AGENDA
Timnath Landing General Improvement District Board Meeting
IMMEDIATELY FOLLOWING THE TIMNATH TOWN COUNCIL MEETING AT 6:00 PM - Tuesday, August 27, 2019
4750 Signal Tree Drive, Timnath, Colorado

1. CALL TO ORDER AND ROLL CALL
2. PUBLIC COMMENT
3. BUSINESS

3.a. RESOLUTION NO. 1, SERIES 2019, A Resolution Calling A Special Election in the Town of Timnath – Timnath Landing General Improvement District (the “Resolution”)
   Staff Report - Pdf
   Resolution No. 1, TIMNATH GID Special Election Resolution, 2019-08-20
   Presented by: Robert Rogers

3.b. RESOLUTION NO. 2, SERIES, A Resolution Approving Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services
   Staff Report - Pdf
   Resolution No. 2, Approving WBA Engagement Letter, 2019-08-20
   Timnath Landing GID, WBA- Engagement Letter, 2019-08-27
   Presented by: Robert Rogers

3.c. RESOLUTION NO 3, SERIES 2019, A Resolution Approving an Engagement of CliftonLarsonAllen LLP
   Resolution No. 3, Approving CLA Engagement Letter, 2019-08-20
   CliftonLarsonAllen Engagement Letter, 2019-08-20
   Presented by: Robert Rogers

4. ADJOURNMENT

DISCLAIMER
ADA Disclaimer: The Town of Timnath will make reasonable accommodations for access to Town services, programs, and activities and will make special communication arrangements for persons with disabilities. If you need reasonable accommodation please notify us 24 hours in advance of the service, program or activity. Please call 970-224-3211 (TTY: Dial 711 or 800-659-3656 for Relay Colorado assistance).
DESCRIPTION
A Resolution Calling A Special Election in the Town of Timnath – Timnath Landing General Improvement District (the “Resolution”)

SUMMARY
The Town Council previously adopted Ordinance No. 9, Series 2019 which established the Timnath Landing General Improvement District (the “GID”). The GID will have the power to impose ad valorem property taxes. Those property taxes will be pledged to the payment of debt issued by the GID. The GID is required to conduct a TABOR election prior to issuing any debt. CAC Timnath LLC has designated one eligible elector for the TABOR election. The Resolution calls the November 5, 2019 TABOR election, as required by the Colorado Constitution.

RECOMMENDATION
Staff recommends approval of this Resolution.

KEY POINTS
• Various State of Colorado constitutional and statutory provisions require voter approval prior to the incurrence of general obligation indebtedness by the GID. Among such provisions, Article X, Section 20 of the Colorado Constitution (also known as “TABOR”) requires that the GID must have voter approval in advance for the creation of any multiple-fiscal year direct or indirect district debt or other financial obligation whatsoever without adequate present cash reserves pledged irrevocably and held for payments in all future fiscal years.
• The Resolution calls the required November 5, 2019 TABOR election.
• As required by statute, an eligible voter for the election has been designated by the CAC Timnath, LLC.

ADVANTAGES
The GID is required to conduct a TABOR election prior to issuing any debt.

DISADVANTAGES
None.

FINANCIAL IMPLICATIONS
The anticipated cost of the November 5, 2019 election is minimal because there is only one eligible elector.

RECOMMENDED MOTION
I move for approval of the Resolution.

ATTACHMENTS
1. Resolution
WHEREAS, the Town of Timnath – Timnath Landing General Improvement District (the “District”) is a public improvement district and a quasi-municipal corporation duly organized pursuant to Part 6, Article 25, Title 31, Colorado Revised Statutes (C.R.S.), and Ordinance of the Town of Timnath, Colorado (the “Town”) adopted by the Council of the Town (the “Town Council”) on August 27, 2019; and

WHEREAS, the members of the Town Council have been duly elected and qualified and serve ex officio as the Board of Directors of the District (the “Board”); and

WHEREAS, Article X, Section 20 of the Constitution (“TABOR”) requires voter approval for incurring debt, the creation of any tax, and for spending certain moneys above limits established thereby; and

