

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1

141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898
Tel: 303-987-0835 . 800-741-3254
Fax: 303-987-2032

NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Gregg Bradbury	President	2023/May 2023
Jeff L. Nading	Treasurer	2022/May 2022
Charles Church McKay	Assistant Secretary	2023/May 2023
Diana K. Ten Eyck	Assistant Secretary	2023/May 2023
Steve Nading	Assistant Secretary	2022/May 2022
David Solin	Secretary	

DATE March 23, 2021 (Tuesday)

TIME: 9:30 A.M.

PLACE: **Zoom Meeting: Due to concerns regarding the spread of the Coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, this meeting will be held via Zoom without any individuals (neither District representatives nor the general public) attending in person. The meeting can be joined through the directions below:**

Join Zoom Meeting

<https://zoom.us/j/96005414280?pwd=R05IMGsgxVJYQ3BnZEtGTHF3QlowZz09>

Meeting ID: 960 0541 4280

Passcode: 700112

One tap mobile

+12532158782,,96005414280#,,,,*700112# US (Tacoma)

+13462487799,,96005414280#,,,,*700112# US (Houston)

Dial by your location

+1 253 215 8782 US (Tacoma)

+1 346 248 7799 US (Houston)

+1 669 900 9128 US (San Jose)

+1 301 715 8592 US (Washington DC)

+1 312 626 6799 US (Chicago)

+1 646 558 8656 US (New York)

Meeting ID: 960 0541 4280

Passcode: 700112

Find your local number: <https://zoom.us/u/adOIUm7Fj>

I. ADMINISTRATIVE MATTERS

A. Present Disclosures of Potential Conflicts of Interest.

- B. Approve Agenda, confirm location/manner of the meeting and posting of meeting notices.
-

- C. Review and approve Minutes of the February 23, 2021 Special Meeting (enclosure).
-

II. PUBLIC COMMENT

- A. _____

III. CONSENT AGENDA – These items are considered to be routine and will be approved and/or ratified by one motion. There will be no separate discussion of these items unless a Board Member so requests, in which event, the item will be removed from the Consent Agenda and considered in the Regular Agenda.

- Ratify approval of Change Order No. 4 to the Contractor Agreement between the District and NRE Excavating Inc., for export of material from W. 91st Drive, in the amount of \$18,590.
 - Ratify approval of Change Order No. 1 to the Construction Contract for Fencing between the District and Standard Fence, for Arvada permit fees and additional fencing, in the amount of \$2,165.00.
 - Ratify approval of Master Service Agreement for Railroad Consulting Services between the District and 360 Rail Services, LLC.
 - Ratify approval of Task Order No. 1 to the Master Service Agreement for Railroad Consulting Services between the District and 360 Rail Services, LLC, for SH72/SH93 Crossing investigation, in the amount of \$20,000.00.
-

IV. FINANCIAL MATTERS

- A. Review and consider approval of the payment of claims through the period ending March 18, 2021, in the amount of \$171,799.31 (enclosure).
-

- B. Review and accept cash position statement as of March 18, 2021 (enclosure).
-

- C. Review Expense Tracking Report (to be distributed) and consider approval of District Expenditures Verification Report (to be distributed).
-

- D. Review forecast of General Fund Revenues and Expenditures (enclosure).
-

V. MANAGEMENT MATTERS

- A. Discuss status of Water Allocations and Facilities Fees Collections (enclosure).
-

- B. Discuss status of FEMA Grant Close-Out.
-

VI. LEGAL MATTERS

- A. **Post-Closing Agreement and Escrow Instructions (Phase One Improvements) by and among the District, Cimarron Development Company, Sisters of Charity of Leavenworth Health System, Inc., and First American Title Insurance Company (“Phase One Agreement”); and Post-Closing Agreement and Escrow Instructions (Phase Two Improvements) by and among the same parties (“Phase Two Agreement”):**

1. Discuss status of construction under the Phase One Agreement and Phase Two Agreement.

- a. Consider ratifying approval of District Engineer’s Verification of Expenditures for Candelas Medical Phase One Improvements dated _____, 2020 in the amount of \$_____.
-

- b. Consider ratifying approval of District Engineer’s Verification of Expenditures for Candelas Medical Phase Two Improvements dated _____, 2020 in the amount of \$_____.
-

- c. Consider ratifying approval of Disbursement Request No. _ under the Phase One Agreement in the amount of \$_____.
-

- d. Consider ratifying approval of Disbursement Request No. _ under the Phase Two Agreement in the amount of \$_____.
-

- B. Ratify approval of Purchase and Sale Agreement (Water Tank Site) by and between the City of Arvada, Jefferson Center Metropolitan District No. 1, and acknowledged by Jefferson Center Metropolitan District No. 2 (enclosure).
-

1. Ratify approval of Purchase and Sale Agreement (Water Tank Site) by and between Cimarron Commercial, LLC and Jefferson Center Metropolitan District No. 1 (enclosure).
-

- C. Review and consider approval of Intergovernmental Agreement between the District and the City and County of Denver, acting by and through its Board of Water Commissioners (to be distributed).
-

VII. CONSTRUCTION MATTERS

- A. Review Construction Status Report.
-

- B. Consider approval of contracts, work orders and change orders.
-

VIII. CAPITAL IMPROVEMENTS

- A. _____

IX. OTHER BUSINESS

- A. _____

- X. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR APRIL 27, 2021.**

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1 HELD FEBRUARY 23, 2021

A Special Meeting of the Board of Directors of the Jefferson Center Metropolitan District No. 1 (referred to hereafter as "Board") was convened on Tuesday, February 23, 2021, at 9:30 a.m. Due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held by video/telephone conference with all participants attending via video/teleconference. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Gregg Bradbury
Jeff Nading
Charles Church McKay
Diana K. Ten Eyck
Steven Nading

Also In Attendance Were:

David Solin; Special District Management Services, Inc.

Megan Becher, Esq. and Emily Murphy, Esq.; McGeady Becher P.C.

Joy Tatton; Simmons & Wheeler, P.C.

Wes Back and Elesha Carbaugh-Gonzales; Independent District Engineering Services, LLC

Brandon Dooling; Golden Triangle Construction, Inc.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

Disclosures of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State. Mr. Solin noted that a quorum was present and requested members of the Board disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney Becher noted that all Directors'

RECORD OF PROCEEDINGS

Disclosure Statements had been filed and that no additional conflicts were disclosed at the meeting.

ADMINISTRATIVE MATTERS

Agenda: Mr. Solin distributed for the Board's review and approval a proposed agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Ten Eyck, seconded by Director McKay and, upon vote, unanimously carried, the agenda was approved, as presented.

Location/Manner of Meeting and Posting of Notices: 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 determined that, due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the meeting would be held by video/telephonic means, and encouraged public participation via video or telephone. The Board further noted that notice of the time, date and location/manner of the meeting was duly posted and that the District had not received any objections to the video/telephonic manner of the meeting, or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries.

Minutes: The Board reviewed the minutes of the January 26, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Ten Eyck, seconded by Director McKay and, upon vote, unanimously carried, the minutes of the January 26, 2021 Special Meeting were approved, as presented.

PUBLIC COMMENT

There were no public comments.

CONSENT AGENDA

The Board considered the following actions:

- Ratify approval of Change Order No. 1 to the Contract between the District and Gerald H. Phipps, Inc., d/b/a GH Phipps Construction Company for Arvada ROW Permit Reimbursement, in the amount of \$5,187.44.
- Ratify approval of Change Order No. 2 to the Contract between the District and Hogan Works, LLC for Candelas Medical Grading Fence, Candelas Parkway, in the amount of \$14,807.20.

RECORD OF PROCEEDINGS

- Ratify approval of Task Order No. 16-A2 to the Master Service Agreement for Construction Observation and Materials Testing Services between the District and CTL/Thompson, Inc., for 91st Drive Subgrade Investigation & Pavement Design, in the amount of \$1,650.
- Ratify approval of Task Order No. 18-A1 to the Master Service Agreement for Construction Observation and Materials Testing Services between the District and CTL/Thompson, Inc., for Hwy 72 at Boulder Creek/Joyce Street Amendment No. 1, in the amount of \$4,000.
- Ratify approval of Task Order No. 2-A7 to the Master Service Agreement for Civil Engineering and Surveying Services between the District and Galloway & Company, Inc., for On-Call Survey, in the amount of \$10,000.
- Ratify approval of Task Order No. 11 to the Service Agreement for District Oversight Services between the District and Independent District Engineering Services, LLC, for District Oversight Services, in the amount of \$30,000.
- Ratify approval of Task Order No. 11 to the Service Agreement for Traffic Engineering Services between the District and Kimley-Horn and Associates, Inc., for Traffic Compliance Letter-Indiana North, in an amount not to exceed \$1,500.
- Ratify approval of Task Order No. 3-A5 to the Service Agreement between the District and Martin/Martin, Inc., for SH93/SH72 Engineering Amendment No. 5, in the amount of \$5,000.
- Ratify approval of Task Order No. 22-A4 to the Service Agreement between the District and Martin/Martin, Inc., for Indiana North Infrastructure Design Amendment No. 4, in the amount of \$6,500.
- Ratify approval of Task Order No. 24-A3 to the Service Agreement between the District and Martin/Martin, Inc., for Hwy 72/93 Parcels P1& P3 Widening Amendment No. 3, in the amount of \$200,500.
- Ratify approval of Task Order No. 24-A4 to the Service Agreement between the District and Martin/Martin, Inc., for Highway 72 Parcel P5 Widening Amendment No. 4, in the amount of \$90,500.
- Ratify approval of Task Order No. 28 to the Service Agreement between the District and Martin/Martin, Inc., for Candelas Parkway Sidewalk Design Plans, in the amount of \$15,000
- Ratify approval of Task Order No. 1 to the Service Agreement between the District and Rocky Mountain Meridian, Inc. for On-Call Survey Services, in the amount of \$5,000.
- Ratify approval of Task Order No. 4 to Storm Water Asset Protection LLC (SWAP), for stormwater oversight services, in the amount of \$12,000.
- Ratify approval of Task Order No. 4 to the Master Service Agreement between the District and SWCA Incorporated, d/b/a SWCA Environmental Consultants, for Joyce Street Culvert

RECORD OF PROCEEDINGS

Crossing, in the amount of \$4,200.

- Ratify approval of Request For Electric OH-UG conversion at Indiana and 96th Avenue (and related Contingency List and Frost Agreement) between the District and Public Service Company of Colorado, Inc., d/b/a Xcel Energy.
- Ratify approval of On-Site Distribution Extension Agreement (Electric) between the District and Public Service Company of Colorado, Inc., d/b/a Xcel Energy.

Following review, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and, upon vote, unanimously carried, the Board approved and/or ratified approval of, as appropriate, the above Consent Agenda items/actions.

FINANCIAL MATTERS

Claims: The Board considered ratification/approval of the payment of claims through the period ending February 17, 2021 in the amount of \$317,096.26.

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director Ten Eyck and, upon vote, unanimously carried, the Board ratified or approved (as appropriate) the payment of claims, as presented.

Unaudited Financial Statements: Ms. Tatton reviewed with the Board the unaudited financial statements for the period ending December 31, 2020 and the schedule of Cash Position as of February 17, 2021.

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board accepted the unaudited financial statements for the period ending December 31, 2020 and the schedule of Cash Position as of February 17, 2021.

Expense Tracking Report (ETR): Ms. Carbaugh-Gonzales reviewed the Expense Tracking Report with the Board.

District Expenditures Verification Report prepared by Independent District Engineering Services, LLC (“IDES”): Ms. Carbaugh-Gonzales reviewed with the Board IDES’ report entitled “District Expenditures Verification for February 2021,” which summarizes IDES’ review and verification of the expenditures of the District for February 2021 related to certain District construction contracts. The Verification Report identified \$317,086.29 of District Eligible Expenses and \$-0- of Non-Eligible Expenses.

RECORD OF PROCEEDINGS

Following discussion, upon motion duly made by Director Jeff Nading, seconded by Director Steven Nading and, upon vote, unanimously carried, the Board determined to accept the District Eligible Expenses in the amount of \$317,086.29.

Forecast of General Fund Revenues and Expenditures: Ms. Tatton reviewed, and the Board discussed, the forecast of General Fund revenues and expenditures.

MANAGEMENT MATTERS

Water Allocations and Facilities Fees Collections: Mr. Solin reviewed the status of water allocations and facilities fees billing and collection with the Board.

FEMA Grant Close-Out: The Board deferred discussion.

LEGAL MATTERS

Verification of Expenditures for Candelas Medical Phase One Improvements: Mr. Back reviewed with the Board the District Engineer's Verification of Expenditures for Candelas Medical Phase One Improvements dated February 23, 2021 in the amount of \$182,088.57.

Following review and discussion, upon motion duly made by Director Jeff Nading, seconded by Director Bradbury and, upon vote, unanimously carried, the Board ratified approval of the District Engineer's Verification of Expenditures for Candelas Medical Phase One Improvements dated February 23, 2021 in the amount of \$182,088.57.

Verification of Expenditures for Candelas Medical Phase Two Improvements: Mr. Back reviewed with the Board the District Engineer's Verification of Expenditures for Candelas Medical Phase Two Improvements dated February 23, 2021 in the amount of \$379,791.80.

Following review and discussion, upon motion duly made by Director Jeff Nading, seconded by Director McKay and, upon vote, unanimously carried, the Board ratified approval of the District Engineer's Verification of Expenditures for Candelas Medical Phase Two Improvements dated February 23, 2021 in the amount of \$379,791.80.

