Property and Liability Pool (the Pool). The Pool is an organization created by intergovernmental agreement to provide property, liability, public officials' liability, boiler and machinery, and workers' compensation coverage to its members. Settled claims have not exceeded this coverage in any of the past three fiscal years.

The District pays annual premiums to the Pool for liability, property and public officials' liability coverage. In the event aggregated losses incurred by the Pool exceed amounts recoverable from reinsurance contracts and funds accumulated by the Pool, the Pool may require additional contributions from the Pool members. Any excess funds which the Pool determines are not needed for purposes of the Pool may be returned to the members pursuant to a distribution formula.

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS**

Article X, Section 20 of the Colorado Constitution, commonly known as the Taxpayer's Bill of Rights (TABOR), contains tax, spending, revenue, and debt limitations which apply to the State of Colorado and all local governments.

Spending and revenue limits are determined based on the prior year's Fiscal Year Spending adjusted for allowable increases based upon inflation and local growth. Fiscal Year Spending is generally defined as expenditures plus reserve increases with certain exceptions. Revenue in excess of the Fiscal Year Spending limit must be refunded unless the voters approve retention of such revenue. On May 6, 2014, a majority of the District's electors authorized the District to collect and spend or retain in a reserve all currently levied taxes and fees of the District without regard to any limitations under TABOR.

TABOR requires local governments to establish Emergency Reserves. These reserves must be at least 3% of Fiscal Year Spending (excluding bonded debt service). Local governments are not allowed to use the Emergency Reserves to compensate for economic conditions, revenue shortfalls, or salary or benefit increases. The District transfers its net operating revenue to District No. 1. Therefore, the Emergency Reserves related to the District's revenues are reported in District No. 1.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
NOTES TO BASIC FINANCIAL STATEMENTS  
DECEMBER 31, 2022**

**NOTE 9 TAX, SPENDING, AND DEBT LIMITATIONS (CONTINUED)**

The District's management believes it is in compliance with the provisions of TABOR. However, TABOR is complex and subject to interpretation. Many of the provisions, including the interpretation of how to calculate fiscal year spending limits, will require judicial interpretation.

## **SUPPLEMENTARY INFORMATION**

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL  
YEAR ENDED DECEMBER 31, 2022**

	Original and Final Budget	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property Taxes	\$ 980,036	\$ 980,563	\$ 527
Specific Ownership Taxes	49,002	57,450	8,448
Net Investment Income/ Net Change in FV of Investments	3,000	(30,667)	(33,667)
Facilities Fees	395,000	257,500	(137,500)
Total Revenues	<u>1,427,038</u>	<u>1,264,846</u>	<u>(162,192)</u>
<b>EXPENDITURES</b>			
County Treasurer's Fees	14,701	14,714	(13)
Investment Advisory Fees	6,000	4,633	1,367
Paying Agent Fees	6,000	6,000	-
Miscellaneous	-	20	(20)
Bond Interest - Series 2018A	945,875	945,875	-
Contingency	2,424	-	2,424
Total Expenditures	<u>975,000</u>	<u>971,242</u>	<u>3,758</u>
<b>NET CHANGE IN FUND BALANCE</b>	452,038	293,604	(158,434)
Fund Balance - Beginning of Year	<u>2,666,272</u>	<u>2,522,799</u>	<u>(143,473)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 3,118,310</u>	<u>\$ 2,816,403</u>	<u>\$ (301,907)</u>

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

<u>Bonds and Interest Maturing in the Year Ending December 31,</u>	\$16,450,000 Limited Tax General Obligation Bonds Series 2018A Interest 5.75% Dated May 17, 2018 Interest Payable June 1 and December 1 Principal Payable December 1		
	Principal	Interest	Total
	Principal	Interest	Total
2023	\$ 80,000	\$ 945,875	\$ 1,025,875
2024	195,000	941,275	1,136,275
2025	215,000	930,063	1,145,063
2026	250,000	917,700	1,167,700
2027	265,000	903,325	1,168,325
2028	300,000	888,088	1,188,088
2029	320,000	870,838	1,190,838
2030	360,000	852,438	1,212,438
2031	380,000	831,738	1,211,738
2032	430,000	809,888	1,239,888
2033	455,000	785,163	1,240,163
2034	505,000	759,000	1,264,000
2035	535,000	729,963	1,264,963
2036	590,000	699,200	1,289,200
2037	620,000	665,275	1,285,275
2038	685,000	629,625	1,314,625
2039	725,000	590,238	1,315,238
2040	790,000	548,550	1,338,550
2041	835,000	503,125	1,338,125
2042	910,000	455,113	1,365,113
2043	965,000	402,788	1,367,788
2044	1,045,000	347,300	1,392,300
2045	1,105,000	287,213	1,392,213
2046	1,200,000	223,675	1,423,675
2047	2,690,000	154,675	2,844,675
Total	\$ 16,450,000	\$ 16,672,125	\$ 33,122,125



