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**FOUNDERS VILLAGE METROPOLITAN DISTRICT
VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4**

c/o Pinnacle Consulting Group, Inc.

550 W Eisenhower Blvd

Loveland, CO 80537

wwwFOUNDERSVILLAGEMETRO.ORG

NOTICE OF REGULAR MEETING AND AGENDA
FOUNDERS VILLAGE METROPOLITAN DISTRICT
AND VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term Expires:</u>
Jeremy Groves	President	5/2022
Patrice Neef	Vice President	5/2023
Matt Hilinski	Treasurer	5/2023*
Mary Cates	Director/ Assistant Secretary	5/2023*
Ron Claussen	Director/Assistant Secretary	5/2022

DATE: March 16, 2022 (Wednesday)

TIME: 7:30 P.M

PLACE: Via Video Conference

VIRTUAL - TO JOIN VIA ZOOM:

<https://us02web.zoom.us/j/88227701509?pwd=M3BmR3V2N2h2clM0UTBZU1NnTUhBQT09>

MEETING ID: 882 2770 1509; **PASSCODE:** 963903; **TOLL-FREE:** 888-788-0099

I. ADMINISTRATIVE MATTERS

A. Call to Order/Approve Agenda/Confirm Location and Notice of Meeting. **(Pages 1-2)**

B. Declaration of quorum.

C. Present disclosures of potential conflicts of interest.

D. Consent Agenda:

1. Approval of February 19, 2022 Regular Meeting Minutes. **(Pages 3-6)**
 2. Ratification of District Work Orders and/or Construction Change Orders in the amount of \$0.00.
 3. Ratification of Payment of Claims through the period ended February 28, 2022, totaling \$0 for Founders Village Metropolitan District, \$_____ for Villages at Castle Rock Metropolitan District No. 4. **(To be distributed under separate cover)**
 4. Acceptance of Unaudited Financial Statements through the period ended January 31, 2022. **(To be distributed under separate cover)**
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E. Community Comments.

F. Board Member Comments.

II. MANAGER/ADMINISTRATOR MATTERS

A. March Management Report, discuss questions of the Board. **(Pages 7-11)**

B. March General Fund Project Status Report. **(Page 12)**

C. DEO Report- Regular Election 2022.

III. FINANCIAL MATTERS

A. Review and Consider Adoption of 2022 System Development and Impact Fees Resolution. **(Pages 13-15)**

IV. LEGAL MATTERS

A. Status Report for Ongoing 2022 Agreements. **(Pages 16-19)**

B. Legislative Update.

V. OTHER BUSINESS

VI. EXECUTIVE SESSION

To enter into Executive Session, pursuant to C.R.S. Section 24-6-402(4)(b) and Section 246-402 (4)(e) for the purpose of receiving legal advice regarding possible inclusion of property into the District.

VII. ADJOURNMENT – The next regular meeting is scheduled to be held on Wednesday, April 20, 2022 at 7:30 A.M.

MINUTES OF THE REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
FOUNDERS VILLAGE METROPOLITAN DISTRICT AND
VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO.4
HELD

February 17, 2022

A regular meeting of the Board of Directors of Founders Village Metropolitan District and Villages at Castle Rock Metropolitan District No. 4 (referred to hereafter as "Board") was convened on the 17th day of February 2022, at 6:32 P.M., via teleconference platform accessible to the public.

Due to the threat to health and safety posed by the COVID-19 pandemic, this meeting was held via Zoom.

ATTENDANCE

Directors in Attendance Were:

Jeremy Groves, President
Patrice Neef, Vice President
Matt Hilinski, Treasurer
Mary Cates, Director/Assistant Secretary

Also in Attendance Were:

O. Karl Kasch; Cimarron Consultants, Inc.
Kammy Tinney, Lyndsey Paavilainen, Doug Campbell,
Daryl Fields, and Shannon Metcalf; Pinnacle
Consulting Group, Inc.
Cathy Hamilton, CPA; Simmons & Wheeler, P.C.
Ayshan Ibrahim; Collins Cockrel & Cole P.C.

Director Groves called the meeting to order at 6:32 P.M.

Director Groves noted that Director Claussen was excused from this meeting.

ADMINISTRATIVE
MATTERS

Agenda: A proposed agenda was distributed for the Board's review and approval for the regular meeting. Following review and discussion, upon motion duly made by Director Groves, seconded by Director Hilinski and, upon vote, unanimously carried, the agenda was approved as presented.

Meeting Location/Notice: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board further noted that notice of this location was duly posted.

Declaration of Quorum: Director Groves declared that a quorum of the Board was present, with four of five members in attendance.

Disclosure of Potential Conflicts of Interest: Director Groves inquired whether there were any conflicts to disclose by Board members present. There were no conflicts to disclose.

Consent Agenda: The Board considered the following items on the consent agenda:

1. Approval of the January 19, 2022, Regular Meeting Minutes.
2. Ratification of District Work Orders and/or Construction Change Orders in the amount of \$0.00.
3. Ratification of payment of claims through the period ended December 31, 2021, totaling \$0 for Founders Village Metropolitan District and, \$398,852.99 for Villages as Castle Rock Metropolitan District No. 4.
4. Acceptance of unaudited financial statements through the period ended December 31, 2021.

Following review and discussion, upon motion duly made by Director Neef, seconded by Director Hilinski and, upon vote, unanimously carried, the Board approved the consent agenda items as amended to include updated payment of claims amount.

Community Comments: There were no community comments to come before the Board.