Disbursement Request No. 13 under the Phase One Agreement: The Board reviewed Disbursement Request No. 13 under the Phase One Agreement.

Following review and discussion, upon motion duly made by Director Jeff Nading, seconded by Director Bradbury and, upon vote, unanimously

RECORD OF PROCEEDINGS

carried, the Board ratified approval of Disbursement Request No. 13 under the Phase One Agreement, in the amount of \$182,088.57.

Disbursement Request No. 11 under the Phase Two Agreement: The Board reviewed Disbursement Request No. 11 under the Phase Two Agreement.

Following review and discussion, upon motion duly made by Director Jeff Nading, seconded by Director McKay and, upon vote, unanimously carried, the Board ratified approval of Disbursement Request No. 11 under the Phase Two Agreement, in the amount of \$379,791.80.

Purchase and Sale Agreement (Water Tank Site) by and between the City of Arvada, Jefferson Center Metropolitan District No. 1, and acknowledged by Jefferson Center Metropolitan District No. 2:

Attorney Becher discussed with the Board the status of the Purchase and Sale Agreement (Water Tank Site) by and between the City of Arvada, Jefferson Center Metropolitan District No. 1, and acknowledged by Jefferson Center Metropolitan District No. 2. No action was taken by the Board.

Purchase and Sale Agreement (Water Tank Site) by and between Cimarron Commercial, LLC and Jefferson Center Metropolitan District No. 1: The Board deferred discussion.

Special Warranty Deed from Cimarron Development Company to Jefferson Center Metropolitan District No. 1, conveying Tracts A and B, Block 2, Candelas Medical Filing No. 1 (the “Special Warranty Deed”): Attorney Murphy discussed the Special Warranty Deed with the Board.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and, upon vote, unanimously carried, the Board ratified approval of the Special Warranty Deed.

Agreement Regarding Conveyance of Future Right-of-Way between Cimarron Development Company and Jefferson Center Metropolitan District No. 1 (the “ROW Conveyance Agreement”): Attorney Murphy discussed the ROW Conveyance Agreement with the Board.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and, upon vote, unanimously carried, the Board ratified approval of the ROW Conveyance Agreement.

License Agreement among Cimarron Development Company, Cimarron Commercial, LLC, Cimarron Residential, LLC, and

RECORD OF PROCEEDINGS

Jefferson Center Metropolitan District No. 1 (the “License Agreement”): Attorney Murphy discussed the License Agreement with the Board.

Following discussion, upon motion duly made by Director Bradbury, seconded by Director Jeff Nading and, upon vote, unanimously carried, the Board ratified approval of the License Agreement.

CONSTRUCTION MATTERS

Construction Status Report: Mr. Back reviewed with the Board the Project Status Report dated February 23, 2021. A copy of the report is attached hereto and incorporated herein by this reference.

Contracts, Task Orders, Work Orders and Change Orders: Mr. Back discussed the following Contracts, Task Orders, Work Orders and Change Orders:

- Consider approval of Change Order No. 4 to the Contractor Agreement between the District and NRE Excavating Inc., for export of material from W. 91st Drive, in the amount of \$18,590.
- Consider approval of Change Order No. 1 to the Construction Contract for Fencing between the District and Standard Fence Company, for Arvada permit fees and additional fencing, in the amount of \$2,165.00.
- Consider approval of Master Service Agreement for Railroad Consulting Services between the District and 360 Rail Services, LLC.
- Consider approval of Task Order No. 1 to the Master Service Agreement for Railroad Consulting Services between the District and 360 Rail Services, LLC, for SH72/SH93 Crossing investigation, in the amount of \$20,000.00.

Following discussion, upon motion duly made by Director McKay, seconded by Director Steven Nading and, upon vote, unanimously carried, the Board approved (or ratified approval of, as appropriate) the Contracts, Change Orders, Task Orders and Work Orders listed above.

CAPITAL IMPROVEMENTS

There were no capital improvements matters presented.

OTHER BUSINESS

There was no other business at this time.

RECORD OF PROCEEDINGS

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Ten Eyck, seconded by Director McKay and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: _____
Secretary for the Meeting

Account	PO/Cont	Check #	Invoice	Date	Date Paid	Description	Amount
01-000-06100	0	10977	02 28 SDMS	02/28/2021	03/18/2021	02 21 District Management	1,511.43
	**** TOTAL ****			Special District Management			1,511.43
01-000-06700	0	10978	21 Dues	02/23/2021	03/18/2021	2021 SDA Dues	747.25
	**** TOTAL ****			Special District Association			747.25
03-000-07840	0	10979	Various	02/23/2021	03/18/2021	Engineering	83,099.20
	**** TOTAL ****			Martin/Martin			83,099.20
03-000-07500	0	10980	111 112	02/15/2021	03/18/2021	Candelas On-Call Survey	7,962.50
	**** TOTAL ****			Galloway & Company, Inc.			7,962.50
03-000-07500	0	10981	Pay App 21	02/28/2021	03/18/2021	Landscape - Pay App # #21	1,100.00
03-000-03311	0	10981	Retainage	02/25/2021	03/18/2021	Pay App 21 - Retainage	(55.00)
	**** TOTAL ****			BrightView Landscape Services			1,045.00
01-000-07800	0	10982	08555	02/28/2021	03/18/2021	Operation and Oversight	345.00
03-000-07800	0	10982	08555	02/28/2021	03/18/2021	02 21 Project Management	10,654.83
	**** TOTAL ****			IDES, LLC			10,999.83
03-000-07840	0	10983	571186	02/28/2021	03/18/2021	02 21 Engineering	564.00
	**** TOTAL ****			CTL Thompson			564.00
03-000-07800	0	10984	1244	03/08/2021	03/18/2021	02 21 Eligible Expenses	12,683.45
	**** TOTAL ****			Papillon LLC			12,683.45
03-000-07500	0	10985	SWAP0519	02/28/2021	03/18/2021	Storm Water Management	3,257.38
	**** TOTAL ****			Storm Water Asset Protection, LLC			3,257.38
01-000-07110	0	10986	137703	02/24/2021	03/18/2021	2.18 - 2.19 Snow Removal	302.50
01-000-07100	0	10986	137942	03/01/2021	03/18/2021	3.21 Monthly Ground Svcs	2,258.07
	**** TOTAL ****			Environmental Designs			2,560.57
03-000-07840	0	10987	01-63652	01/31/2021	03/18/2021	Planning & Graphics	195.00
03-000-07840	0	10987	3779 4253	02/28/2021	03/18/2021	Planning & Graphics	1,797.75
	**** TOTAL ****			Norris Design			1,992.75
03-000-07500	0	10988	2020-20	03/07/2021	03/18/2021	Fence Install	9,500.95
	**** TOTAL ****			Hogan Works			9,500.95
03-000-07500	0	10989	90922	01/31/2021	03/18/2021	01 21 Fence Repair	35,875.00
	**** TOTAL ****			Standard Fence Company			35,875.00
	*** GRAND TOTAL ***						171,799.31

Jefferson Center Metropolitan District No. 1
Cash Position
March 18, 2021

	First Bank General Fund	First Bank Capital Fund	COBiz General Fund	Colotrust General Fund	Colotrust Debt Service Fund	Colotrust Capital	UMB Indiana Escrow	Candelas Medical Escrow Account Phase I	Candelas Medical Escrow Account Phase II	UMB Senior Project Fund	UMB Subordinate Project Fund	Total
Balances at 2/17/2021	0.00	223,992.59	4,898.40	202,322.59	147,509.59	228,735.43	3,222.00	203,441.65	453,309.93	7,276,866.25	41,309,095.05	50,053,393.48
2/23/2021 Checks	(7,683.38)	(309,412.88)										(317,096.26)
Check #10976		(353,941.69)										(353,941.69)
Xcel Payments	(93.41)											(93.41)
Mortenson Facility Fee		18,555.00										18,555.00
Brightview refund		633.33										633.33
Check #10954		(633.33)										(633.33)
Bank Charge	(30.00)											(30.00)
2/28/2021 Interest Income				37.76								37.76
Property taxes received 3/10/2021				8,798.33	87,983.32							96,781.65
Adjust AURA Funds for County error				77,635.00	(77,635.00)							0.00
Transfer between funds	7,806.79	(7,806.79)		(7,806.79)		7,806.79						0.00
Project Fund Requisition #10		309,402.91								(309,402.91)		0.00
Project Fund Requisition #11		353,941.69								(353,941.69)		0.00
Escrow Request #13 Ph I		182,088.57						(182,088.57)				0.00
Escrow Request #11 Ph II		379,791.80							(379,791.80)			0.00
Balance at 3/18/2021	0.00	796,611.20	4,898.40	280,986.89	157,857.91	236,542.22	3,222.00	21,353.08	73,518.13	6,613,521.65	41,309,095.05	49,497,606.53

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1
2020 FORECAST OF GENERAL FUND REVENUES AND EXPENDITURES
AS of 2/28/2021

	<u>Actual Paid/Received in</u>												<u>Estimated</u>							Total Actual	Total Estimated	Total year to date & estimate	Difference to original budget
	2021 Budget	January	February	March	April	May	June	July	August	September	October	November	December	December 2021 received/paid in January 2022									
Revenues:																							
Property taxes (net of AURA increment)	75,771		260	7,284	30,342			37,886									260	75,511	75,771	-			
Specific ownership taxes	17,234		1,437	1,624	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530	1,530			1,437	16,927	18,364	1,130			
AURA tax increment - District's mill levy	174,601					87,301		87,301									-	174,601	174,601	-			
Interest Income	-	49	38	44	44	44	44	44	44	44	44	44	44				87	435	522	522			
Total Revenues	267,606	49	1,734	8,951	31,916	88,874	1,574	39,459	88,874	1,574	1,574	1,574	1,574	1,530	1,783	267,474	269,258	1,652					
Expenses:																							
Legal	55,000		3,791	4,655	4,655	4,655	4,655	4,655	4,655	4,655	4,655	4,655	4,655	4,655	3,791	51,209	55,000	55,000	-				
Accounting	6,000			545	545	545	545	545	545	545	545	545	545	545	-	6,000	6,000	6,000	-				
Audit	5,500								5,500						-	5,500	5,500	5,500	-				
Landscape Maintenance	35,000														-	-	-	-	35,000				
Monthly Ground Services		2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258	2,258		4,516	22,580	27,096	(27,096)					
Snow removal			95	405							500	500	500		95	1,905	2,000	(2,000)					
Repairs			136												136	-	136	(136)					
Management fees	32,000		1,072	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	2,812	1,072	30,928	32,000	-					
Project Management	-		288	250	250	250	250	250	250	250	250	250	250	250	288	2,750	3,038	(3,038)					
Elections	2,000					2,000									-	2,000	2,000	-					
Insurance	5,700	5,281		419											5,281	419	5,700	-					
Miscellaneous	2,000	20	30	195	195	195	195	195	195	195	195	195	195		50	1,950	2,000	-					
Office Supplies	1,000			91	91	91	91	91	91	91	91	91	91	91	-	1,000	1,000	-					
Utilities	10,000														-	-	-	10,000					
Xcel Energy		86	299	39	39	39	39	39	39	39	39	39	39	39	385	424	809	(809)					
City of Arvada		1,212	43	126	126	126	126	126	126	126	126	126	126	126	1,255	1,381	2,636	(2,636)					
Treasurer's fees	3,756		4	109	455	-	-	568	-	-	-	-	-	-	4	1,133	1,137	2,619					
Transfer to #2 General Fund	56,032				14,008			14,008					14,008	14,008	-	56,032	56,032	-					
Transfer to Mt Shadows for O&M	10,353								10,353						-	10,353	10,353	-					
Total Expenses (less contingency & reserve)	224,341	8,857	8,016	11,904	25,433	12,970	10,970	25,547	26,823	10,970	24,978	11,470	11,470	23,025	16,873	195,563	212,436	11,905					
Funds Remaining	43,265	(8,808)	(6,282)	(2,953)	6,483	75,904	(9,397)	13,913	62,051	(9,397)	(23,405)	(9,897)	(9,897)	(21,495)	(15,090)	71,912	56,822	13,557					

CONDENSED SOURCES & USES
As of 3/19/21

Project Water	
Sources	Acre Feet
Pre - 12/2/19	1,869.24
2020 Exercised Options	92.47
Options to Exercise	-
Total Sources	1,961.71

Pre - December 2, 2019 Summary											
SOURCES		RESIDENTIAL USES					COMMERCIAL USES				BALANCE
Existing Agreements	Beginning Balance	MSMD	CPMD	ARP	Total Residential	Unallocated	Beginning	Allocations	CCLLC	Total Commercial	Unallocated
Totals	1869.24	200.00	36.00	1,039.01	1,275.01	-	594.23	54.50	363.05	417.55	176.68

Reconciliation to Post 12/2/19 - JCMD2

Ending Balance 12/2/19	176.68
Less Restricted Beginning Commercial	<u>(150.00)</u>
Unrestricted Available	<u>26.68</u>
Plus Options Exercised	85.05
Plus Options to be Exercised	<u>7.42</u>
Net Unrestricted Available	<u><u>119.15</u></u>

