

ELLSTON PARK METROPOLITAN DISTRICT

Special Board Meeting

Tuesday, November 28, 2023 at 10:00 a.m.

Via Teleconference and at 614 N. Tejon St., Colorado Springs, CO 80903

Please join my meeting from your computer, tablet or smartphone.

<https://video.cloudoffice.avaya.com/join/650988831>

Call-in Number: (213) 463-4500

Meeting ID: 650988831

Board of Directors	Title	Term
Jordan Honea	President	May 2027*
Kim Herman	Vice President	May 2025
Michael Harty	Secretary	May 2025
VACANT	Treasurer	May 2027*
VACANT	Assistant Secretary	May 2027*

**Seat will be a two-year term at the May 2025 Election*

AGENDA

1. Call to Order/Declaration of Quorum
2. Conflict of Interest Disclosures
3. Approval of Agenda
4. Public Comment - Members of the public may express their views to the Board on matters that affect the Districts. Comments will be limited to three (3) minutes.
5. Legal Matters
 - a. Consider Adoption of Annual Administrative Resolution - 2024 (**enclosure**)
 - b. Consider Adoption of Public Records Request Policy (**enclosure**)
 - c. Consider Adoption of Resolution Designating Posting Location (**enclosure**)
 - d. Consider Adoption of Workers Compensation Resolution (**enclosure**)
6. Management Matters:
 - a. Records Request & Bank Account Establishment
7. Development Matters:
 - a. Development Update
8. Insurance Matters
 - a. Discuss and Insurance Needs and Property Schedule, Consider Authorization of Management to Engage and Bind Coverage
9. Financial Matters
 - a. Conduct a Public Hearing on the 2024 Budget and Consider Adoption of Resolution Adopting the Budget, Appropriating Funds, and Certifying Mill Levies (**enclosure**)

10. New Business

- a. Review and Consider Approval of the 2024 WSDM Engagement (**enclosure**)

11. Adjournment – Next Board Meeting is scheduled for _____, 2024



**CERTIFIED COPY OF ANNUAL ADMINISTRATIVE RESOLUTION OF
ELLSTON PARK METROPOLITAN DISTRICT (2024)**

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

At a special meeting of the Board of Directors (the **“Board”**) of the Ellston Park Metropolitan District (the **“District”**), El Paso County, Colorado, held at 10:00 a.m., on November 28, 2023, at 614 N., Tejon Street, Colorado Springs and via teleconference: <https://video.cloudoffice.avaya.com/join/65098883>; Call-in Number: (213) 463-4500; Meeting ID: 650988831, there were present:

Jordan Honea
Kim Herman
Michael Harty

Absent: None.

Also present were: Matthew P. Ruhland of Cockrel Ela Glesne Greher & Ruhland, P.C. and Heather Smith of WSDM District Managers.

When the following proceedings were had and done, to wit:

It was moved by Director _____ to adopt the following Resolution and ratify actions taken in connection herewith:

WHEREAS, the District was organized as a special district pursuant to an Order of the District Court in and for El Paso County (the **“County”**), Colorado, and is located entirely within said County and within the City of Colorado Springs (the **“City”**); and

WHEREAS, the Board has a duty to perform certain obligations in order to assure the efficient operation of the District; and

WHEREAS, the Directors may receive compensation for their services subject to the limitations imposed by § 32-1-902(3)(a) (II), C.R.S.; and

WHEREAS, § 32-1-101, *et seq.* C.R.S., requires the Board to publish certain legal notices in a newspaper of general circulation in the District; and

WHEREAS, § 32-1-903(1), C.R.S., requires that the Board shall meet regularly at a time and in a place to be designated by the Board; and

WHEREAS, in accordance with the Colorado Governmental Immunity Act, the Board is given authority to obtain insurance against liability for injuries for which the District may be liable under the Governmental Immunity Act, pursuant to § 24-10-115, C.R.S.; and

WHEREAS, §§ 32-1-901(2) and 32-1-902(2), C.R.S., require the District to obtain an individual, schedule or blanket surety bond in an amount of no less than \$1,000 per director and \$5,000 for the Board Treasurer, and to file such bond with the District Court and the Division of Local Government (the “**Division**”); and

WHEREAS, in accordance with § 24-10-115, C.R.S., the Board is given the authority to obtain insurance to insure the District against all or any part of the District’s liability; and

WHEREAS, § 32-1-306, C.R.S. requires the District to maintain a current, accurate map of its boundaries and shall provide for such map to be on file with the County Assessor, County Clerk and Recorder and the Division on or before January 1st of each year; and

WHEREAS, § 32-1-809, C.R.S., requires that the District, between November 16th and January 15th of the subsequent year, provide notice to the eligible electors of the District (the “**Transparency Notice**”), which notice shall contain the following information:

- The address and telephone number of the principal business office;
- The name and business telephone number of the manager or other primary contact person;
- The names of and contact information for members of the board, the name of the board chair, and the name of each member whose office will be on the ballot at the next regular special district election;
- The times and places designated for regularly scheduled meetings of the board during the year, and the place where notice of board meetings is posted pursuant to § 24-6-402(2)(c) C.R.S.;
- The current mill levy, and total ad valorem tax revenue received during the last year;
- The date of the next regular special district election of board members;
- The procedure and time to submit a self-nomination form for election to the board;
- Information on the procedures to request permanent absentee voter status; and
- The address of any web site on which the special district’s election results will be posted.

The Transparency Notice shall be filed with the Division, Board of County Commissioners, County Assessor, County Treasurer and County Clerk and Recorder of each county in which the special district is located, and with the governing body of any municipality in

which the special district is located, and shall be provided to electors in one or more of the following ways:

- Mailing the notice separately to each household where one or more eligible electors of the special district resides;
- Including the notice as a prominent part of a newsletter, annual report, billing statement, letter, voter information card or other notice sent by the special district to the eligible electors;
- Posting the information on the official web site of the special district if there is a link to the district's web site on the official web site of the Division;
- For any district that is a member of the Special District Association, by mailing or electronically transmitting the notice to the Special District Association, which shall post the notice on its website.