**ANNUAL INFORMATION REQUIRED  
BY THE CONTINUING DISCLOSURE AGREEMENT  
RELATED TO THE LIMITED TAX GENERAL  
OBLIGATION BONDS, SERIES 2018A AND B (2018 CDA)**

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
 SCHEDULE OF ASSESSED VALUATION, MILL LEVY, AND PROPERTY TAXES COLLECTED  
 DECEMBER 31, 2022**

Year Ended December 31,	Prior Year Assessed Valuation for Current Year Property Tax Levy	Mills Levied		Total Property Taxes		Percent Collected to Levied
		General	Debt Service	Levied	Collected	
2018	\$ 12,930	39.000	0.000	\$ 504	\$ 504	100.00 %
2019	207,300	43.116	0.000	8,938	8,939	100.00
2020	4,075,930	12.389	31.029	176,969	176,970	100.00
2021	13,361,020	3.841	39.290	576,274	576,277	100.00
2022	24,340,250	2.116	40.264	1,031,540	1,032,670	100.11
Estimated for Year Ending December 31, 2023	\$ 26,444,580	1.967	42.333	\$ 1,171,495		

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
OTHER INFORMATION FOR 2018 CDA  
DECEMBER 31, 2022**

**TEN LARGEST TAXPAYERS WITHIN THE DISTRICT  
2018 CDA FORM SECTION 4 (a) 3**

<u>Taxpayer Name</u>	<u>2022 Assessed Valuation</u>	<u>Percentage of Total Assessed Valuation \$ 26,444,580</u>
Artesia Lot Holdings LLC	\$ 490,690	1.86 %
Raindance Homestead LLC	370,040	1.40
Public Service CO of COLO (XCEL)	237,480	0.90
GH Colorado LLC	169,080	0.64
Homeowner	123,690	0.47
Homeowner	93,100	0.35
SFR II Borrower 2021-3 LLC	81,750	0.31
Equity LLC	74,660	0.28
Park Place Plaza Re LLC	69,850	0.26
Homeowner	69,240	0.26
<b>Total</b>	<b>\$ 1,779,580</b>	<b>6.73 %</b>

**2022 ASSESSED VALUATION OF CLASSES OF PROPERTY IN THE DISTRICT  
2018 CDA FORM SECTION 4 (a) 4**

<u>Property Class</u>	<u>Total Assessed Valuation</u>	<u>Percentage of Assessed Valuation</u>
Single-Family Residential	\$ 24,764,800	93.65 %
Agricultural	4,120	0.02
Commercial	365,920	1.38
State Assessed	2,280	0.01
Personal Property	272,100	1.03
Vacant Land	1,035,360	3.91
<b>Total</b>	<b>\$ 26,444,580</b>	<b>100.00 %</b>

**SENIOR DEBT TO ASSESSED RATIO  
2018 CDA FORM SECTION 4 (a) 5**

Outstanding Principal Amount for Senior Debt as of December 31, 2022	\$ 16,450,000
2022 Final Assessed Valuation of the District for 2023 Collection Year	26,444,580
Senior Debt to Assessed Ratio	0.62x

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
OTHER INFORMATION FOR 2018 CDA  
DECEMBER 31, 2022**

**SUMMARY OF GENERAL FUND REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
2018 CDA FORM SECTION 4 (a) 6**

	2018	2019	2020	2021	2022
<b>REVENUES</b>					
Property Taxes	\$ 504	\$ 8,939	\$ 50,497	\$ 51,320	\$ 52,107
Specific Ownership Taxes	39	605	2,397	2,575	3,019
Interest Income	-	-	34	144	20
Total Revenues	<u>543</u>	<u>9,544</u>	<u>52,928</u>	<u>54,039</u>	<u>55,146</u>
<b>EXPENDITURES</b>					
County Treasurer's Fees	8	134	758	772	773
Banking Fees	60	-	-	-	-
Transfer to District No. 1	470	9,410	52,170	53,267	54,373
Total Expenditures	<u>538</u>	<u>9,544</u>	<u>52,928</u>	<u>54,039</u>	<u>55,146</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	5	-	-	-	-
Fund Balances - Beginning of Year	-	5	5	5	5
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 5</u>