Reconciliation to Post 12/2/19 - CCLLC

CCLLC Held Balance 363.05

Post - 12/2/2019 Allocations																	
SOURCES		RESIDENTIAL USES					COMERCIAL USES							BALANCE			
Sources	Unrestricted Including CCLLC	Whisper Village	Taylor Morrison	Allocated	Unrestricted Available	IGA Restricted Balance	Kentro Retail 1	Kentro Retail 2	SCL - Candelas Medical	Whisper Village	Arvada Fire	Total Commercial	Not Allocated	Combined Allocations	CCLLC Available	Restricted Commercial Available	CCLLC Unrestricted Available
Allocations JCMD2	119.15	33.00	86.15	119.15	-	150.00	2.50	2.50	2.50	15.00	2.50	25.00	125.00	144.15	-	125.00	-
Allocations CCLLC	363.05	-	224.85	224.85	138.20	-	-	-	-	-		-	-	224.85	138.20	-	138.20

COMMERCIAL WATER ALLOCATION COMMITMENTS

As of 3/19/21

User	Final Tap Size	Final Allocation	Final Letter Date	Preliminary Tap Size	Preliminary Allocation	Preliminary Letter Date	Available Balance (AF)
Pre-12/2/19 Allocations							
Final Allocations							594.23
Yenter	1.00	1.25					592.98
Plains End	2.00	4.00					588.98
Candelas Parkway Irrigation	1.00	1.25					587.73
King Soopers	2.00	4.00	3/20/2019				583.73
King Soopers Gas Station	0.75	0.75	3/20/2019				582.98
King Soopers Retail Center	2.00	4.00	3/20/2019				578.98
Sautter Arvada School	1.00	1.25	3/20/2019				577.73
7-11	1.00	1.25	3/20/2019				576.48
Starbucks	1.00	1.25	3/20/2019				575.23
Three Creeks Elementary	3.00	7.50	3/20/2019				567.73
Whisper Creek Station - Arvada PD	1.00	1.25	3/20/2019				566.48
Candelas Point Retail (Block 1, Lot 3)	1.50	2.50	3/29/2019				563.98
Candelas Point Retail (Block 1, Lot 4)	1.50	2.50	3/29/2019				561.48
Chase Bank	1.00	1.25	4/5/2019				560.23
First Bank	1.00	1.25	7/30/2019				558.98
Wendy's	1.00	1.25	7/30/2019				557.73
Wild Grass Lot 3 (Bldg. A)				1.50	2.50	4/11/2019	555.23
Wild Grass Lot 3 (Bldg. B)				1.50	2.50	4/11/2019	552.73
Wild Grass Lot 3 (Bldg. C)				2.00	4.00	4/11/2019	548.73
Wild Grass Lot 3 (Bldg. D)				2.00	4.00	4/11/2019	544.73
Indiana Plaza				1.00	1.25	4/19/2019	543.48
Primrose School				1.50	2.50	4/25/2019	540.98
Les Schwab				1.00	1.25	8/16/2019	539.73
Total		<u>36.50</u>			<u>18.00</u>		
Initial Allocation Not Included							
Cimarron Commercial LLC					363.05		176.68
Post-12/2/19 Allocations							
Beginning Balance							150.00
Kentro Retail 1				1.50	2.50	10/7/2009	147.50
Kentro Retail 2				1.50	2.50	10/7/2019	145.00
Candelas Medical - SCL				1.50	2.50	10/7/2019	142.50
Whisper Village Commercial (TBD)					15.00		127.50
Arvada Fire				1.50	2.50	3/19/2021	125.00
Total					<u>25.00</u>		
Total Acre Feet Remaining Unallocated							125.00

Tap Size	AF	Ratio
0.625	0.50	1.0
0.750	0.75	1.5
1.000	1.25	2.5
1.500	2.50	5.0
2.000	4.00	8.0
3.000	7.50	15.0
4.000	12.50	25.0
6.000	25.00	50.0

RESIDENTIAL WATER ALLOCATION COMMITMENTS
As of 3/19/21

User	Acre Feet	Available Balance (AF)
Pre-12/2/19		
		1275.01
Canyon Pines	36.00	1239.01
Mountain Shadows	200.00	1039.01
Arvada Residential Partners	1039.01	0.00
Total	<u>1275.01</u>	
Post-12/2/19		
		389.73
Whisper Village	33.00	356.73
Taylor Morrison	308.00	48.73
Taylor Morrison	<u>3.00</u>	45.73
Total	344.00	

PURCHASE AND SALE AGREEMENT
(Water Tank Site)

This Purchase and Sale Agreement (Water Tank Site) (this “Agreement”) is entered into as of this _____ day of _____, 2021 (“Execution Date”) by and between the CITY OF ARVADA, a Colorado municipal corporation (“Arvada”), and JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (“JCMD No. 1”); each a “Party” and collectively, the “Parties,” with Section 2.2 acknowledged by JEFFERSON CENTER METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado (“JCMD No. 2”), as indicated by its execution of this Agreement below.

RECITALS

This Agreement is made with reference to the following facts:

A. Cimarron Commercial, LLC (“CCLLC”) is the owner of certain real property within the Candelas project, including a parcel comprised of approximately two (2) acres of land, which is located in the vicinity of the northeast corner of the intersection of Colorado State Highways 72 and 93, as legally described in Exhibit A attached hereto and incorporated herein by this reference, excluding however, all mineral and water rights and interests as set forth in the Deed, defined below (the “Tank Site”).

B. CCLLC has conveyed or shall convey the Tank Site to JCMD No. 1 pursuant to a Purchase and Sale Agreement dated on or about even date herewith between JCMD No. 1 and CCLLC.

C. Arvada, CCLLC, and JCMD No. 1 entered into a Memorandum of Understanding dated April 9, 2018 (the “Tank Site MOU”), pursuant which, among other matters, the parties thereto:

(1) identified a proposed site for a 1.5 million gallon water storage tank and related facilities (collectively, the “Water Tank Improvements”);

(2) contemplated that Arvada would expand its original plan from building a 1 million gallon water tank to building the Water Tank Improvements;

(3) contemplated that the Tank Site would be conveyed to Arvada, and set forth the terms and conditions whereby this transaction would occur;

(4) contemplated that in consideration of the conveyance of the Tank Site to Arvada, Arvada would credit 500,000 gallons of water storage capacity in the Water Tank Improvements to JCMD No. 1; and

(5) contemplated that, upon acquiring the Tank Site, Arvada is to obtain applicable permits and approvals for, and is to construct, own and operate, the Water Tank Improvements at Arvada’s cost.

D. In order to implement the Tank Site MOU as it relates to execution of a purchase and sale agreement for the Tank Site and matters related thereto, the Parties desire to enter into this Agreement whereby JCMD No. 1 desires to convey the Tank Site to Arvada and Arvada desires to acquire the Tank Site from JCMD No. 1, construct Tank No. 1 (defined below) on the Tank Site, and credit to JCMD No. 1 the Allocated Capacity (defined below) pursuant to the terms herein.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals, the Parties' performance of their respective covenants and obligations hereunder, and other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties agree as follows:

1. General.

1.1 Ownership. CCLLC owned or owns the Tank Site and conveyed or will convey the Tank Site to JCMD No. 1 pursuant to a purchase and sale agreement dated on or about even date herewith between JCMD No. 1 and CCLLC.

1.2 Acquisition. Arvada wishes to acquire the Tank Site free and clear of all liens, encumbrances, liabilities, duties and obligations except those specifically assumed or consented to by Arvada (the "Permitted Exceptions"), or as otherwise provided herein, which Permitted Exceptions shall consist of:

(a) any state of facts which would be revealed in an ALTA/NSPS Land Title Survey or by an inspection of the Tank Site;

(b) taxes and assessments for the year of Closing and subsequent years, a lien not yet due and payable; and

(c) the exceptions disclosed in Schedule B, Part II of the Commitment (defined below) as of the Closing (defined below), excluding, however:

(i) any delinquent taxes or assessments;

(ii) any monetary liens or encumbrances created by, through or under JCMD No. 1 or CCLLC;

(iii) any standard printed exceptions concerning mechanics' liens or claims therefor to the extent arising by, through or under JCMD No. 1 or CCLLC, and matters first appearing in the public records after the date of the final Commitment but before Closing (defined below); and

(iv) any other matters that Arvada causes to be deleted or removed prior to the Closing.

1.3 Agreement. Subject to and in accordance with the terms and conditions contained in this Agreement, and in consideration of the mutual agreements contained herein, JCMD No. 1 agrees to sell to Arvada and Arvada agrees to purchase from JCMD No. 1 the Tank Site. JCMD No. 1 shall convey to Arvada a fee simple absolute estate in the Tank Site.

2. Water Storage Tank.

2.1 Allocated Capacity. In consideration of the conveyance of the Tank Site to Arvada, Arvada shall credit to JCMD No. 1 500,000 gallons of water storage capacity (the “Allocated Capacity”) in the first constructed water tank (“Tank No. 1”), pursuant to the Updated Approval of Drinking Water Final Plans and Specifications for Construction issued by the Colorado Department of Public Health and Environment, dated September 30, 2020, for ES Project No. WS.19.DWDR.04806 (the “Plans”), to be reserved for the benefit of JCMD No. 1 and development within JCMD No. 1 as part of the public water system infrastructure within JCMD No. 1’s boundaries. Arvada hereby agrees to credit to JCMD No. 1 the Allocated Capacity, for so long as Arvada or its successors and assigns operate and maintain Tank No. 1 on the Tank Site. Arvada agrees not to sell, convey, transfer, assign, lease or hypothecate any or all of the Allocated Capacity to any third-party. This Section 2.1 shall survive Closing.

2.2 Future Assessments. The Allocated Capacity shall be included in any future assessments determining what additional water system assets are needed pursuant to that certain Intergovernmental Agreement dated April 4, 2005, entered into by JCMD No. 2 and Arvada (as has been and may be amended from time to time, the “2005 IGA”), which governs the provision of certain public improvements, services and procedures within the service area of JCMD No. 2, including the provision of public improvements, services and procedures within the boundaries of JCMD No. 1.

2.3 Construction. Arvada agrees to construct Tank No. 1 on the Tank Site in accordance with the terms of this Agreement. Following Arvada’s acquisition of the Tank Site, Arvada shall commence construction of Tank No. 1 on or before April 30, 2022 (the “Outside Commencement Date”), and shall complete construction on or before December 31, 2023 (the “Outside Completion Date”). In the event Arvada does not commence construction of Tank No. 1 prior to the Outside Commencement Date, or fails to complete construction of Tank No. 1 on or prior to the Outside Completion Date, JCMD No. 1 shall have the right, but not the obligation, to undertake construction and completion of Tank No. 1 pursuant to the Plans. In such event, JCMD No. 1, together with its employees, contractors, subcontractors, and consultants, shall be granted a license substantially in the form attached hereto as Exhibit E to access and enter upon the Tank Site for the purpose of constructing and completing Tank No. 1 as JCMD No. 1 and Arvada may deem necessary or appropriate. Arvada shall cooperate reasonably with any such construction of Tank No. 1 and entry onto the Tank Site by JCMD No. 1, and shall have the right to be present during any such entry upon the Tank Site. Any work undertaken by JCMD No. 1 pursuant to this Section 2.3 shall be in compliance with all applicable laws, and shall be at no cost or expense to JCMD No. 1, provided such costs do not exceed Four Million Dollars (\$4,000,000.00) (the “Maximum Cost”). As such, upon delivery of written documentation to Arvada reasonably evidencing JCMD No. 1’s costs incurred in connection with the construction of Tank No. 1, Arvada shall reimburse JCMD No. 1 for such costs (excluding duplicative or incorrect costs) up to and including the Maximum Cost within thirty (30) days of receipt of the same. Any and all

costs beyond the Maximum Cost shall be at JCMD's sole cost and expense. This Section 2.3 shall survive Closing.

3. Purchase Price and Closing.

3.1 Purchase Price. The purchase price for the Tank Site shall be Zero Dollars (\$0.00) (the "Purchase Price").

3.2 Closing Time and Place. The closing ("Closing") under this Agreement shall occur in escrow with the Title Company (defined below) or at such other time and place as the parties may mutually agree, on the date that is: (i) 10 days after the expiration of the Due Diligence Period, (ii) if such date is a Saturday, Sunday or holiday for which Arvada's municipal offices are closed, the next business day after such date, or (iii) such earlier date as mutually agreed upon in writing by the Parties.

3.3 Deliveries. The following shall occur at Closing, each requirement being a condition precedent to the others and all being considered simultaneously:

(a) JCMD No. 1 shall execute, have acknowledged and deliver to Arvada a special warranty deed (the "Deed") substantially in the form of Exhibit B attached hereto and incorporated herein by this reference, conveying title to the Tank Site to Arvada subject only to the Permitted Exceptions;

(b) JCMD No. 1 shall execute, have acknowledged and deliver to Arvada a non-foreign affidavit in the form of Exhibit C attached hereto and incorporated herein by this reference, to assure compliance with §1445 of the Internal Revenue Code of 1986, as amended;

(c) JCMD No. 1 shall deliver to Arvada copies of JCMD No. 1's governing documents, certified by an officer or partner of JCMD No. 1, and evidence of JCMD No. 1's consent to the execution and delivery of this Agreement and the performance of JCMD No. 1's obligations hereunder; and

(d) Arvada shall be entitled to possession of the Tank Site immediately after the Closing.