WHEREAS, § 29-1-205, C.R.S. requires that within 30 days after receiving a written request from the Division, the District shall provide the Division with a current list of all contracts in effect with other political subdivisions; and

WHEREAS, the Local Government Budget Law of Colorado, §§ 29-1-101, *et seq.*, C.R.S., requires the Board to hold a public hearing on proposed budgets and amendments thereto, to adopt budgets, and to file copies of the budgets and amendments thereto; and

WHEREAS, in accordance with § 39-5-128(1), C.R.S. the District shall certify its mill levy with the Board of County Commissioners on or before **December 15th**; and

WHEREAS, in accordance with § 32-1-207(3)(c), C.R.S., the District shall electronically file an annual report for the preceding calendar year with the City, County Clerk and Recorder, State Auditor and the Division of Local Government on or before October 1st; unless the requirement is otherwise requested by an earlier date by the City; and

WHEREAS, in accordance with § 32-1-903(6)(a), C.R.S., any metropolitan district that was organized after January 1, 2000, that has residential units within its boundaries, shall conduct an annual meeting in addition to any other Board meetings held, at which annual meeting the Board shall not take any official action and shall include (i) a presentation regarding the status of the public infrastructure projects within the District and outstanding bonds, if any; (ii) a review of unaudited financial statements; and (iii) an opportunity for members of the public to ask questions of the District; and

WHEREAS, in accordance with the Public Securities Information Reporting Act, §§ 11-58-101, *et seq.*, C.R.S., issuers of non-rated public securities issued to the public must file an annual report with the Department of Local Affairs; and

WHEREAS, § 32-1-104.8, C.R.S., requires the District to record a Special District Disclosure Document and a map of the boundaries of the District with the County Clerk and Recorder at the time of recording any decree or order organizing a special district or including additional property in a special district; and

WHEREAS, in accordance with § 29-1-604(1), C.R.S., if expenditures and revenues of the District are not in excess of \$100,000, the District may file an application for exemption from audit with the State Auditor; or, in accordance with § 29-1-604(2), C.R.S., if expenditures and revenues of the District are at least \$100,000 but not more than \$750,000 the District may file an application for exemption from audit with the State Auditor, or in accordance with § 29-1-603, C.R.S., the governing body of the District shall cause to be made an annual audit of the financial statements for each fiscal year; and

WHEREAS, the Unclaimed Property Act, §§ 38-13-101, *et seq.*, C.R.S., requires that governmental subdivisions, if applicable, file an annual report listing unclaimed property with the State Treasurer by November 1st; and

WHEREAS, in accordance with § 24-12-103, C.R.S., a person designated by the District shall have the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion; and

WHEREAS, in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S., either the Board of County Commissioners of each county in which the District is located, or the governing body of the municipality that has adopted a resolution of approval of the District, may require the District to file an application for quinquennial finding of reasonable diligence; and

WHEREAS, special district directors are governed by § 32-1-902(3), C.R.S., which requires such directors to disqualify himself/herself from voting on an issue in which he or she has a conflict of interest unless the director has properly disclosed such conflict in compliance with law; and

WHEREAS, § 32-1-902, C.R.S., requires the Board to elect officers, including a Chair of the Board and President of the District, a Treasurer of the Board and District, and a Secretary, who may be a member of the Board; and

WHEREAS, in accordance with the Workers' Compensation Act of Colorado, §§ 8-40-101 – 8-47-101, *et seq.*, C.R.S., the District is required to carry workers' compensation coverage for its employees, but the Board members may opt out of such coverage by the methods prescribed in the Workers' Compensation Act of Colorado; and

WHEREAS, the Board desires to continue engagement of general counsel for the District to assist with providing legal services and to assist with the operation of the District; and

WHEREAS, the Board desires to continue engagement of an accountant and management for the District to assist with providing financial services and to assist with the financial operations and to manage the affairs of the District, and who shall also be designated as the budget officer required to prepare and submit to the Board a proposed District budget by October 15, pursuant to §§ 29-1-104 and 29-1-105(3)(d), C.R.S.; and

WHEREAS, concerning the public records of the District, § 24-72-202(2), C.R.S. defines “Official Custodian” to mean and include any officer or employee of any political subdivision of the state who is responsible for the maintenance, care, and keeping of public records, regardless of whether the records are in his or her actual personal custody and control. The maintenance, care and keeping of public records shall be in accordance with the Colorado Special District Records Management Manual; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF ELLSTON PARK METROPOLITAN DISTRICT, EL PASO COUNTY, COLORADO AS FOLLOWS:

1. The Board determines that each director shall not receive compensation for services as directors.

2. The Board designates the *Gazette* as the newspaper of general circulation within the boundaries of the District, or in the vicinity of the District if none is circulated within the District, and directs that all legal notices shall be published in accordance with applicable statutes.

3. The Board determines to hold regular meetings on the [first] _____ day of every month at _____.

4. The Board directs the District’s management to obtain proposals and/or renewals for insurance, as applicable, to insure the Directors acting within the scope of employment by the Board against all or any part of such liability for an injury; to insure against the expense of defending a claim for injury against the District or its Board. Additionally, the Board directs the District’s management to obtain bonds or equivalent insurance coverage as required by §§ 32-1-901(2) and 32-1-902(2), C.R.S., in an amount of no less than \$1,000 per director and \$5,000 for the Board Treasurer, and to file the bond or certificate of insurance with the District Court and the Division.

5. The Board directs the District’s management to obtain proposals and/or renewals for insurance, as applicable, to insure the District against all or any part of the District’s liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the District’s [accountant/management/general counsel] to cause to be paid the annual SDA membership dues, agency fees and insurance premiums, as applicable, in a timely manner.

6. The Board directs the District's management to maintain a current, accurate boundary map and shall provide for such map to be on file with the Division, with the County Assessor and with the County Clerk and Recorder on or before January 1st.