WHEREAS, Section 31-25-611(n), C.R.S. authorizes the District to conduct an election in accordance with Title 31, Article 10, C.R.S. (the “Municipal Election Code”) for any purpose the Board deems necessary or required; and

WHEREAS, TABOR requires that ballot issues (as defined in TABOR) be submitted to the electors of the District (as so defined in Section 31-25-602(2), the “Electors”) on limited election days before action can be taken on such ballot issues; and

WHEREAS, November 5, 2019, is one of the election dates at which ballot issues and spending questions may, under TABOR, be submitted to the Electors; and

WHEREAS, the Board hereby determines that it is necessary to submit to the Electors of the District at an independent mail ballot election to be held on November 5, 2019 (the “Election”) (i) questions regarding the imposition of ad valorem taxes on the taxable property within the District to finance, in general, the acquisition, administration, construction, installation, operating, and/or maintenance of public improvements and services as set forth in the petition submitted to the Town requesting the creation of the District (the “Improvements” and “Services”) and to pay the annual administrative expenses of the District; and (ii) a question allowing the District to enter into multiple fiscal year financial obligations with respect to any Improvements or Services as described in the petition; and

WHEREAS, the Board elects to utilize the provisions of the Municipal Election Code of 1965, Title 31, Article 10, C.R.S., as amended (the “Municipal Election Code”), to conduct the Election; and

WHEREAS, the Town Clerk of the Town (“Town Clerk”) will conduct the Election as an independent mail ballot election; and

WHEREAS, it is necessary to set the language for the mail ballot and to set forth certain procedures concerning the conduct of the Election.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF TOWN OF TIMNATH, COLORADO, AS THE EX OFFICIO BOARD OF DIRECTORS OF THE TOWN OF TIMNATH – TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT, AS FOLLOWS:
1. All action heretofore taken (consistent with the provisions of this resolution) by the District and the officers thereof, directed toward the election and the objects and purposes herein stated is hereby ratified, approved and confirmed.

2. Unless otherwise defined herein, all terms used herein shall have the meanings defined in Municipal Election Code and Part 6, Article 25, Title 31, C.R.S.

3. Pursuant to TABOR and the Municipal Election Code, the Board hereby determines to call a special election to be conducted on November 5, 2019, as an independent mail ballot election (the “Election”). The Board hereby determines that at the election to be held on November 5, 2019, there shall be submitted to the eligible electors of the District the questions set forth in Section 4 hereof.

4. The Board hereby designates the Town Clerk as the election official and certifies thereto the following questions in substantially the form hereinafter set forth to be submitted to the eligible electors of the District at the Election:

**BALLOT ISSUE [__]: OPERATING LEVY:**

SHALL TOWN OF TIMNATH – TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT TAXES BE INCREASED $2,000,000 IN 2021 (FIRST FULL FISCAL YEAR) AND BY WHATEVER AMOUNTS AS MAY BE GENERATED ANNUALLY THEREAFTER BY THE IMPOSITION OF A MILL LEVY OF NOT TO EXCEED FIFTEEN (15) MILLS AS MAY BE NECESSARY TO PAY THE COST OF ANY IMPROVEMENTS AND SERVICES AS THE DISTRICT IS AUTHORIZED TO PROVIDE BY LAW PROVIDED THAT SUCH MILL LEVY MAY BE ADJUSTED (I) TO ACCOUNT FOR CHANGES IN LAW OR THE METHOD BY WHICH ASSESSED VALUATION IS CALCULATED, AND (II) TO OFFSET ANY PROPERTY TAX CUT WHICH IS MANDATED BY ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION, AS IT CURRENTLY EXISTS OR AS AMENDED?