3.4 Adjustments to Purchase Price and Costs. The amount of the Purchase Price due at Closing shall be subject to the following adjustments and prorations:

(a) On or promptly after Closing, to the extent applicable, JCMD No. 1 shall file the proper returns and pay the appropriate governmental authorities, all sales, use, transfer or other similar tax due upon the transfer of the Tank Site;

(b) Arvada shall pay the Title Company's fees for acting as escrow agent and participating in Closing and the recording costs for the Deed;

(c) JCMD No. 1 shall pay all transfer, recording, filing, excise, documentary, mortgage, revenue stamp and similar fees and taxes payable in connection with the transactions contemplated by this Agreement;

(d) JCMD No. 1 shall pay, or otherwise cause to be paid, all real Tank Site taxes and special assessments (including penalties and interest) allocable to the Tank Site for tax years prior to Closing;

(e) Real property taxes and assessments for the year of Closing shall be apportioned between JCMD No. 1 and Arvada as of the date of Closing, with the amount of such taxes to be based upon the most recent available levy applied to the most recent available assessment;

(f) All water, gas, electrical and other public utility charges relating to the Tank Site shall be apportioned between JCMD No. 1 and Arvada as of the date of Closing, based upon the most recent applicable statements and meter readings; and

(g) Except as otherwise set forth in this Agreement, each Party shall pay any other costs and expenses incurred by such party in connection with the transactions contemplated by this Agreement.

4. Title.

4.1 Owner's Title Evidence. Except as otherwise set forth below, within thirty (30) days after the Execution Date:

(a) As of the Execution Date, JCMD No. 1 has delivered to Arvada, via CCLLC's electronic "Dropbox," all pertinent materials available to JCMD No. 1 relative to the Tank Site in order to facilitate Arvada's due diligence of the Tank Site, including, but not limited to, all reports, assessments or other documents that describe or relate to the environmental condition of the Tank Site, as well as copies of all plans and specifications, if any, available to JCMD No. 1 relating to the Tank Site.

(b) As of the Execution Date, Arvada has obtained a preliminary title insurance commitment (the "Commitment") issued by H.C. Peck Associates, 3401 Quebec Street, Suite 8100, Denver, CO 80207 (the "Title Company"), showing the status of record title to the Tank Site, together with legible copies of all documents evidencing exceptions to title shown therein or otherwise affecting the Tank Site.

4.2 Title Defects. If Arvada objects to any matter contained in the Commitment, or if Arvada asserts the existence of any encumbrance, encroachment or defect in or objection to title which renders title to any portion of the Tank Site unmarketable (any of which is called a "Defect of Title"), Arvada shall give to JCMD No. 1 written notice of all Defects of Title within sixty (60) days after delivery of the Commitment, or within thirty (30) days after any updates to the Commitment disclosing a Defect of Title, but in no event later than Closing. After receipt of such notice, JCMD No. 1 may, but without obligation or liability under this Agreement to do so, and without any obligation to incur any costs relating thereto, cure all Defects of Title specified in the notice from Arvada. If all such Defects of Title are not removed or cured prior to or within sixty (60) days after the receipt of such notice or Closing, whichever is earlier, Arvada may elect: (i) to accept title to the Tank Site subject to the uncured Defects of Title; or (ii) to terminate this Agreement.

5. Pre-Closing Conditions.

5.1 Arvada's Conditions. Arvada's obligation to purchase the Tank Site is expressly conditioned upon the following matters:

(a) Arvada shall have sixty (60) days after the execution of this Agreement (the "Due Diligence Period") in which to inspect the Tank Site, and to review all matters affecting or relating to the Tank Site. If, as a result of such inspection and review, Arvada finds the Tank Site unsatisfactory to it, in its sole and absolute discretion, Arvada shall have the right to terminate this Agreement by giving written notice of the termination to JCMD No. 1 on or before the end of the Due Diligence Period. Upon the giving of such notice, this Agreement shall become null and void and of no further force and effect. If Arvada fails to give such notice on or before the end of the Due Diligence Period, Arvada shall be deemed to have waived the provisions of this Section 5.1(a).

(b) JCMD No. 1 shall have delivered to Arvada evidence of consent of any person or entity whose consent is required to the purchase of the Tank Site by Arvada from JCMD No. 1;

(c) There shall be no material and adverse change in the physical condition of the Tank Site between the date hereof and Closing;

(d) JCMD No. 1 shall have performed and observed all of its covenants, agreements and obligations contained in this Agreement; and

(e) All the representations and warranties of JCMD No. 1 contained in this Agreement shall have been true and correct when made and shall be true and correct on and as of Closing as if then made or given.

Notwithstanding anything to the contrary contained herein, if any condition set forth in this Section 5.1 cannot be satisfied on or before Closing, Closing may be extended by Arvada in its sole and absolute discretion until satisfaction thereof on the condition that performance of the condition has commenced, is diligently being pursued by the appropriate party and is capable of being satisfied. In no event shall Closing be extended for more than sixty (60) days.

5.2 JCMD No. 1's Conditions. JCMD No. 1's obligations hereunder are expressly conditioned upon the following matters:

(a) All the representations and warranties of Arvada contained in this Agreement shall have been true and correct when made and shall be true and correct on and as of Closing as if then made or given; and

(b) Arvada shall have performed and observed all of its covenants, agreements and obligations contained in this Agreement.

5.3 Effect of Default. Notwithstanding anything to the contrary contained in this Section 5, if the failure of a condition also constitutes a default under this Agreement, the non-defaulting party shall have the remedies set forth in Section 11.

6. Representations and Warranties of JCMD No. 1.

JCMD No. 1 represents and warrants to Arvada as follows:

6.1 Authority. JCMD No. 1 has full power and authority to enter into this Agreement and consummate the transaction contemplated hereunder and such transaction has been duly authorized by all necessary action by the Board of Directors of JCMD No. 1.

6.2 Absence of Contractual or Other Restrictions. The entering into and consummation of the transaction contemplated hereunder shall not conflict with, or with or without notice or the passage of time or both, result in the breach of, or constitute a default under or violation of any of the terms and provisions of any contract, lease or other agreement to which JCMD No. 1 is a party or by which JCMD No. 1 may be bound or of any law, rule, license, regulation, judgment, order or decree governing or affecting JCMD No. 1 or the Tank Site.

6.3 No Undisclosed Litigation. Except as set forth on Exhibit D attached hereto and incorporated herein by this reference, there are no actions, suits or proceedings (including employee civil rights grievances and workers, compensation claims) pending, or to the best knowledge and belief of JCMD No. 1, threatened against JCMD No. 1 or the Tank Site or which might adversely affect JCMD No. 1 or the Tank Site.

6.4 Compliance with Law. JCMD No. 1 has not received any written notice of and has no knowledge of the assertion of any violation of any law, rule, regulation or order with respect to the Tank Site.

6.5 Mechanics, Liens. All work which has been performed in, on or about the Tank Site or materials furnished thereto for or on behalf of JCMD No. 1 which might in any circumstances give rise to a mechanics' or materialmen's lien has been paid for or shall be paid prior to delinquency.

6.6 Tax Returns. JCMD No. 1 has filed all federal, state and local tax returns required to be filed in connection with its ownership and operation of the Tank Site, such returns were true, accurate and complete in all material respects, and JCMD No. 1 has paid any and all taxes required to be paid in connection with its ownership and operation of the Tank Site.

6.7 Districts; Commitments with Governmental Agencies. To JCMD No. 1's knowledge, the Tank Site is not situated within any special assessment district other than the districts revealed by the most recent statement for real Tank Site taxes for the Tank Site, nor is the Tank Site subject to any special assessments except for those relating to such districts and JCMD No. 1 has no knowledge of any proposal under which the Tank Site is to be placed in any other special assessment district. There are no commitments or agreements with any federal, state or local government authority or agency affecting the Tank Site.

6.8 Bankruptcy. JCMD NO. 1 has not: (a) made a general assignment for the benefit of creditors; (b) filed any voluntary petition for bankruptcy or suffered the filing of a voluntary petition by JCMD NO. 1's creditors; (c) suffered the appointment of a receiver to take possession of all or substantially all of JCMD NO. 1's assets; (d) suffered the attachment or other judicial

seizure of all or substantially all, of JCMD NO. 1's assets; or (e) made an offer of settlement, extension or composition to its creditors generally.

6.9 Condemnation. No portion of the Tank Site has been condemned and there are no presently pending or, to JCMD No. 1's knowledge, threatened special assessments or condemnation actions with respect to any part of the Tank Site, nor has JCMD No. 1 received any notice of any special assessments or condemnation actions being contemplated. There is no pending or, to JCMD No. 1's knowledge, threatened action by any governmental or quasi-governmental agency to acquire or condemn any part of the Tank Site.

6.10 JCMD No. 1's Knowledge. Whenever phrases such as "to JCMD No. 1's knowledge" or "JCMD No. 1 has no knowledge" are used in the foregoing representations and warranties, they will be deemed to refer exclusively to matters within the current actual (as opposed to constructive) knowledge of Gregg A. Bradbury, President of JCMD No. 1 ("JCMD No. 1's Representative"). No duty of inquiry or investigation on the part of JCMD No. 1 or JCMD No. 1's Representative will be implied by the making of any representation or warranty which is so limited to matters within JCMD No. 1's knowledge.

7. Representations and Warranties of Arvada.

Arvada represents and warrants to JCMD No. 1 as follows:

7.1 Authority. Arvada has full power and authority to enter into and consummate the transaction contemplated hereunder and such transaction has been duly authorized by all necessary action by the City Council of Arvada.

7.2 Absence of Contractual or Other Restrictions. The entering into and consummation of the transaction contemplated hereunder shall not conflict with, or with or without notice or the passage of time or both, result in the breach of, or constitute a default under or violation of any of the terms and provisions of any contract, lease or any agreement to which Arvada is a party or by which Arvada may be bound or of any law, rule, license, regulation, judgment, order or decree governing or affecting Arvada.

8. Covenants.

CCLLC and JCMD No. 1 hereby covenant and agree that, between the date of this Agreement and Closing, CCLLC and JCMD No. 1: (a) shall not dispose of any interest in the Tank Site, except for the conveyance of the Tank Site from CCLLC to JCMD No. 1, and shall not, without Arvada's consent, mortgage, pledge or subject to lien or other encumbrance any interest in the Tank Site; (b) shall not, without the consent of Arvada, agree to or consent to any restrictions, covenants, conditions, easements, encroachments, leases or any similar matters affecting the Tank Site or any part thereof; (c) shall keep the Tank Site insured at the current level of insurance maintained thereon; (d) shall not, without the consent of Arvada, seek or consent to any zoning, platting, replatting, subdivision or other change affecting the use of the Tank Site or any administrative classification of the Tank Site; and (e) shall not extend or add to any existing improvements or construct additional improvements on the Tank Site. CCLLC will pay, prior to delinquency, all amounts arising under CCLLC that may give rise to a mechanic's or materialman's lien on the Tank Site.

9. Damage, Destruction or Condemnation.

9.1 Condemnation. If prior to Closing, CCLLC or JCMD No. 1 receive knowledge that all or any significant portion of the Tank Site is to be taken under any power of eminent domain or similar action, other than such power or action exercised by Arvada, JCMD No. 1 shall advise Arvada in writing and Arvada shall have ten (10) days after its receipt of such knowledge, by written notice to JCMD No. 1, to either: (a) take title to the Tank Site at Closing, or (b) terminate this Agreement and, in that event, this Agreement shall be null and void and neither party thereafter shall have any right or remedy against the other. The term “significant,” as used in this Section 9.1, shall mean the taking of any portion of the Tank Site, which would materially and adversely affect the Tank Site and construction of the Water Tank Improvements thereon.

9.2 Damage by Casualty. It is the intention of the parties that at Closing, JCMD No. 1 shall transfer to Arvada the Tank Site in its present state and condition, subject only to reasonable wear and tear. Therefore, risk of loss to such assets from fire or other casualty shall be borne by JCMD No. 1 until Closing. JCMD No. 1 shall promptly notify Arvada of any such casualty. If the Tank Site is damaged by fire or other casualty prior to Closing such that the Tank Site is no longer suitable for the construction of the Water Tank Improvements thereon, then Arvada may terminate this Agreement and neither Party shall have any right or remedy against the other.

10. Access Prior to Closing.

(a) At any time prior to Closing, if this Agreement shall not have first been terminated, Arvada and Arvada’s agents, contractors and engineers shall have the right to enter the Tank Site for purposes of conducting inspections or making surveys, soil tests, engineering tests and for other similar work provided that such operations are conducted in such a manner as not to interfere with JCMD No. 1’s business or to damage the Tank Site.

(b) Arvada will promptly repair any damages resulting to the Tank Site due to Arvada’s investigations and other activities conducted pursuant to this Agreement, and will reimburse JCMD No. 1, within thirty (30) days after receipt of invoices therefor, for all reasonable out-of-pocket expenses JCMD No. 1 incurs in repairing such damages if Arvada does not promptly do the same.

(c) At any time on or before Closing and after twenty-four (24) hours prior written notice of such entry to JCMD No. 1, Arvada shall have the right to inspect the Tank Site.

11. Defaults and Remedies.

11.1 Default by JCMD No. 1. “Default by JCMD No. 1” shall mean a failure by JCMD No. 1 to comply with or satisfy any covenant or agreement of JCMD No. 1 contained in this Agreement, or a breach by JCMD No. 1 of any representation or warranty of JCMD No. 1 contained in this Agreement. If any Default by JCMD No. 1 is known or discovered by Arvada at or prior to Closing: (a) Arvada may, at any time at or prior to Closing, by giving to JCMD No. 1 written notice, elect to terminate this Agreement; or (b) Arvada may elect to treat this Agreement as being in full force and effect and Arvada shall have the sole remedy of specific performance. Upon termination of this Agreement by Arvada pursuant to clause (a) above, neither party shall

have any further obligations to the other except those obligations which expressly survive termination hereof.