7. The Board directs the District's management to provide the Transparency Notice to the eligible electors of the District, the Board of County Commissioners of the County, County Assessor, County Treasurer, County Clerk and Recorder, the Division, City and the Special District Association between November 16th and January 15th of the subsequent year.

8. The Board directs the District's management to prepare and file with the Division, within 30 days after receiving a written request from the Division, a current list of all contracts in effect with other political subdivisions.

9. The Board designates the District's accountant to serve as the budget officer, and to submit a proposed budget to the Board by October 15th for the following year, and, in cooperation with management, to schedule a public hearing on the proposed budget; to prepare a final budget, budget resolutions and amendments to the budget, if necessary; to certify the mill levies on or before December 15th; and to file the approved budgets and amendments thereto with the proper governmental entities in accordance with the Local Government Budget Law of Colorado.

10. The Board directs the District's general counsel to prepare and electronically file the annual report with the City, the County Clerk and Recorder, State Auditor and Division on or before October 1st or earlier if required by the City.

11. The Board directs the District's management to arrange for the conduct of the annual meeting to be held immediately prior to the meeting at which the annual budget hearing will be conducted, and to arrange for the posting of the agenda notice. If such meeting is not to be held virtually, but solely in person, such meeting shall be held at a physical location that does not exceed five (5) miles from the boundaries of the District.

12. The Board directs the District's accountant to prepare and file the annual public securities report for nonrated public securities issued by the District, with the Department of Local Affairs on or before March 1st, if applicable.

13. The Board directs the District's management to provide the Special District Disclosure Document and a map of the District's boundaries to the County Clerk and Recorder, for recording, at the same time an inclusion order is recorded.

14. The Board directs the District's accountant to: (i) obtain proposals for auditors to be presented to the Board, (ii) to cause an audit of the annual financial statements of the District to be prepared and submitted to the Board on or before June 30; and (iii) to cause the audit to be filed with the State Auditor by July 31st, or by the filing

deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the District's accountant to engage an accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31st in accordance with § 29-1-604, C.R.S.

15. The Board directs the District's accountant to prepare the mill levy certification form and directs the District's accountant to file the mill levy certification form with the Board of County Commissioners on or before December 15th.

16. The Board directs the District's management to prepare the Unclaimed Property Act report and forward the report to the State Treasurer by November 1st, if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with §§ 38-13-110, C.R.S.

17. The Board hereby designates, in addition to any officer of the District, Sarah H. Luetjen as a person with the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion.

18. The Board directs the District's general counsel to prepare and file with the City Council of the City, if requested, the quinquennial finding of reasonable diligence in accordance with §§ 32-1-1101.5(1.5) and (2), C.R.S.

19. The District hereby elects the following officers for the District:

President/Chair of the Board – Jordan Honea
Vice President – Kim Herman
Secretary/Treasurer – Michael Harty

20. The Board directs the District's general counsel to file conflict of interest disclosure forms provided by Board members with the Secretary of State annually. At the discretion of general counsel, transactional conflict of interest disclosures shall be filed 72 hours prior to regular and special meetings of the Board, when applicable, or at a Board member's request. In addition, written disclosures required to be filed with the governing body in accordance with § 18-8-308, C.R.S., shall be deemed filed with the Board when filed with the Secretary of State.

21. The Board extends the current indemnification resolution to allow the resolution to continue in effect as written.

22. In accordance with § 8-40-202(1)(a)(I)(B), C.R.S., the Board hereby waives workers' compensation coverage for individual Board members by opting that the individual Board members not be deemed employees as that term is defined in the Workers' Compensation Act of Colorado, and directs legal counsel to file a statement with the Division of Workers' Compensation in the Department of Labor and Employment for

the State of Colorado at least forty-five (45) days before the start of the policy year in order to effect such waiver of coverage.

23. The Board continues the engagement of Cockrel Ela Glesne Greher & Ruhland, P.C., as general counsel for the District.

24. The Board continues the engagement of WSDM LLC to provide accounting and management services for the District.

25. The Board designates District's management to serve as the official custodian of public records and to follow the Colorado Special District Records Retention Schedule, as adopted by the District.

WHEREUPON, the motion was seconded by Director _____ and upon vote, unanimously carried. The Chair declared the motion carried and so ordered.

ADOPTED AND APPROVED THIS 28TH DAY OF NOVEMBER, 2023.

ELLSTON PARK METROPOLITAN
DISTRICT

By: _____
Chair

Attest:

Secretary

CERTIFICATION

I, [REDACTED], Secretary of the Board of Directors of the Ellston Park Metropolitan District, El Paso County, Colorado do hereby certify that the attached and foregoing Resolution is a true copy from the records of the proceedings of the Board of Directors of the Ellston Park Metropolitan District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District, at El Paso County, Colorado, this 28th day of November, 2023.

Secretary



ELLSTON PARK METROPOLITAN DISTRICT

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

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

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

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

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

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

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

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

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

1. Official Custodian.

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

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

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

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

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

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

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

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

(f) Following the denial of a request for record, upon receipt of the required written notice from the requesting individual that he or she will seek relief from the District Court, the Official Custodian will attempt to meet in-person or speak by telephone with the requesting individual. District personnel are encouraged to utilize all possible means to attempt to resolve the dispute during this time period and will provide a

written summary of the District's position at the end of that period to the requestor and to the District's Board. No phone or in-person conference is required if the written notice indicates that the requestor needs access to the record on an expedited basis.

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

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

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

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

(ii) When it is impractical to make the copy, printout, or photograph of the requested record at the place where the record is kept, the Official Custodian may allow arrangements to be made for the copy, printout, or photograph to be made at other facilities and the cost of providing the requested records will be paid by the person making the request (the "**Outside Copying Fee**").