**BALLOT ISSUE [__]: DEBT FOR STREET PURPOSES:**

SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED $20,000,000, WITH A REPAYMENT COST OF $164,000,000; AND SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT TAXES BE INCREASED $164,000,000 ANNUALLY, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT’S DEBT WHICH MAY CONSIST OF GENERAL OBLIGATION BONDS OR OTHER OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, STREET IMPROVEMENTS INCLUDING CURBS, GUTTERS, CULVERTS, OTHER DRAINAGE FACILITIES, SIDEWALKS, BRIDGES, PARKING FACILITIES, PAVING, LIGHTING, GRADING, LANDSCAPING, AND OTHER STREET IMPROVEMENTS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES; AND SHALL SUCH DEBT BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY AS MAY BE DETERMINED BY THE DISTRICT; AND SHALL SUCH DEBT TO BE SOLD IN ONE SERIES OR MORE AT A PRICE ABOVE, BELOW OR EQUAL TO THE PRINCIPAL AMOUNT OF SUCH DEBT AND ON SUCH TERMS AND CONDITIONS AS THE DISTRICT MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE DEBT PRIOR TO MATURITY.
WITH OR WITHOUT PAYMENT OF PREMIUM IN AN AMOUNT NOT IN EXCESS OF 5% OF THE PRINCIPAL AMOUNT BEING REDEEMED, SUCH DEBT TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; AND SHALL ANY SUCH TAXES CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY OF THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT’S DEBT?

BALLOT ISSUE [__]: DEBT FOR PARK AND RECREATION PURPOSES:

SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED $20,000,000, WITH A REPAYMENT COST OF $164,000,000; AND SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT TAXES BE INCREASED $164,000,000 ANNUALLY, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT’S DEBT WHICH MAY CONSIST OF GENERAL OBLIGATION BONDS OR OTHER OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, PARKS AND RECREATIONAL FACILITIES, IMPROVEMENTS, AND PROGRAMS, INCLUDING PARKS, BIKE PATHS AND PEDESTRIAN WAYS, OPEN SPACE, LANDSCAPING, CULTURAL ACTIVITIES, COMMUNITY RECREATION CENTERS, WATER BODIES, IRRIGATION FACILITIES, AND OTHER ACTIVE AND PASSIVE RECREATION FACILITIES AND PROGRAMS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES; AND SHALL SUCH DEBT BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY AS MAY BE DETERMINED BY THE DISTRICT; AND SHALL SUCH DEBT TO BE SOLD IN ONE SERIES OR MORE AT A PRICE ABOVE, BELOW OR EQUAL TO THE PRINCIPAL AMOUNT OF SUCH DEBT AND ON SUCH TERMS AND CONDITIONS AS THE DISTRICT MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE DEBT PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF PREMIUM IN AN AMOUNT NOT IN EXCESS OF 5% OF THE PRINCIPAL AMOUNT BEING REDEEMED, SUCH DEBT TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; AND SHALL ANY SUCH TAXES CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY OF THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT’S DEBT?

BALLOT ISSUE [__] – DEBT FOR WATER PURPOSES:

SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED $20,000,000, WITH A REPAYMENT COST OF $164,000,000; AND SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL
IMPROVEMENT DISTRICT TAXES BE INCREASED $164,000,000 ANNUALLY, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT’S DEBT WHICH MAY CONSIST OF GENERAL OBLIGATION BONDS OR OTHER OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, A COMPLETE POTABLE AND NON-POTABLE WATER SUPPLY, STORAGE, TRANSMISSION, AND DISTRIBUTION SYSTEM, INCLUDING TRANSMISSION LINES, DISTRIBUTION MAINS AND LATERALS, IRRIGATION FACILITIES, AND STORAGE FACILITIES, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES; AND SHALL SUCH DEBT BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY AS MAY BE DETERMINED BY THE DISTRICT; AND SHALL SUCH DEBT TO BE SOLD IN ONE SERIES OR MORE AT A PRICE ABOVE, BELOW OR EQUAL TO THE PRINCIPAL AMOUNT OF SUCH DEBT AND ON SUCH TERMS AND CONDITIONS AS THE DISTRICT MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE DEBT PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF PREMIUM IN AN AMOUNT NOT IN EXCESS OF 5% OF THE PRINCIPAL AMOUNT BEING REDEEMED, SUCH DEBT TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; AND SHALL ANY SUCH TAXES CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY OF THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT’S DEBT?