11.2 Default by Arvada. “Default by Arvada” shall mean a failure of Arvada to comply with or satisfy any covenant or agreement contained in this Agreement, or a breach of any representation or warranty of Arvada contained in this Agreement. If any Default by Arvada is known or discovered by JCMD No. 1 at or prior to Closing: (a) JCMD No. 1 may, at any time at or prior to Closing, by giving written notice to Arvada, terminate this Agreement; or (b) if the Default of Arvada is a default other than a failure of Arvada to perform at Closing, JCMD No. 1 may elect to treat this Agreement as being in full force and effect and JCMD No. 1 shall have the sole remedy of specific performance. Upon termination of this Agreement by JCMD No. 1 pursuant to clause (a) above, neither party shall have any further obligations to the other except for those obligations which expressly survive termination hereof.

12. “AS-IS”.

12.1 “As-Is”. Arvada (for itself and its successors and assigns) acknowledges that, at Closing, it shall accept that the Tank Site shall be conveyed in its “AS IS, WHERE IS, AND WITH ALL FAULTS” condition as of Closing, and Arvada accepts and shall bear all risks regarding all attributes and conditions of the Tank Site. Arvada shall conduct and rely on its own inspection and investigation of the Tank Site as to all conditions and requirements pertinent to the Tank Site, including the presence thereon, or the condition thereof with respect to, any Hazardous Materials (defined below). Arvada acknowledges that any information provided or to be provided by or on behalf of JCMD No. 1 with respect to the Tank Site was or may be obtained from a variety of sources and that JCMD No. 1 has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information.

12.2 No Implied Representations. EXCEPT FOR JCMD NO. 1’S EXPRESS REPRESENTATIONS IN SECTION 6 OF THIS AGREEMENT OR IN ANY INSTRUMENT OF CONVEYANCE SIGNED BY JCMD NO. 1 AND DELIVERED TO ARVADA AT CLOSING (COLLECTIVELY, “JCMD NO. 1’S EXPRESS REPRESENTATIONS”), NEITHER JCMD NO. 1 NOR ANY AGENT, EMPLOYEE, OFFICER, DIRECTOR, BROKER, CONTRACTOR OR REPRESENTATIVE OF JCMD NO. 1 HAS MADE, AND JCMD NO. 1 SPECIFICALLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE WHATSOEVER, AS TO, CONCERNING OR WITH RESPECT TO THE TANK SITE, INCLUDING, WITHOUT LIMITATION, THE PRESENCE THEREON, OR THE CONDITION THEREOF WITH RESPECT TO, ANY HAZARDOUS MATERIALS.

12.3 Definitions. As used in this Agreement, “Hazardous Materials” means any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including, without limitation, asbestos, gasoline and any other petroleum products (including crude oil or any fraction thereof), polychlorinated biphenyls and ureaformaldehyde insulation. As used in this Agreement, “Environmental Law” means any and all federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees or requirements of any governmental authority or requirements of law (including common law) relating to or imposing liability or standards of conduct concerning the protection of human health, the environment or natural resources, or to releases or threatened releases of Hazardous

Materials into the environment, including, without limitation, ambient air, surface water, groundwater or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as now or may hereafter be in effect.

12.4 Survival. The provisions of this Section 12 shall survive Closing or any termination of this Agreement.

13. Miscellaneous.

13.1 Notices. Any notices under this Agreement shall be in writing, signed by the Party giving the same and shall be deemed properly given and received when actually given and received, if hand-delivered in person, or three (3) business days after mailed, if sent by registered or certified United States mail, postage prepaid, addressed to the Party to receive the notice at the address set forth below or such other address as any Party may specify by notice to the other Party.

If to Arvada: City of Arvada
8101 Ralston Road
Arvada, CO 80001
Attn: Sharon Israel
Director of Utilities

With a copy to: Rachel Morris
City Attorney
City of Arvada
8101 Ralston Road
Arvada, CO 80001

If to JCMD No. 1: Jefferson Center Metropolitan District No. 1
c/o Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228
Attn: David Solin

With a copy to: McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203
Attn: Megan Becher

13.2 Brokerage Commissions. JCMD No. 1 hereby represents and warrants to Arvada that JCMD No. 1 has not engaged or utilized the services of any broker or finder in connection with this transaction and that no commissions are payable with respect to this transaction. JCMD No. 1 hereby agrees to indemnify and hold Arvada harmless from and against any liability for any claims of any broker or finder claiming by, through or under JCMD No. 1.

13.3 Governmental Immunity. Arvada and JCMD No. 1, their officers, and their employees, are relying on, and do not intend to waive, by any provision of this Agreement, any

rights, protections, or privileges provided by the Colorado Governmental Immunity Act, as it is amended from time to time.

13.4 Entire Agreement. This Agreement represents the entire agreement between the parties hereto with respect to the subject matter hereof and all prior agreements, understandings or negotiations shall be deemed merged herein. No representations, warranties, promises or agreements, express or implied, shall exist between the parties, except as stated herein.

13.5 No Oral Modifications. No amendments or modifications to this Agreement shall be made or deemed to have been made unless in writing executed and delivered by the party to be bound thereby.

13.6 Time of the Essence. All of the provisions of this Agreement regarding time for performance are of the essence.

13.7 Governing Law. This Agreement shall be interpreted and enforced according to the laws of the State of Colorado.

13.8 Headings and Captions for Convenience. The headings and captions contained in this Agreement are for convenience only and shall not be considered in interpreting the provisions hereof.

13.9 Exhibits Incorporated. All exhibits referred to in this Agreement shall be deemed incorporated in this Agreement by reference.

13.10 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by one Party to the other by facsimile or e-mail (PDF) transmission, and counterparts executed and delivered in such manner will be fully binding and enforceable to the same effect as if an original had been executed and delivered instead.

13.11 Survival. The provisions set forth in Section 2.1, Section 2.3, Section 6, Section 7, Section 12 and Section 13.2 hereof shall not merge into any document associated herewith and shall survive Closing and delivery of the Deed and any termination of this Agreement and shall be enforceable at law or in equity.

(signature page follows)

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Execution Date.

JCMD NO. 1

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

By: _____
Gregg A. Bradbury, President

ATTEST:

David Solin, Secretary

ARVADA

CITY OF ARVADA,
a Colorado municipal corporation

By: _____
Name: _____
Title: _____

ATTEST:

Kristen Rush, City Clerk

APPROVED AS TO FORM:

Rachel Morris, City Attorney

**ACKNOWLEDGEMENT OF JCMD NO. 2
TO PURCHASE AND SALE AGREEMENT
(WATER TANK SITE)**

The undersigned, as a party to that certain Intergovernmental Agreement dated April 4, 2005, entered into by JCMD No. 2 and Arvada, hereby acknowledges Section 2.2 of the foregoing Purchase and Sale Agreement (Water Tank Site) and the rights and obligations of Arvada and JCMD No. 1 contained therein.

JCMD NO. 2

JEFFERSON CENTER METROPOLITAN
DISTRICT NO. 2,
a quasi-municipal corporation and political
subdivision of the State of Colorado

By: _____
Charles Church McKay, President

ATTEST:

David Solin, Secretary

**JOINDER AND ACKNOWLEDGEMENT OF CCLLC
TO PURCHASE AND SALE AGREEMENT
(WATER TANK SITE)**

The undersigned, by its signature below, does hereby acknowledge and agree to covenants and obligations described in Sections 8 and 9.1, above. The undersigned additionally acknowledges and agrees that adequate consideration has been received for such covenants and obligations.

CCLLC:

CIMARRON COMMERCIAL, LLC,
a Colorado limited liability company

By: CIMARRON HOLDING COMPANY, LLC,
a Colorado limited liability company,
its Managing Member

By: _____
Charles C. McKay, Manager

By: _____
Gregg A. Bradbury, Manager

By: _____
Jeffrey L. Nading, Manager

Exhibit A

Legal Description of the Tank Site

Lot 2, Sleeping Indian Tank Site Minor Subdivision Plat, County of Jefferson, State of Colorado.

Exhibit B

Form of Deed

SPECIAL WARRANTY DEED

[STATUTORY FORM – C.R.S. § 38-30-113(1)(b)]

JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (“**Grantor**”), whose address is 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, for the consideration of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, in hand paid, hereby sells and conveys to the CITY OF ARVADA, a Colorado municipal corporation (“**Grantee**”), whose address is 8101 Ralston Road, Arvada, Colorado 80001, Attn: City Manager, the real property that is described on Schedule 1 attached hereto and made a part hereof, with all its appurtenances (the “**Land**”), and warrants the title to the same against all persons claiming under Grantor, subject to the matters set forth on Schedule 2 attached hereto and made a part hereof.

Signed on the ____ day of _____, 20____, to be made effective as of the ____ day of _____, 20____.

GRANTOR

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

By: _____
Gregg A. Bradbury, President

ATTEST:

David Solin, Secretary

**Schedule 1
to Special Warranty Deed**

Legal Description

Lot 2, Sleeping Indian Tank Site Minor Subdivision Plat, County of Jefferson, State of Colorado.

**Schedule 2
to Special Warranty Deed**

Reservations and Exceptions

Reservations: Conveyance of the Land is subject to the express exclusion of the following rights with respect to the Land:

1. Any and all of Grantor's right, title and interest in subsurface estates and mineral rights located in, upon and/or under the Land, including, without limitation, any rights to explore for and/or extract, or to be paid royalties in connection therewith, oil, natural gas, hydrocarbon products, gravel, sand, coal, and/or hard rock minerals; provided, however, that Grantor, on behalf of itself, its successor and assigns, and any party acting by, through or on behalf of Grantor, irrevocably waives and relinquishes any and all right to enter upon or utilize the surface of the Land to a depth one hundred (100) feet below the finished grade of the surface of the Land in any manner for the purpose of exploring for, extracting or developing the foregoing reserved mineral rights, and will not undermine lateral and subjacent support of the surface of the Land or any improvement located therein.

2. To the extent appurtenant to or historically used in connection with the Land, any and all tributary, nontributary and not nontributary water rights that Grantor owns or may own, whether decreed or undecreed, including, without limitation, all groundwater underlying the Land, all wells, well rights and permits, all surface water located within or used in connection with or appurtenant to the Land, and/or ditch shares or ditch rights used in connection with the Land; provided, however, that Grantor, on behalf of itself, its successor and assigns, and any party acting by, through or on behalf of Grantor, irrevocably waives and relinquishes any and all rights to enter upon or utilize the surface of the Land to a depth one hundred (100) feet below the finished grade of the surface of the Land in any manner for the purpose of exercising the foregoing reserved water rights, and will not undermine lateral and subjacent support of the surface of the Land or any improvement located therein.

Exceptions: Conveyance of the Land is subject to the following exceptions:

[exceptions to be inserted based on Schedule B, Part II of the Title Commitment]

Exhibit C

Form of FIRPTA

CERTIFICATE OF NON-FOREIGN STATUS – ENTITY SELLER

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the City of Arvada, a Colorado municipal corporation, as purchaser (herein, “**Transferee**”), that withholding of tax is not required upon the disposition of a U.S. real property interest by Jefferson Center Metropolitan District No. 1, quasi-municipal corporation and political subdivision of the State of Colorado, as seller (herein, “**Transferor**”), the undersigned hereby certifies the following:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor is not a disregarded entity as defined in Treasury Regulations Section 1.1445-2(b)(2)(iii);
3. Transferor’s U.S. employer identification number is 84-1129176; and
4. Transferor’s office address is: c/o Special District Management Services, Inc., 141 Union Boulevard, Suite 150, Lakewood, Colorado 80228, Attn: David Solin.

The undersigned, on behalf of Transferor, understands that Transferee may disclose this Certification to the Internal Revenue Service, and that any false statement contained herein may be punishable by fine, imprisonment, or both.

Under penalties of perjury, the undersigned, on behalf of Transferor, declares that this certification have been examined and to the best of undersigned’s knowledge and belief it is true, correct, and complete, and the undersigned further declares that he/she has authority to sign this document on behalf of Transferor.

[signature page follows]

Dated as of: _____, 2021.

TRANSFEROR

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

By: _____
Gregg A. Bradbury, President

ATTEST:

David Solin, Secretary

Exhibit D

Description of Litigation

None.

Exhibit E

Form of License Agreement

**TEMPORARY CONSTRUCTION EASEMENT AGREEMENT
(City of Arvada to Jefferson Center Metropolitan District No. 1)**

This **TEMPORARY CONSTRUCTION EASEMENT AGREEMENT** (this “Agreement”) is made this ____ day of _____, 20____ (the “Effective Date”), by and between the **CITY OF ARVADA**, a Colorado municipal corporation (“Grantor”) whose legal address is 8101 Ralston Road, Arvada, CO 80001-8101 and **JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (“Grantee”), whose legal address is 141 Union Boulevard, Suite 150, Lakewood, CO 80228 (individually a “Party” and collectively, the “Parties”).

Subject to and in accordance with the terms, covenants and conditions contained in this Agreement, and in consideration of the mutual agreements contained herein, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. EASEMENT AREA. Grantor owns a parcel of land in Jefferson County, Colorado, (the “Property”) and Grantee desires to enter upon a portion of the Property (the “Easement Area”) for the purposes indicated herein. The Property and the Easement Area are indicated on Exhibit A, attached hereto.

II. GRANT. Grantor hereby grants a nonexclusive, temporary construction easement to Grantee, its contractors, subcontractors, and consultants to enter upon the Easement Area subject to and in accordance with the terms, covenants and conditions of this Agreement. Grantor shall retain all other rights in and usage of the Easement Area not inconsistent with the reasonable use of the foregoing grant.