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

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

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

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

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

(j) If the estimated Fees to produce the records will exceed \$100, the District may require a fifty percent (50%) deposit of the estimated Fees prior to commencing work to produce the records. Payment of the remainder of the Fees, including all actual costs exceeding the estimated amount, must be made prior to the time of inspection or release of the final work product or copies.

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

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

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

The foregoing Resolution was approved and adopted this 28th day of November, 2023.

ELLSTON PARK METROPOLITAN
DISTRICT

By: _____
Chair

Attest:

Secretary



ELLSTON PARK METROPOLITAN DISTRICT

RESOLUTION DESIGNATING LOCATION TO POST NOTICE

WHEREAS, pursuant to §§24-6-402(2)(c) and 32-1-903(2), C.R.S., notice and, where possible, the agenda of the Ellston Park Metropolitan District (the “**District**”) Board of Directors (the “**Board**”) meetings at which the adoption of any formal action is to occur or at which a majority or quorum of the body is in attendance, or is expected to be in attendance, shall be posted within the boundaries of the District at least 24 hours prior to each meeting at a location designated at the first regular meeting of each year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Ellston Park Metropolitan District as follows:

Notices of meetings (regular, special and work/study session) of the Board required pursuant to §24-6-401, *et seq.*, C.R.S., shall be posted at least 24 hours prior to each meeting at: <https://wsdistricts.co/ellston-park-metropolitan-district/>

In the event of an exigent or emergency circumstance such as a power outage or an interruption in internet service, the District will post notice of public meetings at least 24 hours prior to a meeting at the following physical location within the District at the approximate geographical location:

On the northeastern corner of Fillmore Ridge Heights and Sage Street.

ADOPTED this 28th day of November, 2023.

ELLSTON PARK METROPOLITAN
DISTRICT

By _____
Chair

ATTEST:

Secretary



ELLSTON PARK METROPOLITAN DISTRICT

A RESOLUTION DETERMINING NOT TO PROVIDE WORKERS' COMPENSATION INSURANCE COVERAGE FOR UNCOMPENSATED MEMBERS OF THE BOARD OF DIRECTORS

WHEREAS, the Ellston Park Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado duly organized and existing pursuant to Article 1 of Title 32, Colorado Revised Statutes; and

WHEREAS, the members of the Board of Directors (the “**Board**”) of the District are not compensated for their service on the Board, except for reimbursement of actual out-of-pocket expenses related to Board service; and

WHEREAS, pursuant to Section 8-40-202(1)(a)(I)(B), C.R.S., the Board may annually determine that it is in the best interest of the District not to provide workers' compensation insurance coverage to its uncompensated elected officials; and

WHEREAS, the Board has determined that its policy period for purposes of this election shall commence on June 1 and end on the last day of May of every year; and

WHEREAS, pursuant to Section 8-40-202(1)(a)(I)(B), C.R.S., the District must notify the Colorado Department of Labor & Employment, Division of Workers' Compensation (the “**Division**”), in writing of the decision not to provide workers' compensation coverage and such notification must be filed with the Division not less than 45 days before the start of the policy period; and

WHEREAS, the Division has requested that the Board annually adopt a formal Resolution and complete Division Form WC44 to acknowledge its decision not to provide workers' compensation insurance; and

WHEREAS, the Board hereby finds and determines that it is in the public interest and is an appropriate fiscal policy to exercise the option not to provide workers' compensation insurance coverage for its uncompensated elected officials.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Ellston Park Metropolitan District as follows:

1. No Workers' Compensation Insurance Coverage. Because members of the Board are not compensated for their service, except for reimbursement of actual expenses incurred on behalf of the District, the Board finds and determines that its members shall not be regarded as “employees” of the District for purposes of the Workers' Compensation Act of Colorado (Title 8, Articles 40 to 47, C.R.S.), and that the District shall not purchase

workers' compensation insurance coverage for members of the Board for the policy year commencing on March 1, 2024.

2. Direction to File with the Division. In addition to a copy of this Resolution, legal counsel to the District is directed and authorized to file Form WC44, "Exclusion of Uncompensated Public Officials," with the Division no later than 45 days prior to June 1.

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

4. Effective Date. Notwithstanding the application of this Resolution to a certain specified plan year, this Resolution shall take effect and be enforced immediately upon its approval by the District Board.

ADOPTED this 28th day of November, 2023.

ELLSTON PARK METROPOLITAN
DISTRICT

By _____
Chair

Attest:

Secretary



ELLSTON PARK METROPOLITAN DISTRICT

RESOLUTION TO ADOPT BUDGET

WHEREAS, the Board of Directors (the “**Board**”) of Ellston Park Metropolitan District (the “**District**”) has appointed a budget committee to prepare and submit a proposed 2024 budget to the Board at the proper time; and

WHEREAS, such budget committee has submitted the proposed budget to the Board for its consideration; and

WHEREAS, upon due and proper notice, published in accordance with law, the budget was open for inspection by the public at a designated place, and a public hearing was held on November 28, 2023, and interested electors were given the opportunity to file or register any objections to the budget; and

WHEREAS, the budget has been prepared to comply with all terms, limitations and exemptions, including, but not limited to, enterprise, reserve transfer and expenditure exemptions, under Article X, Section 20 of the Colorado Constitution (“**TABOR**”) and other laws or obligations which are applicable to or binding upon the District; and

WHEREAS, whatever decreases may have been made in the revenues, like decreases were made to the expenditures so that the budget remains in balance, as required by law.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Ellston Park Metropolitan District:

1. That estimated expenditures for each fund are as follows:

General Fund:	\$	42,250
---------------	----	--------

2. That estimated revenues are as follows:

General Fund:

From unappropriated surpluses	\$0
From fund transfers	\$0
From sources other than general property tax	\$42,250
From general property tax	\$0
Total	<hr/> \$42,250

3. That the budget, as submitted, amended and herein summarized by fund, be, and the same hereby is, approved and adopted as the budget of the District for the 2024 fiscal year.

4. That the budget, as hereby approved and adopted, shall be certified by the Treasurer and/or President of the District to all appropriate agencies and is made a part of the public records of the District.