Board Member Comments: Director Neef noted that it would be a good business practice to solicit comparative bids to ensure best pricing on projects over \$50,000. Ms. Ibrahim agreed and stated that it would be best to coordinate an internal meeting to discuss the RFP process and then present a resolution at the next board meeting.

MANAGER
MATTERS

Manager's Report: The Board reviewed the written Manager's Report. Mr. Kasch relayed that he will be creating a spreadsheet that includes the project and budget versus narrative status paragraphs. This will provide a 5-year progress summary on general fund improvement projects.

Mr. Kasch also noted that he is still waiting to hear from Fence Consulting Services regarding their fence staining remediation proposal and will be meeting with Front Range PCMS by the end of March.

FINANCIAL
MATTERS

2021 Q4 Development Fee Rebates Update: Mr. Kasch updated the Board regarding the Development Fee Rebates the Town of Castle Rock remits on a quarterly basis. Fourth Quarter payments were \$30,184.20 which is a decrease from previous years. The 350 SFE water credit was met in early 2021. Current fee rebates are for the 30% sewer fee.

LEGAL
MATTERS

Status Report for Ongoing 2022 Agreements: Mr. Kasch reported that the largest update is that The Town of Castle Rock is currently working on a matrix to map all public tracts to determine if the Town or District is responsible for maintenance and snow removal of specific tracts.

Update on Bankruptcy Discussions Regarding Long Term Land Lease: Mr. Kasch explained that the long-term land lease is currently on hold pending a Memorandum from District 4's Bankruptcy Counsel (addressing permitted improvements as proposal).

OTHER
BUSINESS

Ms. Tinney, in her capacity as Designated Election Official, updated the Board on the upcoming election process noting that Self-Nomination and Acceptance forms are available and due back to her no later than 5:00 p.m. Friday, February 25, 2022. Ms. Tinney added that the Call for Nominations have been published and posted on the website per statutory requirements.

ADJOURNMENT

There being no further business to come before the Board, upon motion duly made by Director Cates, seconded by Director Hilinski and, upon vote, unanimously carried, the meeting adjourned at 7:05 P.M.

THESE MINUTES APPROVED AS THE OFFICIAL FEBRUARY 17,
2022 MINUTES OF THE FOUNDERS VILLAGE METROPOLITAN
DISTRICT AND VILLAGES AT CASTLE ROCK METROPOLITAN
DISTRICT NO. 4 BY THE BOARD OF DIRECTORS SIGNING BELOW:

Jeremy Groves

Patrice Neef

Ron Claussen

Matt Hilinski

Mary Cates



VILLAGES AT CASTLE ROCK

METROPOLITAN DISTRICT NO. 4

**Founders Village Metropolitan District and
Villages at Castle Rock Metropolitan District No. 4**

MANAGEMENT REPORT
March 16, 2022

Manager/Administrator Updates

- Ballard and King Survey Reboot and Town Lease discussions. The reboot of the survey component of the Feasibility and Programming Study has been placed on hold and Ken Ballard has summarized all work completed to date. The Manager attended a TCR Staff Meeting to discuss a potential long-term lease agreement . Town Attorney requested legal and bankruptcy limitations update. Mr. Kasch is working with BK Counsel Joel Laufer to provide a detailed Memorandum to the Town Attorney. Manager also discussing a Facilities Plan Update with BK counsel .
- Cimarron and Pinnacle coordination of Facilities Management and General Fund Projects. PCGI is scheduling separate Team Meetings with the Landscape Contractors, Pool and Clubhouse Managers and the Fencing Group. CCI and PCGI also met to review the Long-Range GF Projects and to coordinate the management and collaboration on all of the 2022 projects. PCGI will also have increasing involvement with the proposed License and Maintenance Agreement with the Town of Castle Rock. This month's Report shall include a spreadsheet Status Report on 2022 General Fund Projects.

Intergovernmental Relations

- Filing No. 25 – Parcel Dedication on Final Plat collaboration with Richmond Seasons and Town. The District still awaits a Bill of Sale and Acceptance documents from Richmond Seasons for the Streetscaping, Irrigation and Fencing Improvements at Filing No. 25. Richmond has also been directed to prepare Deeds conveying certain platted Tracts to the Town, to be consistent with Maintenance obligations. Manager continues to follow-up with Richmond Seasons.
- Town of Castle Rock – Special District Group & Financial Matters
 - Karl is monitoring the District Group's meetings, studies, presentations, and direction and will report substantive updates in future manager reports. The Group regularly reviews Phil Kranz's audit of Development Fee Rebates and tracks compliance with the 1995 MIGA. District received Q3 and Q4 Fee Rebates and Mr. Kasch is coordinating the 2022 – Q1 Fee Rebates with Mr. Kranz and Staff