III. EXHIBITS. The following exhibits are attached hereto and incorporated herein by this reference:

- A. Exhibit A the Property and the Easement Area;
- B. Exhibit B plans and specifications for the Improvements (defined below);
- C. Exhibit C General Terms and Conditions; and
- D. Exhibit D Insurance Requirements.

IV. TERM AND TERMINATION. The term of this Agreement shall commence on the Effective Date and expire on _____, 20____, unless sooner terminated (the “Term”). This Agreement may be terminated for breach by Grantee as indicated in Section XI, and shall automatically terminate for nonuse by Grantee for a continuous period of ninety (90) calendar days.

V. IMPROVEMENTS. Grantor hereby grants permission to Grantee, its contractors, subcontractors, and consultants to use the Easement Area, on a temporary basis for the Term of this Agreement, to construct the improvements in accordance with and as indicated on the plans and specifications accepted by Grantor and attached hereto as Exhibit B (the “Improvement(s)”). Grantee shall provide invoices to Grantor for all costs related to construction of the Improvement(s), and Grantor shall pay undisputed on invoices within thirty (30) days of receipt. Installation of the Improvement(s) shall not interfere with existing utilities or other facilities installed on or adjacent to the Property, and Grantee shall be responsible for locating and protecting such utilities or other facilities. Grantee shall maintain the Easement Area in a clean, neat and sanitary condition, and to properly and promptly dispose of all litter and debris. Grantee shall contractually require its contractors, subcontractors, and consultants, as applicable, to comply with the provisions of this Agreement, including the General Terms and Conditions attached hereto as Exhibit C.

VI. ENCUMBRANCES. Grantee shall not suffer or permit anything to be done that will cause the Property or the Easement Area to become encumbered by any mechanic's lien or similar lien, security interest or other charge or encumbrance of any kind, including without limitation, any lien imposed pursuant to section 107(f) of the Superfund Amendments and Reauthorization Act of 1986 (42 U.S.C. Section 9607(1) or any similar state statute, charge or claim in connection with the construction of the Improvement(s). If any such encumbrance is filed against the Property and/or the Easement Area in connection with Grantee’s use of the Easement Area, Grantee shall cause the release of such encumbrances through payment, endorsement, bonding or other means available to Grantee within thirty (30) days after the filing of any notice of such lien, claim or other charge, such obligation to survive expiration or earlier termination of this Agreement.

VII. SURRENDER AND, RESTORATION. Upon the expiration or earlier termination of this Agreement, Grantee shall (i) promptly quit and surrender the Easement Area and remove all tools, equipment and materials from the Easement Area and restore the Easement Area to substantially the same state and condition (including any irrigation or landscaping improvements disturbed by Grantee) as existed immediately prior to Grantee’s and/or its contractor’s and subcontractor’s activities within the Easement Area, except the Improvement(s). If all or any portion of the Easement Area is not vacated at the end of the Term, Grantor shall be and is hereby authorized to remove from the Easement Area and store, at the expense of the Grantee, all goods, wares, merchandise and property of any kind or description which may be then occupying all or any portion of the Easement Area (collectively, the “Goods”). All such removal and/or storage charges must be paid to Grantor by Grantee before the Goods will be released by Grantor. In any event, Grantor may dispose of any of the Goods as it sees fit after the expiration of thirty (30) calendar days from the end of the Term. Grantor shall not be liable for any damage to or loss of the Goods sustained either during the removal, storage and/or disposal of same and Grantor is expressly released from any and all claims for such loss or damage. In addition, Grantee shall, at no cost to Grantor, remove all excess dirt, equipment and/or materials and restore the Easement Area and any disturbed adjacent property and facilities of Grantor and any improvements thereon after any disturbance, to the satisfaction of Grantor. If Grantee fails to restore the Easement Area as set forth herein, Grantor shall have all rights and remedies available to it at law or in equity for such default, including, but not limited to, a suit for damages and/or specific performance. Grantor also

shall have the right to complete such work and charge the cost to Grantee. If Grantee fails to pay the same within thirty (30) days following an invoice therefor, Grantor shall have all rights and remedies available to it at law or in equity to collect the same. This Section shall survive expiration or earlier termination of this Agreement.

VIII.AS-BUILT DRAWINGS. Upon completion of the Improvement(s), Grantee shall provide Grantor with a full-sized set of as-built drawings, stamped by a Colorado professional engineer, as an accurate record of the Improvement(s) with “As-Built” clearly printed on each sheet. This Section shall survive expiration or earlier termination of this Agreement.

IX. DIGGING OR BORING. Prior to performing any digging or boring activities on the Property, the Grantee shall determine if a telecommunications system or other utility is buried anywhere on or about the Property in the location where Grantee will perform such digging or boring activities. If there is a telecommunications system or other utility, Grantee will inform the owner of such telecommunications system or other utility, and take such measures in concert with the owner(s) as are necessary so as not to damage such system or utility.

X. SAMPLES/REMOVAL. As between Grantor and Grantee only, Grantee shall be solely responsible for the lawful removal, manifesting, transport, testing and disposal of any samples or other materials removed from the Property or generated as a result of the Improvement(s) and activities done pursuant to this Agreement, and shall duly and properly perform or cause to be performed any such activities that it undertakes or is required to undertake pursuant to law. The Grantee releases Grantor from liability or legal obligation for, and covenants not to sue Grantor concerning, any and all materials removed from the Property or generated as a result of Grantee’s sampling and/or testing activities pursuant hereto. The Grantee states and agrees that as between the Grantee and Grantor, it is the sole Generator of any materials removed from the Property or generated as a result of its activities pursuant hereto, as the term “Generator” is used in applicable statutes and regulations concerning the removal, transport and/or disposal of hazardous materials, substances, waste or other contaminants. If requested by Grantor, the Grantee shall promptly provide to Grantor a copy of any and all reports that incorporate, or are based upon, in full or in part, data obtained from the sampling and/or testing conducted pursuant to this Agreement. This Section shall survive expiration or earlier termination of this Agreement.

XI. BREACH/STOP WORK. Any failure of Grantee, its employees or contractors to fulfill any of Grantee’s obligations hereunder shall constitute a breach of this Agreement and subject Grantee to (i) issuance of a stop work notice by Grantor to Grantee, and Grantee shall direct its employees and contractors to immediately stop work until the breach is resolved to Grantor’s reasonable satisfaction and/or (ii) immediate termination of this Agreement, as well as damages and costs, including attorneys’ fees.

XII. APPLICABLE LAWS; VIOLATION. Grantee shall use and occupy the Easement Area in a safe and careful manner and shall comply with all applicable ordinances and regulations of the city and county in which the Easement Area is situated, the laws of the State of Colorado and of the United States of America, and all other rules of governmental authorities as may be in force and effect during the Term. If at any time the use of the Easement Area by Grantee violates said

applicable ordinances or laws, Grantee shall cease and desist from continuing such use and shall surrender the Easement Area upon demand by Grantor.

XIII. ADDITIONAL USES. Grantee understands and agrees that during the Term, facilities on the Property may be used by the public or otherwise, and Grantee shall conduct its work so as not to unreasonably interfere with such other uses.

XIV. NOTICES. All notices provided for herein shall be in writing and shall be personally delivered or mailed by registered or certified United States mail, postage prepaid, return receipt requested, to the Parties at the addresses given below or at such other address that may be specified by written notice in accordance with this Section:

Grantor: The City of Arvada
8101 Ralston Road
Arvada, CO 80001

Grantee:
Jefferson Center Metropolitan District No. 1
c/o Special District Management Services, Inc.
141 Union Boulevard, Suite 150
Lakewood, CO 80228

with a copy to:

Rachel Morris
City Attorney
City of Arvada
8101 Ralston Road
Arvada, CO 80001

McGeady Becher P.C.
450 E. 17th Avenue, Suite 400
Denver, CO 80203
Attn: Megan Becher

XV. ENTIRE AGREEMENT. This Agreement represents the entire agreement between the Parties regarding the Easement Area.

XVI. AMENDMENT. No change, alteration or modification to any of the provisions hereof shall be effective unless contained in a written agreement signed by the Parties.

XVII. SEVERABILITY. If any provision of this Agreement is held to be unenforceable for any reason, its unenforceability shall not affect the remainder of this Agreement, which shall remain in full force and effect and enforceable in accordance with its terms.

XVIII. AUTHORITY OF THE PARTIES. The Parties represent that each has taken all actions that are necessary or that are required by its procedures, bylaws, or applicable law to legally authorize the undersigned signatories to execute this Agreement on behalf of the Parties and to bind the Parties to its terms.

XIX. COUNTERPARTS. This Agreement may be executed in counterparts. Signatures on separate originals shall constitute and be of the same effect as signatures on the same original. Electronic and faxed signatures shall constitute original signatures.

[signature pages follow]

IN WITNESS WHEREOF, the Parties have executed this Agreement:

GRANTOR:

CITY OF ARVADA
a Colorado municipal corporation

By: _____

ATTEST:

Kristen Rush, City Clerk

APPROVED AS TO FORM:

Rachel Morris, City Attorney

GRANTEE:

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

By: _____

ATTEST

PURCHASE AND SALE AGREEMENT
(Water Tank Site)

This Purchase and Sale Agreement (Water Tank Site) (this “Agreement”) is entered into as of this ____ day of _____, 2021 (“Execution Date”) by and between CIMARRON COMMERCIAL, LLC, a Colorado limited liability company (“CCLLC”), and JEFFERSON CENTER METROPOLITAN DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (“JCMD No. 1”); each a “Party” and collectively, the “Parties.”

RECITALS

This Agreement is made with reference to the following facts:

A. CCLLC is the owner of certain real property within the Candelas project, including a parcel comprised of approximately two (2) acres of land, which is located in the vicinity of the northeast corner of the intersection of Colorado State Highways 72 and 93, as legally described in Exhibit A attached hereto and incorporated herein by this reference, excluding however, all mineral and water rights and interests as set forth in the Deed, defined below (the “Tank Site”).

B. The City of Arvada, a Colorado municipal corporation (“Arvada”), CCLLC, and JCMD No. 1 entered into a Memorandum of Understanding dated April 9, 2018 (the “Tank Site MOU”), pursuant which, among other matters, the parties thereto:

(1) identified a proposed site for a 1.5 million gallon water storage tank and related facilities (collectively, the “Water Tank Improvements”);

(2) contemplated that Arvada would expand its original plan from building a 1 million gallon water tank to building the Water Tank Improvements;

(3) contemplated that the Tank Site would be conveyed to Arvada, and set forth the terms and conditions whereby this transaction would occur;

(4) contemplated that in consideration of the conveyance of the Tank Site to Arvada, Arvada would credit 500,000 gallons of water storage capacity in the Water Tank Improvements to JCMD No. 1; and

(5) contemplated that, upon acquiring the Tank Site, Arvada is to obtain applicable permits and approvals for, and is to construct, own and operate, the Water Tank Improvements at Arvada’s cost.

C. In order to implement the Tank Site MOU and to facilitate the conveyance of the Tank Site to Arvada, the Parties desire to enter into this Agreement whereby CCLLC desires to convey the Tank Site to JCMD No. 1, and JCMD No. 1 desires to acquire the Tank Site from CCLLC, pursuant to the terms herein.

AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals, the Parties' performance of their respective covenants and obligations hereunder, and other good and valuable consideration, the receipt and sufficiency of which the Parties hereby acknowledge, the Parties agree as follows:

1. General.

1.1 Acquisition. JCMD No. 1 wishes to acquire the Tank Site free and clear of all liens, encumbrances, liabilities, duties and obligations except those specifically assumed or consented to by JCMD No. 1 (the "Permitted Exceptions"), or as otherwise provided herein, which Permitted Exceptions shall consist of:

(a) any state of facts which would be revealed in an ALTA/NSPS Land Title Survey or by an inspection of the Tank Site;

(b) taxes and assessments for the year of Closing and subsequent years, a lien not yet due and payable; and

(c) the exceptions disclosed in Schedule B, Part II of the Commitment (defined below) as of the Closing (defined below), excluding, however:

(i) any delinquent taxes or assessments;

(ii) any monetary liens or encumbrances created by, through or under CCLLC;

(iii) any standard printed exceptions concerning mechanics' liens or claims therefor to the extent arising by, through or under CCLLC, and matters first appearing in the public records after the date of the final Commitment but before Closing (defined below); and

(iv) any other matters that JCMD No. 1 causes to be deleted or removed prior to the Closing.

1.2 Agreement. Subject to and in accordance with the terms and conditions contained in this Agreement, and in consideration of the mutual agreements contained herein, CCLLC agrees to sell to JCMD No. 1 and JCMD No. 1 agrees to purchase from CCLLC the Tank Site. CCLLC shall convey to JCMD No. 1 a fee simple absolute estate in the Tank Site.

2. Purchase Price and Closing.

2.1 Purchase Price. The purchase price for the Tank Site shall be Eight Hundred Seventy-Five Thousand Dollars (\$875,000.00) (the "Purchase Price").

2.2 Closing Time and Place. The closing ("Closing") under this Agreement shall occur in escrow with the Title Company (defined below) or at such other time and place as the Parties may mutually agree, on: (i) the date of, and contemporaneously with, JCMD No. 1's subsequent

transfer and conveyance of the Tank Site to Arvada pursuant to the terms of a purchase and sale agreement dated on or about even date herewith between JCMD No. 1 and Arvada (the “Arvada PSA”), or (ii) such earlier date as mutually agreed upon in writing by the Parties; provided, however, if the Closing has not occurred on or before the date that is one-hundred thirty (130) days after the Execution Date, or if the Arvada PSA is terminated, this Agreement shall automatically terminate, be void and of no further force or effect, and the Parties shall have no further rights or obligations hereunder other than those expressly surviving termination hereof.