TO APPROPRIATE SUMS OF MONEY

WHEREAS, the Board has made provision in the budget for revenues in an amount equal to the total proposed expenditures as set forth therein; and

WHEREAS, it is not only required by law, but also necessary to appropriate the revenues provided in the budget to and for the purposes described below, as more fully set forth in the budget, including any inter-fund transfers listed therein, so as not to impair the operations of District.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Ellston Park Metropolitan District that the following sums are hereby appropriated, from the revenues of each fund, to each fund, for the purposes stated in the budget:

General Fund:	\$42,250
---------------	----------

Adopted this 28th day of November, 2023.

ELLSTON PARK METROPOLITAN DISTRICT

By: _____
Chair

Attest:

Secretary

**Ellston Park Metropolitan District
2024 BUDGET
GENERAL FUND**

	2022 BUDGET	2023 AMEND/PROJ	2023 BUDGET	2024 BUDGET
GENERAL FUND BEGINNING BALANCE	-	-	-	-
REVENUES				
PROPERTY TAX REVENUE	-	-	-	-
SPECIFIC OWNERSHIP TAXES	-	-	-	-
DEVELOPER ADVANCE	10,000	10,000	10,000	42,250
INTEREST INCOME	-	-	-	-
MISCELLANEOUS INCOME	-	-	-	-
TOTAL REVENUES	10,000	10,000	10,000	42,250
TOTAL FUNDS AVAILABLE	10,000	10,000	10,000	42,250
EXPENDITURES				
ACCOUNTING	-	-	-	1,000
AUDIT	-	-	-	-
DIRECTORS' FEES	-	-	-	-
INSURANCE/SDA DUES	-	-	-	1,250
LEGAL	-	6,000	-	20,000
DISTRICT MANAGEMENT	10,000	4,000	10,000	20,000
TREASURER'S FEES (1.5%)	-	-	-	-
CONTINGENCY	-	-	-	-
TOTAL EXPENDITURES	-	10,000	10,000	42,250
ENDING FUND BALANCE	10,000	-	-	-
ASSESSED VALUE	-	-	-	92,090
MILL LEVY	0.000	0.000	0.000	0.000



**SERVICE AGREEMENT
(District Management Services)**

THIS SERVICE AGREEMENT (this “**Agreement**”) is made and entered into to be effective as of _____, 2023, by and between ELLSTON PARK METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”), and WSDM LLC, a Colorado limited liability company (the “**Contractor**”) (the District and the Contractors are sometimes referred to herein individually as a “**Party**” and collectively as the “**Parties**”).

WITNESSETH

In consideration of the mutual covenants and obligations herein expressed, it is agreed by and between the Parties as follows:

1. Scope of Services. The Contractor agrees to provide district management services, as further detailed in the Proposal attached as Exhibit A hereto which is incorporated herein by this reference, and may be supplemented by any Change of Services attached as Exhibit B hereto which, if attached, is incorporated herein by this reference. The scope of services referenced above along with the Proposal and any Change of Services is hereinafter referred to as the “**Services.**” All provisions of the Proposal and Change of Services, including without limitation any terms and conditions included therein, shall be subject to the provisions of this Agreement. In the event of any inconsistency between the provisions of this Agreement and either the Proposal or Change of Services, the provisions contained within this Agreement shall control.

2. Term. The Services to be performed pursuant to this Agreement shall be initiated upon execution of this Agreement. This Agreement shall remain in effect until terminated by either Party pursuant to the terms of this Agreement.

3. Early Termination by District. Notwithstanding the time periods contained herein, the District may terminate this Agreement at any time without cause by providing written notice of termination to the Contractor. Such notice shall be delivered at least seven days prior to the termination date contained in said notice unless otherwise agreed in writing by the Parties. In the event of any such early termination by the District, the Contractor shall be paid for Services rendered prior to the date of termination, subject only to the satisfactory performance of the Contractor’s obligations under this Agreement. Such payment shall be the Contractor’s sole right and remedy for such termination.

4. Suspension. Without terminating this Agreement or breaching its obligations hereunder, the District may, at its convenience, suspend the Services of the Contractor by giving the Contractor written notice one day in advance of the suspension date. Upon receipt of such notice, the Contractor shall cease its work in as efficient a manner as possible so as to keep its total charges to the District for Services under this Agreement to the minimum. No work shall be performed during such suspension except with prior written authorization by the District Representative. After a suspension has been in effect for 120 consecutive days, the Contractor may immediately terminate this Agreement.

5. Compensation. In consideration of the Services to be performed pursuant to this Agreement, the District agrees to pay the Contractor the rates set forth in the Proposal or Change of Services. The District shall provide no benefits to the Contractor other than the compensation stated above. The Contractor shall bill its charges to the District periodically, but no more frequently than once a month. 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 C.

6. Qualifications on Obligations to Pay. No partial payment shall be final acceptance or approval of that part of the Services paid for or shall relieve the Contractor of any of its obligations under this Agreement. Notwithstanding any other terms of this Agreement, the District may withhold any payment (whether a progress payment or final payment) to the Contractor if any one or more of the following conditions exists:

- (a) The Contractor is in default of any of its obligations under this Agreement.
- (b) Any part of such payment is attributable to Services that are not performed according to this Agreement.
- (c) The Contractor has failed to make payments promptly to any third-party used to perform any portion of the Services hereunder, subject to Paragraph 9, for which the District has made payments to the Contractor.

7. District Representative. The District will designate, prior to commencement of the Services, its project representative (the “**District Representative**”) who shall make, within the scope of his or her authority, all necessary and proper decisions with reference to the Services. All requests for contract interpretations, Change of Services, and other clarification or instruction shall be directed to the District Representative.