Source: The District's audited financial statements for the calendar years ended December 31, 2018 through December 31, 2022.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
OTHER INFORMATION FOR 2018 CDA  
DECEMBER 31, 2022**

**SUMMARY OF DEBT SERVICE FUND REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
2018 CDA FORM SECTION 4 (a) 7**

	2018	2019	2020	2021	2022
<b>REVENUES</b>					
Property Taxes	\$ -	\$ -	\$ 126,473	\$ 524,957	\$ 980,563
Specific Ownership Taxes	-	-	6,003	26,369	57,450
Net Investment Income/ Net Change in FV of Investments	45,404	90,589	52,758	(7,253)	(30,667)
Facilities Fees	282,500	820,000	647,500	417,500	257,500
<b>Total Revenues</b>	<u>327,904</u>	<u>910,589</u>	<u>832,734</u>	<u>961,573</u>	<u>1,264,846</u>
<b>EXPENDITURES</b>					
County Treasurer's Fees	-	-	1,898	7,896	14,714
Investment Advisory Fees	5,139	5,065	4,623	3,853	4,633
Paying Agent Fees	-	6,000	2,500	6,000	6,000
Miscellaneous	-	-	-	-	20
Bond Interest - Series 2018A	509,722	945,875	945,875	945,875	945,875
<b>Total Expenditures</b>	<u>514,861</u>	<u>956,940</u>	<u>954,896</u>	<u>963,624</u>	<u>971,242</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	(186,957)	(46,351)	(122,162)	(2,051)	293,604
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer from Other Funds	2,880,317	-	3	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>2,880,317</u>	<u>-</u>	<u>3</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	2,693,360	(46,351)	(122,159)	(2,051)	293,604
Fund Balances - Beginning of Year	<u>-</u>	<u>2,693,360</u>	<u>2,647,009</u>	<u>2,524,850</u>	<u>2,522,799</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ 2,693,360</u></u>	<u><u>\$ 2,647,009</u></u>	<u><u>\$ 2,524,850</u></u>	<u><u>\$ 2,522,799</u></u>	<u><u>\$ 2,816,403</u></u>

Source: The District's audited financial statements for the calendar years ended December 31, 2018 through December 31, 2022.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
OTHER INFORMATION FOR 2018 CDA  
DECEMBER 31, 2022**

**SUMMARY OF CAPITAL PROJECTS FUND REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
2018 CDA FORM SECTION 4 (a) 8**

	2018	2019	2020	2021	2022
<b>REVENUES</b>					
Interest Income	\$ 69,938	\$ 15,247	\$ -	\$ -	\$ -
Transfer from District No. 1	10,500	-	-	-	-
Series 2018A Bond Issuance	16,450,000	-	-	-	-
Series 2018B Bond Issuance	2,840,000	-	-	-	-
Total Revenues	<u>19,370,438</u>	<u>15,247</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXPENDITURES</b>					
Transfer to District No. 1	14,568,088	1,020,332	-	37	-
Cost of Issuance	916,908	-	-	-	-
Total Expenditures	<u>15,484,996</u>	<u>1,020,332</u>	<u>-</u>	<u>37</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER (UNDER) EXPENDITURES</b>	3,885,442	(1,005,085)	-	(37)	-
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfer to Other Funds	<u>(2,880,317)</u>	<u>-</u>	<u>(3)</u>	<u>-</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(2,880,317)</u>	<u>-</u>	<u>(3)</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	1,005,125	(1,005,085)	(3)	(37)	-
Fund Balances - Beginning of Year	<u>-</u>	<u>1,005,125</u>	<u>40</u>	<u>37</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 1,005,125</u>	<u>\$ 40</u>	<u>\$ 37</u>	<u>\$ -</u>	<u>\$ -</u>

Source: The District's audited financial statements for the calendar years ended December 31, 2018 through December 31, 2022.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
OTHER INFORMATION FOR 2018 CDA  
DECEMBER 31, 2022**