2.3 Deliveries. The following shall occur at Closing, each requirement being a condition precedent to the others and all being considered simultaneously:

(a) CCLLC shall execute, have acknowledged and deliver to JCMD No. 1 a special warranty deed (the “Deed”) substantially in the form of Exhibit B attached hereto and incorporated herein by this reference, conveying title to the Tank Site to JCMD No. 1 subject only to the Permitted Exceptions;

(b) CCLLC shall execute, have acknowledged and deliver to JCMD No. 1 a non-foreign affidavit in the form of Exhibit C attached hereto and incorporated herein by this reference, to assure compliance with §1445 of the Internal Revenue Code of 1986, as amended;

(c) JCMD No. 1 shall remit the Purchase Price to Title Company, by wire transfer of good and immediately available funds, for disbursement to CCLLC subject to the adjustments and prorations set forth in Section 2.4; and

(d) JCMD No. 1 shall be entitled to possession of the Tank Site immediately after the Closing.

2.4 Adjustments to Purchase Price and Costs. The amount of the Purchase Price due at Closing shall be subject to the following adjustments and prorations:

(a) On or promptly after Closing, to the extent applicable, CCLLC shall file the proper returns and pay the appropriate governmental authorities, all sales, use, transfer or other similar tax due upon the transfer of the Tank Site;

(b) JCMD No. 1 shall pay the Title Company’s fees for acting as escrow agent and participating in Closing and the recording costs for the Deed;

(c) CCLLC shall pay all transfer, recording, filing, excise, documentary, mortgage, revenue stamp and similar fees and taxes payable in connection with the transactions contemplated by this Agreement;

(d) CCLLC shall pay, or otherwise cause to be paid, all real property taxes and special assessments (including penalties and interest) allocable to the Tank Site for tax years prior to Closing;

(e) Real property taxes and assessments for the year of Closing shall be apportioned between CCLLC and JCMD No. 1 as of the date of Closing, with the amount of such

taxes to be based upon the most recent available levy applied to the most recent available assessment;

(f) All water, gas, electrical and other public utility charges relating to the Tank Site shall be apportioned between CCLLC and JCMD No. 1 as of the date of Closing, based upon the most recent applicable statements and meter readings; and

(g) Except as otherwise set forth in this Agreement, each Party shall pay any other costs and expenses incurred by such party in connection with the transactions contemplated by this Agreement.

3. Title.

3.1 Owner's Title Evidence. As of the Execution Date:

(a) CCLLC has delivered to JCMD No. 1, via CCLLC's electronic "Dropbox," all pertinent materials available to CCLLC relative to the Tank Site in order to facilitate JCMD No. 1's due diligence of the Tank Site, including, but not limited to, all reports, assessments or other documents that describe or relate to the environmental condition of the Tank Site, as well as copies of all plans and specifications, if any, available to CCLLC relating to the Tank Site.

(b) Arvada has obtained and provided to JCMD No. 1 a preliminary title insurance commitment (the "Commitment") issued by H.C. Peck Associates, 3401 Quebec Street, Suite 8100, Denver, CO 80207 (the "Title Company"), showing the status of record title to the Tank Site, together with legible copies of all documents evidencing exceptions to title shown therein or otherwise affecting the Tank Site.

3.2 Title Defects. If JCMD No. 1 objects to any matter contained in the Commitment, or if Arvada asserts the existence of any encumbrance, encroachment or defect in or objection to title which renders title to any portion of the Tank Site unmarketable (any of which is called a "Defect of Title"), JCMD No. 1 shall give to CCLLC written notice of all Defects of Title within sixty (60) days after the Execution Date, or within thirty (30) days after any updates to the Commitment disclosing a Defect of Title, but in no event later than Closing. After receipt of such notice, CCLLC may, but without obligation or liability under this Agreement to do so, and without any obligation to incur any costs relating thereto, cure all Defects of Title specified in the notice from JCMD No. 1. If all such Defects of Title are not removed or cured prior to or within sixty (60) days after the receipt of such notice or Closing, whichever is earlier, JCMD No. 1 may elect: (i) to accept title to the Tank Site subject to the uncured Defects of Title; or (ii) to terminate this Agreement.

4. Pre-Closing Conditions.

4.1 JCMD No. 1's Conditions. JCMD No. 1's obligation to purchase the Tank Site is expressly conditioned upon the following matters:

(a) JCMD No. 1 shall have sixty (60) days after the execution of this Agreement (the "Due Diligence Period") in which to inspect the Tank Site, and to review all matters affecting or relating to the Tank Site. If, as a result of such inspection and review, JCMD

No. 1 finds the Tank Site unsatisfactory to it, in its sole and absolute discretion, JCMD No. 1 shall have the right to terminate this Agreement by giving written notice of the termination to CCLLC on or before the end of the Due Diligence Period. Upon the giving of such notice, this Agreement shall become null and void and of no further force and effect, except for those rights and obligations expressly surviving termination hereof. If JCMD No. 1 fails to give such notice on or before the end of the Due Diligence Period, JCMD No. 1 shall be deemed to have waived the provisions of this Section 4.1(a).

(b) CCLLC shall have delivered to JCMD No. 1 evidence of consent of any person or entity whose consent is required to the purchase of the Tank Site by JCMD No. 1 from CCLLC;

(c) There shall be no material and adverse change in the physical condition of the Tank Site between the date hereof and Closing;

(d) CCLLC shall have performed and observed all of its covenants, agreements and obligations contained in this Agreement; and

(e) All the representations and warranties of CCLLC contained in this Agreement shall have been true and correct when made and shall be true and correct on and as of Closing as if then made or given.

4.2 CCLLC's Conditions. CCLLC's obligations hereunder are expressly conditioned upon the following matters:

(a) All the representations and warranties of JCMD No. 1 contained in this Agreement shall have been true and correct when made and shall be true and correct on and as of Closing as if then made or given; and

(b) JCMD No. 1 shall have performed and observed all of its covenants, agreements and obligations contained in this Agreement.

4.3 Effect of Default. Notwithstanding anything to the contrary contained in this Section 4, if the failure of a condition also constitutes a default under this Agreement, the non-defaulting party shall have the remedies set forth in Section 10.

5. Representations and Warranties of CCLLC.

CCLLC represents and warrants to JCMD No. 1 as follows:

5.1 Authority. CCLLC has full power and authority to enter into this Agreement and consummate the transaction contemplated hereunder. All requisite company action has been taken by CCLLC in connection with the entering into of this Agreement and the consummation of the transaction contemplated hereby. Each of the persons and entities signing this Agreement on behalf of CCLLC is authorized to do so.

5.2 Absence of Contractual or Other Restrictions. The entering into and consummation of the transaction contemplated hereunder shall not conflict with, or with or without notice or the passage of time or both, result in the breach of, or constitute a default under or violation of any of the terms and provisions of any contract, lease or other agreement to which CCLLC is a party or by which CCLLC may be bound or of any law, rule, license, regulation, judgment, order or decree governing or affecting CCLLC or the Tank Site.

5.3 No Undisclosed Litigation. Except as set forth on Exhibit D attached hereto and incorporated herein by this reference, there are no actions, suits or proceedings (including employee civil rights grievances and workers' compensation claims) pending, or to the best knowledge and belief of CCLLC, threatened against CCLLC or the Tank Site or which might adversely affect CCLLC or the Tank Site.

5.4 Compliance with Law. CCLLC has not received any written notice of and has no knowledge of the assertion of any violation of any law, rule, regulation or order with respect to the Tank Site.

5.5 Mechanics, Liens. All work which has been performed in, on or about the Tank Site or materials furnished thereto for or on behalf of CCLLC which might in any circumstances give rise to a mechanics' or materialmen's lien has been paid for or shall be paid prior to delinquency.

5.6 Tax Returns. CCLLC has filed all federal, state and local tax returns required to be filed in connection with its ownership and operation of the Tank Site, such returns were true, accurate and complete in all material respects, and CCLLC has paid any and all taxes required to be paid in connection with its ownership and operation of the Tank Site.

5.7 Districts; Commitments with Governmental Agencies. To CCLLC's knowledge, the Tank Site is not situated within any special assessment district other than the districts revealed by the most recent statement for real property taxes for the Tank Site, nor is the Tank Site subject to any special assessments except for those relating to such districts and CCLLC has no knowledge of any proposal under which the Tank Site is to be placed in any other special assessment district. There are no commitments or agreements with any federal, state or local government authority or agency affecting the Tank Site, other than the Tank Site MOU.

5.8 Bankruptcy. CCLLC has not: (a) made a general assignment for the benefit of creditors; (b) filed any voluntary petition for bankruptcy or suffered the filing of a voluntary petition by CCLLC's creditors; (c) suffered the appointment of a receiver to take possession of all or substantially all of CCLLC's assets; (d) suffered the attachment or other judicial seizure of all or substantially all, of CCLLC's assets; or (e) made an offer of settlement, extension or composition to its creditors generally.

5.9 Condemnation. No portion of the Tank Site has been condemned and there are no presently pending or, to CCLLC's knowledge, threatened special assessments or condemnation actions with respect to any part of the Tank Site, nor has CCLLC received any notice of any special assessments or condemnation actions being contemplated. There is no pending or, to CCLLC's

knowledge, threatened action by any governmental or quasi-governmental agency to acquire or condemn any part of the Tank Site.

5.10 CCLLC's Knowledge. Whenever phrases such as "to CCLLC's knowledge" or "CCLLC has no knowledge" are used in the foregoing representations and warranties, they will be deemed to refer exclusively to matters within the current actual (as opposed to constructive) knowledge of Gregg A. Bradbury, Charles C. McKay and Jeffrey L. Nading, Managers of CCLLC ("CCLLC's Representatives"). No duty of inquiry or investigation on the part of CCLLC or CCLLC's Representatives will be implied by the making of any representation or warranty which is so limited to matters within CCLLC's knowledge.

6. Representations and Warranties of JCMD No. 1.

JCMD No. 1 represents and warrants to CCLLC as follows:

6.1 Authority. JCMD No. 1 has full power and authority to enter into this Agreement and consummate the transaction contemplated hereunder and such transaction has been duly authorized by all necessary action by the Board of Directors of JCMD No. 1.

6.2 Absence of Contractual or Other Restrictions. The entering into and consummation of the transaction contemplated hereunder shall not conflict with, or with or without notice or the passage of time or both, result in the breach of, or constitute a default under or violation of any of the terms and provisions of any contract, lease or any agreement to which JCMD No. 1 is a party or by which JCMD No. 1 may be bound or of any law, rule, license, regulation, judgment, order or decree governing or affecting JCMD No. 1.

7. Covenants.

CCLLC hereby covenants and agrees that, between the date of this Agreement and Closing, CCLLC: (a) shall not dispose of any interest in the Tank Site and shall not, without JCMD No. 1's consent, mortgage, pledge or subject to lien or other encumbrance any interest in the Tank Site; (b) shall not, without the consent of JCMD No. 1, agree to or consent to any restrictions, covenants, conditions, easements, encroachments, leases or any similar matters affecting the Tank Site or any part thereof; (c) shall keep the Tank Site insured at the current level of insurance maintained thereon; (d) shall not, without the consent of JCMD No. 1, seek or consent to any zoning, platting, replotting, subdivision or other change affecting the use of the Tank Site or any administrative classification of the Tank Site; and (e) shall not extend or add to any existing improvements or construct additional improvements on the Tank Site. CCLLC will pay, prior to delinquency, all amounts arising under CCLLC that may give rise to a mechanic's or materialman's lien on the Tank Site.

8. Damage, Destruction or Condemnation.

8.1 Condemnation. If prior to Closing, CCLLC receives knowledge that all or any significant portion of the Tank Site is to be taken under any power of eminent domain or similar action, other than such power or action exercised by Arvada, CCLLC shall advise JCMD No. 1 in writing and JCMD No. 1 shall have ten (10) days after its receipt of such knowledge, by written notice to CCLLC, to either: (a) take title to the Tank Site at Closing, or (b) terminate this

Agreement and, in that event, this Agreement shall be null and void and neither party thereafter shall have any further rights or obligations hereunder other than those expressly surviving termination hereof. The term “significant,” as used in this Section 8.1, shall mean the taking of any portion of the Tank Site, which would materially and adversely affect the Tank Site and construction of the Water Tank Improvements thereon.

8.2 Damage by Casualty. It is the intention of the parties that at Closing, CCLLC shall transfer to JCMD No. 1 the Tank Site in its present state and condition, subject only to reasonable wear and tear. Therefore, risk of loss to such assets from fire or other casualty shall be borne by CCLLC until Closing. CCLLC shall promptly notify JCMD No. 1 of any such casualty. If the Tank Site is damaged by fire or other casualty prior to Closing such that the Tank Site is no longer suitable for the construction of the Water Tank Improvements thereon, then JCMD No. 1 may terminate this Agreement and neither Party shall have any further rights or obligations hereunder other than those expressly surviving the termination hereof.

9. Access Prior to Closing.

(a) At any time prior to Closing, if this Agreement shall not have first been terminated, JCMD No. 1 and JCMD No. 1’s agents, contractors and engineers, and Arvada and Arvada’s agents, contractors and engineers, shall have the right to enter the Tank Site for purposes of conducting inspections or making surveys, soil tests, engineering tests and for other similar work provided that such operations are conducted in such a manner as not to interfere with CCLLC’s business or to damage the Tank Site.