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

9. Professional Services. It is understood that the District enters into this Agreement based on the special abilities of the Contractor and that this Agreement shall be considered an agreement for professional services. Accordingly, the Contractor shall neither assign any responsibilities nor delegate any duties arising under this Agreement without the prior written consent of the District. The Contractor accepts the relationship of trust and confidence established between the Parties. The Contractor shall use its best efforts and shall perform the Services hereunder at or above the standard of care of those in its profession or industry providing similar services in the District’s local area; provided, however, that in the event the standard of care is higher in the local area where the Contractor’s office primarily responsible for

providing the Services is located, then the standard of care applicable to the local area where the Contractor's office is located shall be applicable to such Services.

10. Insurance.

(a) The Contractor represents, warrants, and agrees that it has and shall maintain State minimum workers' compensation insurance coverage for its employees, if any.

(b) The Contractor shall maintain broad form general liability, property damage, and automotive liability insurance in the minimum amount of five hundred thousand dollars (\$500,000) for bodily injury, death, or damage to property of any person and two million dollars (2,000,000) for bodily injury, death, or damage to property of more than one person, or the maximum amount that may be recovered under the Colorado Governmental Immunity Act, Section 24-10-101, et seq., C.R.S., as from time to time amended (the "CGIA"), whichever is higher.

(c) All insurance policies (except workers' compensation) shall include the District and its elected officials and employees as additional insureds.

(d) The additional insured coverage shall be primary and non-contributory to any of the Contractor's general liability or other insurance policies and shall apply to both ongoing and completed operations. In the event that the Contractor has in force any insurance with coverages broader and/or limits higher than the minimum coverage amounts specified hereunder, (i) such broader and higher limits shall insure and be available to the District and all other additional insureds and (ii) this Agreement shall be deemed to require such broader and higher limits. No deductible or self-retention amount in any insurance required to be carried by the Contractor hereunder shall apply to the District or any other additional insured. If, despite the preceding sentence, any deductible or self-insured retention amount in any such insurance does apply to the District or any other additional insured, the Contractor shall be required to fund the cost of such deductible or self-insured retention.

(e) Prior to commencing work under this Agreement, the Contractor shall provide the District with a certificate or certificates evidencing the policies required by this Agreement as well as the amounts of coverage for the respective types of policies, which certificate(s) shall be attached hereto as Exhibit D. If the Contractor subcontracts any portion(s) of the Services, said subcontractor(s) shall be required to furnish a certificate or certificates evidencing the policies required by this Agreement in amounts satisfactory to the District and the Contractor; provided, however, the subcontractor shall not be required by the District to provide coverage in excess of that which is required hereunder of the Contractor. If the coverage expires during the term of this Agreement, the Contractor or subcontractor shall provide replacement certificate(s) evidencing the continuation of the required policies.

(f) The Contractor's failure to purchase the policies required by this Agreement shall not serve to release it from any obligations contained in this Agreement; nor shall the purchase of policies required under this Agreement 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 any issued policies.

11. Compliance with Laws. The Contractor is obligated to familiarize itself and comply with all laws applicable to the performance of the Services.

12. Acceptance Not Waiver. The District's approval or acceptance of, or payment for, any of the Services shall not be construed to operate as a waiver of any rights or benefits provided to the District under this Agreement.

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

14. Remedies. In the event a Party declares a default by the other Party, such defaulting Party shall be allowed a period of 10 days within which to cure said default. In the event the default remains uncorrected, the Party declaring default may elect to (a) terminate the Agreement and seek damages; (b) treat the Agreement as continuing and require specific performance; or (c) avail itself of any other remedy at law or equity. If the non-defaulting Party commences legal or equitable actions against the defaulting Party, the defaulting Party shall be liable to the non-defaulting Party for the non-defaulting Party's reasonable attorney fees and costs incurred because of the default. Under no circumstances shall either Party be liable to the other Party for special, punitive, indirect or consequential damages arising out of or in connection with this Agreement, including without limitation lost profits, loss of use, or loss of opportunity.

15. Indemnification; No Waiver of Liability.

(a) The Contractor shall 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, losses, liabilities, actions, lawsuits, damages, and expenses, including reasonable legal expenses and attorneys' fees actually incurred, by the District Indemnitees to the extent arising out of the negligent errors or omissions, willful misconduct, or any criminal conduct 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 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 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 employees benefit acts, provided that in no event shall the Contractor be liable for special/consequential or punitive damages.

(b) 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 this Paragraph 15. The indemnification obligations set forth in this Paragraph 15 shall survive the expiration or termination of this Agreement.

(c) If the Proposal or Change of Services contain any provisions purporting to require the District to defend, indemnify, or hold harmless the Contractor or purporting to effect a waiver or limitation of the Contractor's liability (either by type of liability or amount), the District does not agree or accept such provisions and such provisions are not part of the Agreement.

(d) The District is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, defenses and protections provided by the CGIA or otherwise available to the District or its officers or employees.

16. Binding Effect. This writing constitutes the entire agreement between the Parties and shall be binding upon the Parties, their officers, employees, agents and assigns and shall inure to the benefit of the respective survivors, heirs, personal representatives, successors and assigns of the Parties.

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

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

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

20. Taxes. The District is a governmental entity and is therefore exempt from state and local sales and use tax. The District will not pay for or reimburse any sales or use tax that may not directly be imposed against the District. The Contractor shall use the District's sales tax exemption for the purchase of any and all products and equipment on behalf of the District.

21. Time is of the Essence. All times stated in this Agreement are of the essence.

22. Notices. Any notices, demands, or other communications required or permitted to be given in writing under this Agreement shall be delivered personally or sent by registered mail, postage prepaid, return receipt requested, addressed to the Parties at the addresses set forth below, or at such other address as either Party may hereafter or from time to time designate by written notice to the other Party given in accordance herewith. Notice shall be considered given when personally delivered or mailed and shall be considered received by the Party to whom it is addressed on the third day after such notice is given.