- District No. 9 – W. Memmen Trust Exclusion and Inclusion into Founders District.
 - The Town of Castle Rock approved the Third Amended MIGA to allow for the Founders Village boundary change to include the Memmen Trust property.
 - Inclusion of Memmen Trust 28-acres, 78 single-family equivalent homes, is pending exclusion from District No. 9, and William Memmen Living Trust execution and Board approval of related petitions and 4 inclusion-related Agreements. Legal counsel is in negotiation with District No. 9’s legal counsel, W. Memmen and Purchaser’s special counsel regarding the necessary documents and concerns expressed. Mr. Laufer (BK Counsel) drafted a Memorandum discussing BK Plan compliance and Mr. Ruhland forwarded same to Purchaser’s counsel after Board approval and direction. Mr. Ruhland continues to seek clarification from counsel David O’Leary and the Board shall discuss the topics in Executive Session March 16th.
 - Mr. Kasch has been in contact with the applicant for the Founders Vista PUD (Macor, LLC) situated on the 180-acre balance of the Memmen Property (regarding future IGFA, Entry Road Right-of-way requirements and W. Memmen cooperation letter). Macor representatives hope to be appointed to the District 9 Board following the W. Memmen Trust Inclusion .Macor has offered its support to District 4 on any potential negotiations to modify the District 9 and Founders District mill levies.
- District No. 9 – Intergovernmental Financing Agreement with District No. 4.
 - The Manager has revisited the draft Second Amended Intergovernmental Financing Agreement (IGFA) prepared by prior counsel and District No. 9 counsel. Following the Memmen Exclusion / Inclusion. Ruhland shall send the most recent draft of the IGFA to be reviewed by legal counsel for District 9 to “restart” negotiations (including provisions for Developer Infrastructure Reimbursements from Development Fees to be collected in District 9 and transferred to District 4). Once the Memmen Trust Inclusion is finalized and the District 9 Board is restructured, the Team anticipates that renewed IGFA discussions can commence between District 4 and District 9.

Development Updates

- Filing No. 21 – The Enclave: Pacific North Enterprises (Developer) /Dream Finders Homes (Townhome Builder).
 - All 88 System Development Fees have been collected and Certificates released by the Founders District. Founders Assessed Valuation will still increase this next year as the final 25 townhome units will be added by the county Assessor.
 - Landscaping along Wagonwheel Trail streetscape involves multiple agreements. The Landscape Funding Disbursement Agreement has been executed by all parties freeing-up 2004 escrowed surety funds (\$42,500) for the landscape project. District No. 4 is moving forward in 2022 with the final design (pending new LA selection). A 4-Party Agreement and a separate Landscape Easement and Maintenance Agreement (with Sub-Association) are in draft process. It is anticipated that all Agreements will be completed by March 2022. Manager to send a copy of the draft agreement outline to legal counsel. The District (thru CCI and PCGI) will be selecting a new Landscape Architect for this and other District Projects since Mr. Eccles has retired. . CCI and Mr. Holland will still

direct and oversee the design effort, and PCGI will manage the project bidding, construction inspections and Acceptance for the District. Mr. Kasch recently sent the CORE Legal Descriptions and Exhibits (for the Wagon Wheel Landscaping and Fence Easements) to legal counsel for review.

Financial Matters

Property Tax and Real Estate Sensitivity Study. Consultant: Economic and Planning Systems (EPS).

- EPS submitted the revised Final Draft to Committee 9/09/21 for comment. Karl shared with legal counsel per earlier request. The EPS Study was submitted to the Board with a comment's deadline of September 30 .Since the two EPS principals left the firm, Mr. Kasch contacted EPS to discuss finalizing the EPS Study. (the most-recent draft was not satisfactory to the Committee)
- John Simmons and Mr. Kasch are working on several growth and tax modelling scenarios to evaluate a potential mill levy reduction as new homes are completed and assessed valuation (AV) comes online. The modelling will also reflect anticipated General fund expenditures through 2031, per budget projections to be discussed at Budget Workshop. Mr. Simmons' time has been limited of late, as he is obligated to complete many Financial Forecasts for several new Districts and their pending Bond Issues.
- Town Staff submitted and approved the Maps and Reconciliation Audit for Development Fee Rebates moving forward. . The Audit is very accurate and approved by the Finance director and Special Districts Oversight Committee.

Improvement Projects

- Kennedy Jenks Engineering – Sanitary Sewer Outfall Study Update and Final Design Services
 - Kennedy Jenks and the District completed the Sanitary Sewer Alternatives Study and attended a PREAPP Meeting with the Castle Rock's Development Review Manager and all referral Departments, The Study was submitted in advance of the W. Memmen Inclusion, Site Development Plan and Final Plat, as there are five (5) other "participating" Parcels that require same sewer service and connections. More critically, the Town is scheduled to construct and pave the eastbound lanes of Plum Creek Parkway starting April 15, 2022, The major sewer outfall is a major pre-requisite for the W. Memmen development, and the lower Parkway segment must be completed prior to the northerly segment. In recent meetings with the Town's CIP Group, it became Increasingly apparent that the Plan / Profile sewer alignment originally approved by the Town was fraught with conflicts and constraints by storm drainage, retaining walls and earthwork. The Town agreed to permit District to redesign the sewer outfall into the northerly (westbound) lanes since that laneage would be removed and repaved in late 2023. The schedule is less constrained and the Town will agree (by IGA) to construct one small sewer segment and two sewer stub outs as part of the Town's project. This will require an Escrow Agreement for the District's portions TBD.
- Founders Pool and Ridge House:
 - PCGI and CCI will be meeting with James Fletcher, PCMS, and Front Range Recreation on March 11th, to get acquainted and to discuss major 2022 maintenance activities, and the proposed Pavilion Structure on the north end of the Lot 1 site. Joint funding will require a Third Amendment to the Lease

Agreement depending upon the scope of work involved. CCI and PCGI will update the Board following those Team Meetings.