**GENERAL FUND BUDGET SUMMARY  
2018 CDA FORM SECTION 4 (a) 9**

	2021 Amended Budget	2021 Year-End Actual	2022 Amended Budget	2022 Year-End Actual
<b>REVENUES</b>				
Property Taxes	\$ 51,320	\$ 21,320	\$ 52,079	\$ 52,107
Specific Ownership Taxes	2,575	2,575	3,098	3,019
Other Revenue	-	-	1,104	-
Interest Income	145	144	19	20
Total Revenues	<u>54,040</u>	<u>24,039</u>	<u>56,300</u>	<u>55,146</u>
<b>EXPENDITURES</b>				
County Treasurer's Fees	772	772	773	773
Transfer to District No. 1	53,268	53,267	54,423	54,373
Contingency	-	-	1,104	-
Total Expenditures	<u>54,040</u>	<u>54,039</u>	<u>56,300</u>	<u>55,146</u>
<b>NET CHANGE IN FUND BALANCES</b>				
	-	-	-	-
Fund Balances - Beginning of Year	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>
<b>FUND BALANCES - END OF YEAR</b>	<u><u>\$ 5</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ 5</u></u>	<u><u>\$ 5</u></u>

Source: Adopted or amended budgets of the District for the calendar years ended December 31, 2021 and December 31, 2022, and the District's audited financial statements for the calendar years ended December 31, 2021 and December 31, 2022.

**RAINDANCE METROPOLITAN DISTRICT NO. 3  
OTHER INFORMATION FOR 2018 CDA  
DECEMBER 31, 2022**

**DEBT SERVICE FUND BUDGET SUMMARY  
2018 CDA FORM SECTION 4 (a) 10**

	2021 Adopted Budget	2021 Year-End Actual	2022 Adopted Budget	2022 Year-End Actual
<b>REVENUES</b>				
Property Taxes	\$ 524,954	\$ 524,957	\$ 980,036	\$ 980,563
Specific Ownership Taxes	26,248	26,369	49,002	57,450
Net Investment Income/ Net Change in FV of Investments	15,000	(7,253)	3,000	(30,667)
Facilities Fees	678,100	417,500	395,000	257,500
Total Revenues	<u>1,244,302</u>	<u>961,573</u>	<u>1,427,038</u>	<u>1,264,846</u>
<b>EXPENDITURES</b>				
County Treasurer's Fees	7,874	7,896	14,701	14,714
Investment Advisory Fees	6,000	3,853	6,000	4,633
Paying Agent Fees	5,500	6,000	6,000	6,000
Bond Interest - Series 2018A	945,875	945,875	945,875	945,875
Miscellaneous	-	-	-	20
Contingency	-	-	2,424	-
Total Expenditures	<u>965,249</u>	<u>963,624</u>	<u>975,000</u>	<u>971,242</u>
<b>NET CHANGE IN FUND BALANCES</b>	279,053	(2,051)	452,038	293,604
Fund Balances - Beginning of Year	<u>2,516,000</u>	<u>2,524,850</u>	<u>2,666,272</u>	<u>2,522,799</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ 2,795,053</u>	<u>\$ 2,522,799</u>	<u>\$ 3,118,310</u>	<u>\$ 2,816,403</u>

Source: Adopted or amended budgets of the District for the calendar years ended December 31, 2021 and December 31, 2022, and the District's audited financial statements for the calendar years ended December 31, 2021 and December 31, 2022.



**RAINDANCE METROPOLITAN DISTRICT NO. 3  
OTHER INFORMATION FOR 2018 CDA  
DECEMBER 31, 2022**

**CAPITAL PROJECTS FUND BUDGET SUMMARY  
2018 CDA FORM SECTION 4 (a) 11**

	2021 Amended Budget	2021 Year-End Actual	2022 Adopted Budget	2022 Year-End Actual
<b>REVENUES</b>				
Total Revenues	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>				
Transfer to District No. 1	37	37	-	-
Total Expenditures	<u>37</u>	<u>37</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	(37)	(37)	-	-
Fund Balances - Beginning of Year	<u>37</u>	<u>37</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Source: Adopted or amended budgets of the District for the calendar years ended December 31, 2021 and December 31, 2022, and the District's audited financial statements for the calendar years ended December 31, 2021 and December 31, 2022.