(b) JCMD No. 1 will promptly repair any damages resulting to the Tank Site due to JCMD No. 1 or Arvada’s investigations and other activities conducted pursuant to this Agreement, and will reimburse CCLLC, within thirty (30) days after receipt of invoices therefor, for all reasonable out-of-pocket expenses CCLLC incurs in repairing such damages if JCMD No. 1 or Arvada does not promptly do the same.

(c) At any time on or before Closing and after twenty-four (24) hours prior written notice of such entry to CCLLC, JCMD No. 1 and Arvada shall have the right to inspect the Tank Site.

10. Defaults and Remedies.

10.1 Default by CCLLC. “Default by CCLLC” shall mean a failure by CCLLC to comply with or satisfy any covenant or agreement of CCLLC contained in this Agreement, or a breach by CCLLC of any representation or warranty of CCLLC contained in this Agreement. If any Default by CCLLC is known or discovered by JCMD No. 1 at or prior to Closing: (a) JCMD No. 1 may, at any time at or prior to Closing, by giving to CCLLC written notice, elect to terminate this Agreement; or (b) JCMD No. 1 may elect to treat this Agreement as being in full force and effect and JCMD No. 1 shall have the sole remedy of specific performance. Upon termination of this Agreement by JCMD No. 1 pursuant to clause (a) above, neither party shall have any further obligations to the other except those obligations which expressly survive termination hereof.

10.2 Default by JCMD No. 1. “Default by JCMD No. 1” shall mean a failure of JCMD No. 1 to comply with or satisfy any covenant or agreement contained in this Agreement, or a

breach of any representation or warranty of JCMD No. 1 contained in this Agreement. If any Default by JCMD No. 1 is known or discovered by CCLLC at or prior to Closing: (a) CCLLC may, at any time at or prior to Closing, by giving written notice to JCMD No. 1, terminate this Agreement; or (b) if the Default of JCMD No. 1 is a default other than a failure of JCMD No. 1 to perform at Closing, CCLLC may elect to treat this Agreement as being in full force and effect and CCLLC shall have the sole remedy of specific performance. Upon termination of this Agreement by CCLLC pursuant to clause (a) above, neither party shall have any further obligations to the other except for those obligations which expressly survive termination hereof.

11. “AS-IS”

11.1 “As-Is”. JCMD No. 1 (for itself and its successors and assigns) acknowledges that, at Closing, it shall accept that the Tank Site shall be conveyed in its “AS IS, WHERE IS, AND WITH ALL FAULTS” condition as of Closing, and JCMD No. 1 accepts and shall bear all risks regarding all attributes and conditions of the Tank Site. JCMD No. 1 shall conduct and rely on its own inspection and investigation of the Tank Site as to all conditions and requirements pertinent to the Tank Site, including the presence thereon, or the condition thereof with respect to, any Hazardous Materials (defined below). JCMD No. 1 acknowledges that any information provided or to be provided by or on behalf of CCLLC with respect to the Tank Site was or may be obtained from a variety of sources and that CCLLC has not made any independent investigation or verification of such information and makes no representations as to the accuracy or completeness of such information.

11.2 No Implied Representations. EXCEPT FOR CCLLC’S EXPRESS REPRESENTATIONS IN SECTION 5 OF THIS AGREEMENT OR IN ANY INSTRUMENT OF CONVEYANCE SIGNED BY CCLLC AND DELIVERED TO JCMD NO. 1 AT CLOSING (COLLECTIVELY, “CCLLC’S EXPRESS REPRESENTATIONS”), NEITHER CCLLC NOR ANY AGENT, EMPLOYEE, OFFICER, DIRECTOR, BROKER, CONTRACTOR OR REPRESENTATIVE OF CCLLC HAS MADE, AND CCLLC SPECIFICALLY DISCLAIMS, ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND OR NATURE WHATSOEVER, AS TO, CONCERNING OR WITH RESPECT TO THE TANK SITE, INCLUDING, WITHOUT LIMITATION, THE PRESENCE THEREON, OR THE CONDITION THEREOF WITH RESPECT TO, ANY HAZARDOUS MATERIALS.

11.3 Definitions. As used in this Agreement, “Hazardous Materials” means any hazardous or toxic substances, materials or wastes, defined or regulated as such in or under any Environmental Law, including, without limitation, asbestos, gasoline and any other petroleum products (including crude oil or any fraction thereof), polychlorinated biphenyls and ureaformaldehyde insulation. As used in this Agreement, “Environmental Law” means any and all federal, state, local or municipal laws, rules, orders, regulations, statutes, ordinances, codes, decrees or requirements of any governmental authority or requirements of law (including common law) relating to or imposing liability or standards of conduct concerning the protection of human health, the environment or natural resources, or to releases or threatened releases of Hazardous Materials into the environment, including, without limitation, ambient air, surface water, groundwater or land, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials, as now or may hereafter be in effect.

11.4 Survival. The provisions of this Section 11 shall survive Closing or any termination of this Agreement.

12. Miscellaneous.

12.1 Notices. Any notices under this Agreement shall be in writing, signed by the Party giving the same and shall be deemed properly given and received when actually given and received, if hand-delivered in person, or three (3) business days after mailed, if sent by registered or certified United States mail, postage prepaid, addressed to the Party to receive the notice at the address set forth below or such other address as any Party may specify by notice to the other Party.

If to CCLLC, to: Cimarron Commercial, LLC
 Attn: Gregg Bradbury and Charles McKay
 20009 Highway 72
 Arvada, Colorado 80007
 Telephone: (303) 469-1873
 E-mail: gbradbury@churchranch.com/
 cmckay@churchranch.com

Nading Investments, LLC
Attn: Jeff Nading
700 Weaver Park Road
Longmont, Colorado 80501
Telephone: (303) 772-4051
Email: jnading@gtc1.net

With a copy to: Otten, Johnson, Robinson, Neff & Ragonetti, P.C.
 Attn: Kimberly Martin
 950 17th Street, Suite 1600
 Denver, Colorado 80202
 Telephone: (303) 575-7552
 E-mail: kmartin@ottenjohnson.com

If to JCMD No. 1, to: Jefferson Center Metropolitan District No. 1
 c/o Special District Management Services, Inc.
 Attn: David Solin, Manager
 141 Union Boulevard, Suite 150
 Lakewood, Colorado 80228
 Telephone: (303) 987-0835
 Email: dsolin@sdmsi.com

With a copy to: McGeady Becher P.C.
Attn: Megan Becher
450 E. 17th Avenue, Suite 400
Denver, Colorado 80202
Telephone: (303) 592-4380
Email: mbecher@specialdistrictlaw.com

12.2 Brokerage Commissions. CCLLC hereby represents and warrants to JCMD No. 1 that CCLLC has not engaged or utilized the services of any broker or finder in connection with this transaction and that no commissions are payable with respect to this transaction. CCLLC hereby agrees to indemnify and hold JCMD No. 1 harmless from and against any liability for any claims of any broker or finder claiming by, through or under CCLLC.

12.3 Governmental Immunity. JCMD No. 1, its officers, and its employees are relying on, and do not intend to waive, by any provision of this Agreement, any rights, protections, or privileges provided by the Colorado Governmental Immunity Act, as it is amended from time to time.

12.4 Entire Agreement. This Agreement represents the entire agreement between the Parties with respect to the subject matter hereof and all prior agreements, understandings or negotiations shall be deemed merged herein. No representations, warranties, promises or agreements, express or implied, shall exist between the Parties, except as stated herein.

12.5 No Oral Modifications. No amendments or modifications to this Agreement shall be made or deemed to have been made unless in writing executed and delivered by the Party to be bound thereby.

12.6 Time of the Essence. All of the provisions of this Agreement regarding time for performance are of the essence.

12.7 Governing Law. This Agreement shall be interpreted and enforced according to the laws of the State of Colorado.

12.8 Headings and Captions for Convenience. The headings and captions contained in this Agreement are for convenience only and shall not be considered in interpreting the provisions hereof.

12.9 Exhibits Incorporated. All exhibits referred to in this Agreement shall be deemed incorporated in this Agreement by reference.

12.10 Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, all of which together shall constitute one and the same instrument. This Agreement may be executed and delivered by one Party to the other by facsimile or e-mail (PDF) transmission, and counterparts executed and delivered in such manner will be fully binding and enforceable to the same effect as if an original had been executed and delivered instead.

12.11 Survival. The provisions set forth in Section 5, Section 6, Section 11 and Section 12.2 hereof shall not merge into any document associated herewith and shall survive Closing and delivery of the Deed and any termination of this Agreement and shall be enforceable at law or in equity.

(signature page follows)

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the Execution Date.

CCLLC:

CIMARRON COMMERCIAL, LLC,
a Colorado limited liability company

By: CIMARRON HOLDING COMPANY, LLC,
a Colorado limited liability company,
its Managing Member

By: _____
Charles C. McKay, Manager

By: _____
Gregg A. Bradbury, Manager

By: _____
Jeffrey L. Nading, Manager

JCMD NO. 1:

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

By: _____
Name: _____
Title: _____

ATTEST:

Secretary

Exhibit A

Legal Description of the Tank Site

Lot 2, Sleeping Indian Tank Site Minor Subdivision Plat, County of Jefferson, State of Colorado.

Exhibit B

Form of Deed

SPECIAL WARRANTY DEED

[STATUTORY FORM – C.R.S. § 38-30-113(1)(b)]

_____, a _____ (“**Grantor**”), whose address is _____, for the consideration of Ten and 00/100 Dollars (\$10.00) and other good and valuable consideration, in hand paid, hereby sells and conveys to _____, a _____ (“**Grantee**”), whose address is _____, the real property that is described on Schedule 1 attached hereto and made a part hereof, with all its appurtenances (the “**Land**”), and warrants the title to the same against all persons claiming under Grantor, subject to the matters set forth on Schedule 2 attached hereto and made a part hereof.

Signed on the ____ day of _____, 20____, to be made effective as of the ____ day of _____, 20____.

GRANTOR:

By: _____

**Schedule 1
to Special Warranty Deed**

Legal Description

Lot 2, Sleeping Indian Tank Site Minor Subdivision Plat, County of Jefferson, State of Colorado.

**Schedule 2
to Special Warranty Deed**

Reservations and Exceptions

Reservations: Conveyance of the Land is subject to the express exclusion of the following rights with respect to the Land:

1. Any and all of Grantor's right, title and interest in subsurface estates and mineral rights located in, upon and/or under the Land, including, without limitation, any rights to explore for and/or extract, or to be paid royalties in connection therewith, oil, natural gas, hydrocarbon products, gravel, sand, coal, and/or hard rock minerals; provided, however, that Grantor, on behalf of itself, its successor and assigns, and any party acting by, through or on behalf of Grantor, irrevocably waives and relinquishes any and all right to enter upon or utilize the surface of the Land to a depth one hundred (100) feet below the finished grade of the surface of the Land in any manner for the purpose of exploring for, extracting or developing the foregoing reserved mineral rights, and will not undermine lateral and subjacent support of the surface of the Land or any improvement located therein.

2. To the extent appurtenant to or historically used in connection with the Land, any and all tributary, nontributary and not nontributary water rights that Grantor owns or may own, whether decreed or undecreed, including, without limitation, all groundwater underlying the Land, all wells, well rights and permits, all surface water located within or used in connection with or appurtenant to the Land, and/or ditch shares or ditch rights used in connection with the Land; provided, however, that Grantor, on behalf of itself, its successor and assigns, and any party acting by, through or on behalf of Grantor, irrevocably waives and relinquishes any and all rights to enter upon or utilize the surface of the Land to a depth one hundred (100) feet below the finished grade of the surface of the Land in any manner for the purpose of exercising the foregoing reserved water rights, and will not undermine lateral and subjacent support of the surface of the Land or any improvement located therein.

Exceptions: Conveyance of the Land is subject to the following exceptions:

[exceptions to be inserted based on Schedule B, Part II of the Title Commitment]

Exhibit C

Form of FIRPTA

CERTIFICATE OF NON-FOREIGN STATUS – ENTITY SELLER

Section 1445 of the Internal Revenue Code provides that a transferee of a U.S. real property interest must withhold tax if the transferor is a foreign person. For U.S. tax purposes (including Section 1445), the owner of a disregarded entity (which has legal title to a U.S. real property interest under local law) will be the transferor of the property and not the disregarded entity. To inform the _____, a _____, as purchaser (herein, “**Transferee**”), that withholding of tax is not required upon the disposition of a U.S. real property interest by _____, a _____, as seller (herein, “**Transferor**”), the undersigned hereby certifies the following:

1. Transferor is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Transferor is not a disregarded entity as defined in Treasury Regulations Section 1.1445-2(b)(2)(iii);
3. Transferor’s U.S. employer identification number is _____; and
4. Transferor’s office address is: _____.

The undersigned, on behalf of Transferor, understands that Transferee may disclose this Certification to the Internal Revenue Service, and that any false statement contained herein may be punishable by fine, imprisonment, or both.

Under penalties of perjury, the undersigned, on behalf of Transferor, declares that this certification have been examined and to the best of undersigned’s knowledge and belief it is true, correct, and complete, and the undersigned further declares that he/she has authority to sign this document on behalf of Transferor.

[signature page follows]

Dated as of: _____, 20__.

TRANSFEROR

By: _____

Exhibit D

Description of Litigation

None.