- North Trails Project:
 - The North Trails project includes 2 school trail links, a pedestrian bridge, and private trail alignment through The Ridge House site. Trail designs by CORE Engineering have been conceptually approved by Town Staff and the project may begin in the Spring 2022, pending two access and construction easements from Douglas County School District (Rock Ridge Elementary). Karl to send legal counsel the proposed easement maps and exhibits for review. The School District response has been slow, since the elementary school is uncertain on the configuration of temporary classroom buildings and the best location for the pathway.
 - Expansion of the North Trails project to Filing No. 25, previously discussed is still being explored, and an update will be provided when the Manager prepares the 5-year General Funds Projects List for Board consideration and Pinnacle project-sharing with CCI.
- District Trail Shelters Project:
 - The eight proposed Trail Shelters sites along Mitchell Gulch and the PSCO Corridor Trails have been toured and sites modified with the Town Staff. Karl continues discussions with the Town regarding water tap waivers for water stations and/or other in-kind contributions by the Town for these projects. This project is anticipated for a sole-source acquisition of the Shelters and a bid Construction Contract for their sitework and installation, once a separate Construction and Maintenance Agreement with the Town has been reached. Karl to send trail maps, shelter locations, and exhibits to legal counsel for review. This project is reflected in the License Agreement and will likely require a separate construction and maintenance Agreement with the Town (per recent discussions with Parks & Recreation Director.
- Enderud Phase 5 Streetscape Restoration:
 - The Brightview Streetscape Restoration contract in the amount of \$60,845 was modified and executed by BrightView and the District. The new Utility Bore construction was completed. The Landscape Maintenance Easement Agreement with the Castle Oaks Estates Master Association is still pending; however, our existing improvements and the restoration are sanctioned under the 2016 Easement with Starwood / SLV. Brightview, District and Town have inspected the construction and the restoration of irrigation and landscaping is substantially complete. 8-10 of the remaining, specified trees will be installed in Spring 2022 due to availability. The District recently received the \$47,126 Reimbursement from Meritage Homes.

Operation and Maintenance Programs

- 2022 Landscape Maintenance Programs
- All 2021 Maintenance Tasks have been completed per the scope of the 2021 Maintenance Agreement .
- PCGI coordinated a Team Meeting with key Brightview Staff and CCI, to get acquainted and to discuss and schedule key elements of the 2022 Maintenance program. The 2022 Streetscape Maintenance Agreement is complete and recently executed by both parties.
- PCGI and CC”I will update the Board on all maintenance activities and strategies for the coming maintenance season. Major projects such as turf reduction and major irrigation

upgrades will be discussed as project scopes and conceptual designs are completed. We have attached two Project Worksheets for the Board's consideration. Projects, costs and schedules are subject to change as project scope and requirements become known.

- FCS and Flying Colors Staining recently submitted a Memorandum to the Board, in response to a homeowner complaint about the color and quality of the stain. The District was unaware of the minor stain substitution and the Board will discuss the issue at the November Meeting. The District has, since 2006, changed stain manufacturers and formulas and increased the stain pigment percentage (%) to extend restaining periods and eliminate fungus and fading caused by more semi-transparent stain formulas. FCS has been inspecting the restained fence sections and should make their recommendations to CCI and PCGI prior to the March Board Meeting.
- FCS will also be preparing a Scope and Proposal to evaluate all 125,00 lineal feet of District Fencing and discuss material alternatives and future costs for the eventual replacement of Fences either by District 4 or by Founders District sometime after June, 2031 (when the Bonds are defeased).