District: Ellston Park Metropolitan District
c/o Cockrel Ela Glesne Greher & Ruhland, P.C.
44 Cook Street, Suite 620
Denver, Colorado, 80206

Attn: Matt Ruhland, mruhland@cegrlaw.com

Contractor: WSDM, LLC
614 N. Tejon Street
Colorado Springs, CO 80903
Attn: Kevin Walker, kevin.w@wsdistricts.co

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

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

{The remainder of this page is intentionally left blank.}

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

DISTRICT:
ELLSTON PARK METROPOLITAN DISTRICT

By: _____
Name: _____
Title: _____

CONTRACTOR:
WSDM, LLC

By: _____
Name: _____
Title: _____

EXHIBIT A

Proposal



August 18, 2023

Jordan Honea
HOA and District Coordinator
D.R. Horton
9555 S. Kingston Ct., Englewood, Colorado 80112

Re: Ellston Park Proposal for District Management Services

Dear Ms. Honea,

Thank you for the opportunity to propose to work with DR Horton as District Manager and Accountant for the Ellston Park Metropolitan District. Thanks also for sharing the package of maps and other information on the current status of the project; it was most complete and well organized.

WSDM is a full-service special district management firm in business since 2002 and manages districts to build communities in the Pikes Peak region. We offer a full array of services for Metropolitan Districts in support of the Board's and taxpayers' objectives. Please see our list of comprehensive services attached. We currently manage over 40 districts in the region of many types – water, fire, full service, townhome, single family commercial, etc.

The development proposal at Ellston Park is one that we have worked on from its original request for approval of the Metropolitan District in 2021. We are pleased to see that DR Horton is moving ahead with the community and offer our team to assist you with the management through the Metro District structure. Our customer service-oriented business model of providing all the services needed in a timely, effective and efficient manner will complement the community and only improve as we continue to work together.

As the development works to its entitlement conclusion and moves into the development phase, WSDM will assist you and your team with the preliminary start up tasks with the District. I have outlined those below. As the District moves through the budget season for 2024, we will work with you to define the needed services for next year based on development timing and sales velocity.

We have not worked with Mr. Ruhland on any specific projects in the past but I have met him through some of the SDA and other processes where we are both involved. We work with a number of different legal counsels on our District's and look forward to working with Matt as the development progresses. We are flexible with our services to define which is responsible for each of the discreet tasks and this budget season in the best time to accomplish that work allocation task by task.

We have attached the overall District Services we provide. As we start up, we would identify the following more specific tasks as our initial scope:

- Entitlement support at the City for District matters
- Initial 2024 budgeting for construction phase start and progress
- File mill levy certifications with appropriate authorities
- Board meeting support as needed – agenda, minutes, notice posting, communications, etc. – likely just the budget hearing
- Review of covenants and design guidelines – draft available
- State and local reporting coordinated with legal counsel
- Initial banking and accounting start up in coordination with the Board and developer
- Initial billing set up for future
- Website startup and other transparency requirements
- Identify 2024 preliminary service provider list for review by the Board

We have recent experience with townhouse/District startup at Vistas at West Mesa and would propose to assign that team to this development as well. Heather Smith has 15 year’s experience with attached housing products and will be supported by myself, Rebecca Harris our Chief Executive Officer along with Rylee DeLong, our Assistant District Manager. Our accounting staff is headed up by Sue Gonzales, CPA.

Our hourly fees for these services are attached. It is difficult to assess the exact amount of time we will spend on the services but we will operate on a time and materials basis with a not to exceed maximum of \$4,000 for the remaining calendar year. We bill monthly by the 10th of the month with a net 30-day billing cycle.

We are ready to go to work on this process with your signature below and will work under your or Matt’s standard contract once we have reviewed it.

Again, thank you for the opportunity to work with you at the Ellston Park Metropolitan District

Respectfully submitted,

Kevin Walker
President

Accepted by:

Signature

Date

Name and Title



WSDM, LLC
Inclusive Scope of Services
July 2023 – Amended For Ellston Park MD

Management

1. Meeting and Reporting Services—WSDM provides excellence in the following services:
 - (a) Coordinate Board meetings, prepare and distribute meeting agenda. Preparation, filing and posting of legal notices required in conjunction with the meeting.
 - (b) Post meeting notices are properly and timely posted.
 - (c) Contact Board members 72 hours prior to a scheduled meeting to ensure a quorum will be present. In the event of a cancellation of a meeting, contact and advise all parties of the cancellation and any changes to the meeting date, time and place, if available.
 - (d) Meeting packets will be distributed by U.S. Mail and/or email, as determined by the Board
 - (e) Prepare for and attend regular and special meetings of the Board.
 - (f) Draft, revise and finalize the minutes of the meeting and circulate for review and comment to ensure all statutory requirements have been met.
 - (g) Prepare and maintain a record of all Board members, consultants and vendors. Direct and oversee all service providers, consultants and employees.
 - (h) Manage inclusion and exclusion processes
 - (i) Prepare and make annual compliance filings (but not judicial filings) with the various State and County officials, as required. Coordinate review and approval of annual compliance filings with the attorney.
 - (j) Respond to inquiries made by various officials, property owners or consultants in a timely and professional manner.
 - (k) Set up and maintain the official records of the District and service as official custodian for same pursuant to the Colorado Open Records Act.
 - (l) Monitor requirements pertaining to HB 1343 (Illegal Aliens).
 - (m) Insurance administration, including evaluating risks, comparing coverage, process claims, completing applications, monitoring expiration dates, processing routine written and telephone correspondence. Ensure that all District contractors and subcontractors maintain required coverage for the District's benefit. Obtain quotes for insurance annually.