**VILLAGES AT CASTLE ROCK
METROPOLITAN DISTRICT NO. 4**

**2022 General Fund Projects
Management Allocation and Status Report**

Project / Enhancement / Rehabilitation	Budget	2022	Manager	Project Description / Project Status
Streetscape / Irrigation & Fencing Projects				
Heritage Avenue Phase 3 (Filing 19 to 20)	\$ 385,000	\$ 35,000	CIMARRON	Base Surveys complete / Engage LA Design Services / Construction 2023
Wagonwheel Streetscape & Fencing	\$ 450,000	\$ 395,000	CIMARRON	Preliminary Design & Legals Complete / Engage LA Design Services / 4-Party Agreement underway
Subtotal Streetscapes / Irrigation / Fencing	\$ 835,000	\$ 430,000		
Irrigation Upgrade and Water Conservation				
Controller / Clock Upgrades / Master Valves	\$ 185,000	\$ 60,000	PINNACLE	PCGI is meeting with potential consultants on long term system and landscape modifications
Phased Turf Reduction / Xeriscaping Programs	\$ 600,000	\$ 120,000	PINNACLE	
Irrigation Mainline Replacements (Phased)	\$ 250,000	\$ 50,000	PINNACLE	
Subtotal Irrigation Upgrades / Conservation	\$ 1,035,000	\$ 230,000		
Landscape and Access Enhancements				
Filing No. 9 / Tract A Trees / Drip / Drainage	\$ 45,000	\$ 25,000	PINNACLE	Base Surveys complete / Design Phase / Submittals / CDOT / 2023 Construction
Filing No. 9 / Tract C Native Trail & Trees	\$ 38,500	\$ 38,500	PINNACLE	
Sovereign St. Replacements / Tract Pathway	\$ 26,000	\$ 26,000	CIMARRON	Street Shrubery Replaced 2021 / Trees Spring 2022 / Tract Path & Trees need Design
Spruce to Mikelson Tract / Pathway & Trees	\$ 28,500			
Las Lunas Tracts A and E / Enhancements	\$ 19,500			
Pet Waste Stations (Collector Streets /Trailheads)	\$ 35,000	\$ 25,000	PINNACLE	Bids pending, including bids for maintenance
Filing No. 7 Pocket Park Enhancements	\$ 41,000	\$ 4,000	CIMARRON	Scoping Required /Preliminary Design and Cost Estimates in 2022
Tree Replacements / New Tree Program	\$ 225,000	\$ 45,000	CIMARRON	Continue Annual Programs with Holland and BrightView / Scope Enderud Trees at Founders Park
Subtotal Landscape and Access Enhancements	\$ 458,500	\$ 163,500		
Trail Enhancements and Entry Rehabilitation				
8 Major Trailheads (3-Rail/Landscape/ Signage)	\$ 115,500	\$ 5,500	PINNACLE	Shelter Specs Priced / Discuss Bid Package / Town Agreement ASAP / Construct Summer 2022
8 Trail Shelters (w/Town Agreements)	\$ 165,000	\$ 165,000	CIMARRON	
Filing 14 - School Paths and Pedestrian Bridge	\$ 106,000	\$ 106,000	CIMARRON	
North Pathway Connections (to Filing 25)	\$ 45,000	\$ 4,000	CIMARRON	Base Surveys done / Engineering 90% / School Easements pending / Evaluate Bridge & 2022 Schedule
Filing 25 / Xcel Corridor - North Paths to Hwy 86	\$ 49,500	\$ -		Scope Alignments / Engage Field Surveys / CORE Design 2022 / Bid & Construct 2023
Entry Monuments - Lighting and Power Rehab	\$ 48,000	\$ 2,500	PINNACLE	Under assessment
Subtotal Trail and Entry Enhancements	\$ 529,000	\$ 283,000		
Pool / Ridge House and Site Improvements				
MR Sump Overflow (to W. Mitchell Gulch)	\$ 24,500	\$ 24,500	CIMARRON	Modify Design per Town / Approvals / Construction Fall 2022 (after pool season)
Parking Lot Asphalt Repairs / Overlays/Striping	\$ 78,000	\$ 4,000	PINNACLE	PCGI is meeting with a contractor on March 11th.
North Pavilion / Fireplace / BBQ / Landscaping	\$ 160,000	\$ 160,000	PINNACLE / CCI	Amend Lease Agreement / FVMA Cost-Share / Engage Architect / Bid package / Construct Fall 2022
Private Sidewalk (Parking Lot to Future Pavilion)	\$ 35,000	\$ 35,000	PINNACLE / CCI	Prelim. Design by Eccles done / CORE Design pending / Construct with Trails or Pavilion Fall 2022
Pool Deck Rehab / Mechanical Contingency	\$ 150,000	\$ 30,000	PINNACLE	Contract with Front Range is signed, product is on Order
Subtotal Pool / Ridge House / Site Improvements	\$ 447,500	\$ 253,500		
Miscellaneous O&M Projects Contingency	\$ 250,000	\$ 50,000		As required / Utilize for expanded project scopes and adjusted Final Budgets
Total 5 - Year General Fund Projects	\$ 3,555,000	\$ 1,410,000		Management Allocations should be periodically re-assessed by CCI and PCGI

Status Report Updated : February 18, 2022

NOTE : Project Management Assignments are preliminary and subject to change

RESOLUTION REGARDING 2022 SYSTEM DEVELOPMENT FEES

WHEREAS, pursuant to the Master Intergovernmental Agreement dated May 1, 1995 between the Town of Castle Rock (the “Town”) and Founders Village Metropolitan District/Villages at Castle Rock Metropolitan District No. 4 (“District 4”), (a) the water component of the System Development Fee to be collected by District 4 is 100% of the fee set by the Town; (b) the wastewater component of the System Development Fee to be collected by District 4 is 30% of the fee set by the Town; (c) the Transportation Impact Fee to be collected by District 4 is 100% of the fee set by the Town; and (d) the Regional Facilities Surcharge is the amount determined by the District 4 Board of Directors; and

WHEREAS, the Rules and Regulations for District 4 provide that the Board shall set the System Development Fees;

NOW, THEREFORE, BE IT RESOLVED as follows:

Commencing January 1, 2022, the District 4 System Development Fee per SFE shall be as follows:

<i>Development/Impact Fee</i>	<i>Single Family Detached</i>	<i>Multi-Family Attached ¹</i>
Water Development Fee (100%)	\$5,700.00	\$3,809.00
Sewer Development Fee (30%)	\$1,473.00	\$984.00
Transportation Impact Fee (100%) ²	\$10,347.00	\$7,983.00
Regional Facilities Surcharge ³	<u>\$2,398.00</u>	<u>\$1,606.00</u>
Fees collected by Founders	\$19,918.00	\$14,382.00

RESOLUTION APPROVED AND ADOPTED on March 16, 2022.

Villages at Castle Rock Metropolitan District No. 4

By: _____
President

Attest:

Secretary

¹ The Town’s Development and Impact Fees for Multi-Family Attached units vary based upon the number of units per building. District 4’s Multi-Family Attached fees shall be based upon the Town’s SFE’s per unit.
² The Transportation Impact Fee is a “scalable fee” based upon the size (sq. ft.) of the new home. The Fee above is computed on a 2,500 sq. ft. home.
³ District 4 collected the Regional Facilities Surcharge because District 4 constructed the MC Force Main, Woodlands Interceptor and East Plum Creek Interceptor as part of the regional wastewater infrastructure.

FOUNDERS VILLAGE METROPOLITAN DISTRICT

2022 System Development and Impact Fees

Development Fees / Impact Fees	SFD	MF / FILING 21
Water Development Fee (100%)	\$ 5,700.00	\$ 3,809.00
Sewer Development Fee (30%)	\$ 1,473.00	\$ 984.00
Transportation Impact Fee (100%) ⁽¹⁾	\$ 10,347.00	\$ 7,983.00
Regional Facilities Fee (District) ⁽⁴⁾	\$ 2,398.00	\$ 1,606.00
Fees Collected by Founders District	\$ 19,918.00	\$ 14,382.00
Sewer Development Fee (70%)	\$ 3,436.00	\$ 2,295.00
Renewable Water Fee (100%)	\$ 26,458.00	\$ 17,683.00
Stormwater Impact Fee (CCB)	\$ 1,116.00	\$ 676.00
Cherry Creek Basin Authority Fee	\$ 60.00	\$ 60.00
Parks & Recreation Impact Fee ⁽¹⁾	\$ 8,019.00	\$ 5,270.00
Fire Impact Fee ⁽¹⁾	\$ 1,245.00	\$ 818.00
Police Impact Fee ⁽¹⁾	\$ 646.00	\$ 424.00
Municipal Facilities Fee ⁽¹⁾	\$ 422.00	\$ 277.00
Balance Collected by Castle Rock	\$ 41,402.00	\$ 27,503.00
2022 Development and Impact Fees	\$ 61,320.00	\$ 41,885.00

Notes:

- (1)** These 5 Impact Fees are "scalable fees" and vary by improved home square footage.
- (2)** The 2022 Fees for SFD assume a 2,500 sq. ft. home per the Town's Annual Fee Ordinance.
- (3)** Separate Irrigation Tap Fees are per tap size and the District collects 100% of said Fee.
Town still collects the Renewable Water Resource Fee for all Irrigation Taps.
- (4)** District 4 collects a Regional Facilities Fee, as District constructed the MC Force Main Woodlands Interceptor, and E. Plum Creek Interceptor as Regional Wastewater Infrastructure, per 1987 IGA (Castle Rock / Castle Pines Reuse Project).

Updated by CCI: 1/29/2022

FOUNDERS VILLAGE METROPOLITAN DISTRICT
 (fka Villages Metropolitan District No. 1)
2021 System Development and Impact Fees Summary

<u>DISTRICT DEVELOPMENT FEES</u>	2008-2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Water Development Fee: (100%)	\$ 9,364.00	\$ 3,540.00	\$ 3,657.00	\$ 2,668.00	\$ 2,330.00	\$ 2,330.00	\$ 3,237.00	\$ 3,314.00	\$ 3,510.00	\$ 3,557.00	\$ 3,664.00	\$ 4,030.00	\$5,700.00
Sewer Development Fee: (30%)	\$ 1,153.50	\$ 951.60	\$ 927.00	\$ 943.80	\$ 916.80	\$ 916.80	\$ 972.90	\$ 1,031.10	\$ 1,187.70	\$ 1,206.90	\$ 1,207.00	\$ 1,207.00	\$1,473.00
Transportation Impact Fee: (100%)	\$ 2,900.00	\$ 2,725.00	\$ 2,725.00	\$ 2,725.00	\$ 2,725.00	\$ 2,725.00	\$ 2,725.00	\$ 3,482.00	\$ 6,104.00	\$ 7,004.00	\$ 10,963.00	\$ 8,699.00	\$10,347.00
Regional Facilities Surcharge: (District)	\$ 1,395.00	\$ 2,560.40	\$ 2,468.00	\$ 3,440.20	\$ 3,805.20	\$ 3,805.20	\$ 2,842.10	\$ 2,842.90	\$ 1,098.30	\$ 1,432.10	\$ 1,500.00	\$ 3,398.00	\$2,398.00
Subtotal Founders District Fees (Per SFE):	\$ 14,812.50	\$ 9,777.00	\$ 9,777.00	\$ 9,777.00	\$ 9,777.00	\$ 9,777.00	\$ 9,777.00	\$ 10,670.00	\$ 11,900.00	\$ 13,200.00	\$ 17,334.00	\$ 17,334.00	\$ 19,918.00
<u>TOWN DEVELOPMENT FEES</u>	2008-2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2021
Sewer Development Fee: (70%)	\$ 2,691.50	\$ 2,220.40	\$ 2,163.00	\$ 2,202.20	\$ 2,139.20	\$ 2,139.20	\$ 2,270.10	\$ 2,405.90	\$ 2,771.30	\$ 2,816.00	\$ 2,816.00	\$ 2,816.00	\$3,436.00
Renewable Water Resource Fee: (100%)	\$ 11,210.00	\$ 14,356.00	\$ 14,356.00	\$ 13,771.00	\$ 14,388.00	\$ 14,388.00	\$ 15,218.00	\$ 15,248.00	\$ 15,248.00	\$ 17,031.00	\$ 17,623.00	\$ 18,504.00	\$26,458.00
Storm Drainage Fee: (CCB)	\$ 368.00	\$ 451.00	\$ 466.00	\$ 457.00	\$ 490.00	\$ 541.00	\$ 748.00	\$ 843.00	\$ 843.00	\$ 843.00	\$ 843.00	\$ 911.00	\$1,116.00
Cherry Creek Basin Authority:	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$ 60.00	\$60.00
Parks & Recreation Impact Fee:	\$ 2,900.00	\$ 2,836.00	\$ 2,836.00	\$ 2,836.00	\$ 2,836.00	\$ 2,836.00	\$ 2,836.00	\$ 3,079.00	\$ 3,303.00	\$ 3,720.00	\$ 7,043.00	\$ 7,133.00	\$8,019.00
Fire Impact Fee:	\$ 775.00	\$ 585.00	\$ 585.00	\$ 585.00	\$ 585.00	\$ 585.00	\$ 585.00	\$ 616.00	\$ 894.00	\$ 1,098.00	\$ 1,129.00	\$ 1,150.00	\$1,245.00
Police Impact Fee:	\$ 200.00	\$ 305.00	\$ 305.00	\$ 305.00	\$ 305.00	\$ 305.00	\$ 305.00	\$ 324.00	\$ 362.00	\$ 542.00	\$ 567.00	\$ 574.00	\$646.00
Municipal Facilities Impact Fee:	\$ 500.00	\$ 536.00	\$ 536.00	\$ 536.00	\$ 536.00	\$ 536.00	\$ 536.00	\$ 384.00	\$ 396.00	\$ 355.00	\$ 370.00	\$ 375.00	\$422.00
Recreation Center Impact Fee:	\$ 1,128.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Balance of Town Fees (Per SFE):	\$ 19,832.50	\$ 21,349.40	\$ 21,307.00	\$ 20,752.20	\$ 21,339.20	\$ 21,390.20	\$ 22,558.10	\$ 22,959.90	\$ 23,877.30	\$ 26,465.00	\$ 30,451.00	\$ 31,523.00	\$ 41,402.00
Total Development & Impact Fees (Per SFE):	\$ 34,645.00	\$ 31,126.40	\$ 31,084.00	\$ 30,529.20	\$ 31,116.20	\$ 31,167.20	\$ 32,335.10	\$ 33,629.90	\$ 35,777.30	\$ 39,665.00	\$ 47,785.00	\$ 48,857.00	\$ 61,320.00