2. Service Contract Management - Districts utilize substantial contract services for services such as landscape and irrigation maintenance and expansion/upgrade, snow removal, utility maintenance, fence and other improvement upgrade and replacement, and other services as needed. WSDM has extensive experience at scoping projects, soliciting formal and informal bids for work, assisting Board selection and contracting for services, project management and direction for contractors, etc.
- ~~3. Elections—Service as a Designated Election Official for district elections with familiarity with various election laws, including, but not limited to the Special District Act, the Colorado Local Government Election Code, the Uniform Election Code of 1992, to the extent not in conflict with the Colorado Local Government Election Code, and Article X, § 20 of the Colorado Constitution ("TABOR")~~
- ~~4. Construction Oversight—Extensive construction best management experience. Principals have funded and managed over \$100,000,000 in public infrastructure including roads, water, wastewater, electric, gas, telecommunications and stormwater facilities.~~
5. Website Administration – extensive experience with creating and updating District specifically including the State of Colorado's official web portal.
- ~~6. Employee management—management of full or part time employees including Operators in Responsible Control (ORC), field and operations employees, administrative employees, part time seasonal employees, etc. Maintain compliance with labor statutes, insurance, training, safety, etc. issues. Also, automated payroll services~~
7. Covenant enforcement and HOA style management – WSDM manages covenant enforcement services as staff and management of Architectural Control Committees including inspections, review of proposed improvements, management of fines, and other enforcement action.

Accounting and bookkeeping

1. Standard Services— Our professional services include the following:
 - (a) Accounting
 1. Prepare monthly, quarterly and annual financial statements for inclusion in monthly meeting packets.
 2. Reconcile monthly bank statements and trustee statements.
 3. Coordinate bank account setup and maintenance of signature cards.
 4. Prepare and file Continuing Disclosure Notices with the Trustee and other required parties. Coordinate review with legal counsel.
 5. Coordinate capital project draws and requisitions.
 6. Reconcile bonds and other debt service payment obligations for accuracy and timely payments.
 7. Respond to bondholder and other interested parties' requests for financial information.
 8. Review all payments of claim prior to release to ensure funds are available.
 9. Monthly review of all expenditures and coordinate preparation and

distribution of same with the manager for the District to prevent exceeding budgeted and appropriated expenditures.

- (b) Accounts Payable
 1. Receive and review invoices for accuracy and appropriateness for payment. Code the invoices in accordance with the budgeted line item.
 2. Prepare issuance of checks to be presented to the Board for approval and signatures. The claims list should be included in the monthly meeting packets.
 3. Prepare funding requests, if required.
 4. Release checks to vendors when all approvals and funding have been received.
- (c) Accounts Receivable
 1. Process deposit of revenues.
 2. Process bank charges and other miscellaneous accounts receivable matters.
- (d) Financial Projections
 1. Multi-year forecasting.
 2. Utility consumption and water rate analysis.
 3. Commercial billing analysis and rate structure.
- (a) Budgets
 1. Prepare annual budget and budget message for approval by the Board and coordinate with legal counsel for same.
 2. Prepare or assist in the preparation of supplemental and/or amended budgets and accompanying documents, if required.
- (b) Audits
 1. Determine need for Audit or alternative Audit Exemption; in most cases WSDM is able to prepare and submit Audit Exemptions.
 2. Obtain proposals for conduct of audit for consideration at budget hearing meeting. Proposals should be included in the meeting packet.
 3. Coordinate and participate in audit bids, engagements, fieldwork and audit draft review.
 4. Assist the auditor in performing the annual audit, to accomplish timely completion and filing by statutory deadline.

Billing and Collection

1. Standard Utility Billing Services—WSDM currently utilizes Continental Utility Solutions, Inc. (CUSI) billing software system. This system is compatible with the Automatic Meter Reading (AMR) systems as well as state of the art integration with direct payment options (Lockbox, ACH and Credit Card). In addition:
 - (a) Provide resolution of re-reads for meter reads, if necessary.
 - (b) Customize billing system to download meter readings directly into accounting software to allow for automatic updates to customer accounts.
 - (c) Produce and transmit customer invoices to a mailing facility or perform the mailing in house, whichever is more economical.
 - (d) Process and make daily deposits of all receipts mailed directly to the billing company, as necessary.
 - (e) Communicate with customers and transmit Automated Clearing House ("ACH") authorization forms allowing the District to initiate an ACH withdrawal of the customer bill directly from their checking or savings account. Initiate ACH batches using dual controls.
 - (f) Coordinate and provide correspondence regarding terminations, delinquencies, payment plans and shut-off notices in compliance with the District's collection policies and in coordination with the District's legal counsel.

- (g) Process payoff requests from title company for closings and set up new ownership information.
 - (h) Collect transfer fee due upon the transfer of and account or property.
 - (i) Process payment arrangements for customers facing economic hardship at the direction of the Board.
 - (j) Process and transmit delinquent notices.
 - (k) Process shutoff notices and direct the District's operator to proceed with shutoff.
 - (l) Certify delinquent accounts with the County, as applicable, in coordination with the District's legal counsel.
 - (m) Coordinate processing of statements of liens with the District's legal counsel.
 - (n) Respond to customer calls and inquiries in a timely and professional manner.
 - (o) Track tap fee payments.
2. HOA Management and Billing Software - WSDM currently utilizes CINC Systems management software for HOA and similar clients
- (a) Meets all requirements for CCIOA clients in Colorado, including
 - i. HOA Document storage and retrieval
 - ii. Payment Portal for all payers
 - (b) Monthly annotated billing (or quarterly, annually, etc.)
 - (c) Processes and transmits delinquent notices
 - (d) Proper closing and account services change-out
 - (e) Integrates with company financial software

Customer Service

We provide phone, email and text messaging response to customer inquiries, questions, requests for information etc. We also provide a 24-emergency number and monitoring of security cameras, etc.



WSDM, LLC
614 N Tejon St
Colorado Springs Colorado
Phone: (719) 447-1777
Fax: (719) 867-4013
Website: wsdistricts.co

2023 Hourly Rates

Principal	\$ 225.00
Senior District Manager	\$ 180.00
Senior Accountant	\$ 190.00
Assistant District Manager	\$ 140.00
Bookkeeper	\$ 75.00
Administrative/ Supporting Staff	\$ 50.00

EXHIBIT B
Change of Services

EXHIBIT C

W-9

EXHIBIT D

Certificate(s) of Insurance