Notes:

(1) Irrigation for parks, streetscape, etc. requires payment of the Water Development Fee to the District and the Renewable Water Fee to the Town, both determined by tap size (SFE's) per Schedule attached.

(2) Builders must also pay all applicable permit fees, water connection charges, use tax, prior to Building Permit issuance.

Water Tap Size (SFE's)

5/8" Tap	0.67 SFE
3/4 Tap	1.00 SFE
1" Tap	1.67 SFE
1-1/2" Tap	3.33 SFE
2" Tap	6.67 SFE
Irrigation	\$3,664 / SFE
Water Fee (1)	to District
Water	\$18,504 / SFE
Resource Fee	to Town

VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 4

Status Report for Legal Agreements (March 2022)

The District's Consultant Team, in coordination with Legal Counsel, are diligently working on the Agreements noted below. These Agreements will be presented to the Board of Directors for review when drafts are substantially completed. Since the timelines for review and negotiations with separate parties are unknown, more exact timing for finalization and approval of these documents is quite variable.

Agreements Fully Executed by All Parties:

1. **10-Foot Non-Exclusive Encroachment and Maintenance Agreement** (District 4 & Meritage Homes) Fencing and Monument Encroachments / Terrain Filing No. 4.
Karl Kasch remitted to Meritage Homes for review and execution, and obtained signatures recorded on January 29th.
2. **Resolution Regarding Expenditures and Agreement Revisions**
Pinnacle Consulting Group, Inc. obtained signatures.
3. **Agreement for Landscape Funding Disbursement** (District 4/FV Master Assn./Enclave HOA) The Board approved agreement in May. The agreement was submitted to Master Association and Sub-Association on May 24th for review. Counsel and staff are reviewing Association's input. A revised copy will be provided at the June 16th Board meeting for review. The Board approved the revised agreement on June 16th, subject to non-substantive changes. Pinnacle Consulting Group, Inc. obtained signatures.
4. **Streetscape Restoration and Reimbursement Agreement** (District 4 & Meritage Homes) Landscape and Irrigation Reconstruction and Refunding per Plans and Estimates. Karl Kasch remitted to Meritage Homes and obtained signatures on July 12th the Board is slated to review this agreement at the July 21st meeting. Received Meritage Payment.
5. **Construction Contract Template**
Brightview for Enderud Phase 5 Streetscape Restoration first construction contract to use new template. Board approved construction contract in May. Obtained signatures.
6. **Consulting Services Agreement (Template)**
John Holland's new contract utilized the District's previous template. The Board considered John's engagement and scope in July and the Contract was recently updated and signed. Future Consulting Agreements will utilize a new template from legal counsel.

Agreements Recently Approved by District:

Landscape Maintenance Easement Agreement (District 4 & Castle Oaks Estate Master Association)

Access and Maintenance on HOA Tracts D and F along Enderud Blvd west to Ridge Road. CO Estate Master Association has approved agreement. Pending signatures and notaries which Pinnacle is assisting with in coordination with CO Estate Master Association's office. Legal will assist in the recordation of the Agreement with the County.

Draft Agreements in the Queue:

1. **License and Maintenance Agreement** (District 4 and Town)
Drafted, District Attorney has edited and finalized Agreement. District Manager and Town Staff are working to finalize multiple exhibits for attachment. The Agreement has been submitted to the Town, as the Board directed. Mr. Kasch has had two work session with Town Staff and is working with Planning Staff on plats, maps and a matrix of dedicated Tracts regarding future sidewalk snow maintenance. Pinnacle will attend new work sessions once the Staff has analyzed the Tract Matrix and Mapping and will discuss responsibility for sidewalk maintenance in Founders Village. Legal to join negotiation between District and the Town, as appropriate.
2. **Long-Term Land Lease** (District 4 and Town of Castle Rock)
District 4 desires to plan and develop additional park, pool, clubhouse and other community facilities on Filing 15 G, Tracts G and H. Feasibility Studies are underway. Manager met with Town Attorney, Planner and Parks & Recreation Director. Town Attorney has requested clarification from our BK Counsel on any ramifications regarding the 1991 BK Plan, permitted uses and facilities. Mr. Laufer and Mr. Kasch met and discussed a possible amendment to the Facilities Plan and disclosure statement. District Staff and Legal will schedule a time to meet and discuss "next steps". . ~~Mr. Kasch will discuss their conclusions at the next Board Meeting.~~
3. **Trail Shelters Construction and Maintenance Agreement** (District 4 and Town)
Mitchell Gulch and PSCo Corridors/ Site Use / Construction/ Maintenance / Water Fees. District Manager will continue to lead this project. Town Staff has modified the 8 proposed Shelter locations. Draft construction and maintenance agreement pending, and this project is also referenced in the proposed License and Maintenance Agreement. Waiting to hear from Town of Castle Rock on Agreement outline and easement requirements (and legal descriptions) of shelter locations. Manager obtaining updated Shelter Quotes from Natural Structures and will outline a Bid Package for the receipt, storage, sitework and Installation of the Shelters.
4. **Wagon Wheel Streetscape Funding, Construction, Easement and Maintenance Agreement** (FVMA / Enclave HOA / Pacific North/ District 4) This is a 4-Party Agreement with multiple funding partners and District 4 Design, Construction and Maintenance. District Attorney to draft agreement once District Manager provides outline by ~~mid~~

~~February 2022~~. Separate Easement and Maintenance Agreement with Sub-Association shall be required (legal descriptions are already completed) .

5. **Fourth Amendment to Lease Agreement** (FV Master Association and District 4) Improvements / Pavilion / Pool Maintenance / Shade Sails/Awnings. Pinnacle and Cimarron will jointly- lead multiple projects, implementation, operations and maintenance of the pool and clubhouse. Karl to outline Exhibits for legal counsel on Fourth Amendment drafting after Team confers with PCMS. Team coordination meeting between the District, PCMS, and Front Range Recreation scheduled for March 11th. District Manager will follow up with legal after the Team meeting.
6. **Third Amendment to Site Lease Agreement** (District 4 and Town) Temporary Storage & Maintenance Yard at Founders Park (North Parking Lot) . District Manager led project. Draft agreement pending. Manager is continuing discussions with Parks & Recreation Division (including alternate, future sites). Town Staff has agreed to execute a Third Amendment for the continued use of the North Park Parking Lot by Brightview. District Attorney currently drafting Third Amendment to include a two (2) year lease extension to present to the Board in the near future.

William Memmen Trust – 28 Acre Inclusion into Founders Village District and Exclusion from District No. 9 – ON HOLD Pending the buyers of the Memmen Property. Discussion with Board regarding Bond Holder consent and options (likely in Executive Session). PCGI, CCI , General Counsel and BK Counsel recently met to evaluate the current state of negotiations and process.

District Attorney, District 9 counsel, and the Buyer's counsel (as Memmen Living Trust does not have counsel) have been in negotiation regarding the various inclusion/exclusion documents and concerns expressed by Purchaser's counsel. District Attorney has sent latest versions of the following documents incorporating comments and edits from District 9 counsel and the Buyer's counsel to District 9 counsel and the Buyer's counsel. Awaiting responses, edits and comments.

- **Petition for Inclusion** (W. Memmen Living Trust to FVMD)
Drafted by Tim Shea – District Attorney edited and in negotiation.
- **Order of Inclusion** (FVMD for Douglas District Court)
Drafted by Tim Shea – District Attorney edited and in negotiation.
- **Inclusion Agreement** (FVMD and Memmen Living Trust)
Drafted by Tim Shea – District Attorney edited and in negotiation.
- **Developer Reimbursement Agreement** (District 4 / FVMD / W. Memmen Trust)
Drafted by Tim Shea – District Attorney edited and in negotiation.
- **Coordination Agreement** (District 4 and W. Memmen Trust)
Drafted by Tim Shea – District Attorney edited and in negotiation.
- **Financial Obligations Agreement** (D4/ Founders/ D9 and Memmen)

Drafted by District Attorney and in negotiation.

- **Petition for Exclusion** (Memmen Living Trust from District 9)
Drafted by J. Tanaka, D9 Counsel. District Attorney edited and in negotiation.
- **Order of Exclusion** (District 9 for Douglas District Court)
Drafted by J. Tanaka, D9 Counsel. District Attorney edited and in negotiation.
- **Exclusion Agreement** (District 9 and Memmen Living Trust)
Drafted by J. Tanaka, D9 Counsel. District Attorney edited and in negotiation.

District No. 9 Future Agreements

- **New Intergovernmental Financing Agreement** (IGFA – District 4 and 9)
District Manager remitted to District Attorney for legal counsel review. This IGFA will only be addressed once the Memmen inclusion moves forward and the District 9 Board control changes to the new developer representatives for the balance of 179 acres in District 9. The new IGFA would also include a Developer Reimbursement Agreement for new Applicant for the proposed Founders Vista PUD.

Contract Templates to Review and Update – Not Urgent

1. Consultant Services Agreement.
2. Streetscape Maintenance Contract.
3. Updated Work Orders.
4. System Development Fee Components Memorialization.