BALLOT ISSUE [ ] – DEBT FOR SANITATION PURPOSES:

SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED $20,000,000, WITH A REPAYMENT COST OF $164,000,000; AND SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT TAXES BE INCREASED $164,000,000 ANNUALLY, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT’S DEBT WHICH MAY CONSIST OF GENERAL OBLIGATION BONDS OR OTHER OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, A COMPLETE LOCAL SANITARY SEWAGE COLLECTION AND TRANSMISSION SYSTEM, INCLUDING COLLECTION MAINS AND LATERALS, TRANSMISSION LINES, TREATMENT FACILITIES, STORM SEWER, FLOOD, AND SURFACE DRAINAGE FACILITIES AND SYSTEMS, AND DETENTION AND RETENTION PONDS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES; AND SHALL SUCH DEBT BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY AS MAY BE DETERMINED BY THE DISTRICT; AND SHALL SUCH DEBT TO BE SOLD IN ONE SERIES OR MORE AT A
PRICE ABOVE, BELOW OR EQUAL TO THE PRINCIPAL AMOUNT OF SUCH DEBT AND ON SUCH TERMS AND CONDITIONS AS THE DISTRICT MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE DEBT PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF PREMIUM IN AN AMOUNT NOT IN EXCESS OF 5% OF THE PRINCIPAL AMOUNT BEING REDEEMED, SUCH DEBT TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; AND SHALL ANY SUCH TAXES CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY OF THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT’S DEBT?

BALLOT ISSUE [__] – DEBT FOR SAFETY PURPOSES:

SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED $20,000,000, WITH A REPAYMENT COST OF $164,000,000; AND SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT TAXES BE INCREASED $164,000,000 ANNUALLY, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT’S DEBT: SUCH DEBT TO CONSIST OF GENERAL OBLIGATION BONDS OR OTHER OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF ACQUIRING, CONSTRUCTING, RELOCATING, INSTALLING, COMPLETING, AND OTHERWISE PROVIDING, WITHIN OR WITHOUT THE BOUNDARIES OF THE DISTRICT, A SYSTEM OF TRAFFIC AND SAFETY CONTROLS AND DEVICES ON STREETS AND HIGHWAYS AND AT RAILROAD CROSSINGS, INCLUDING TRAFFIC SIGNALS, TOGETHER WITH ALL NECESSARY, INCIDENTAL, AND APPURTENANT FACILITIES, EQUIPMENT, LAND, AND EASEMENTS, AND EXTENSIONS OF AND IMPROVEMENTS TO SAID FACILITIES; AND SHALL SUCH DEBT BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY AS MAY BE DETERMINED BY THE DISTRICT; AND SHALL SUCH DEBT TO BE SOLD IN ONE SERIES OR MORE AT A PRICE ABOVE, BELOW OR EQUAL TO THE PRINCIPAL AMOUNT OF SUCH DEBT AND ON SUCH TERMS AND CONDITIONS AS THE DISTRICT MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE DEBT PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF PREMIUM IN AN AMOUNT NOT IN EXCESS OF 5% OF THE PRINCIPAL AMOUNT BEING REDEEMED, SUCH DEBT TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; AND SHALL ANY SUCH TAXES CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY OF THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT’S DEBT?

BALLOT ISSUE [__] – DEBT FOR OPERATIONS PURPOSES:

SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED $20,000,000, WITH A REPAYMENT COST OF $164,000,000; AND SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL
IMPROVEMENT DISTRICT TAXES BE INCREASED $164,000,000 ANNUALLY, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT’S DEBT WHICH MAY CONSIST OF GENERAL OBLIGATION BONDS OR OTHER OBLIGATIONS, INCLUDING CONTRACTS, ISSUED OR INCURRED FOR THE PURPOSE OF PAYING, REIMBURSING, OR FINANCING ALL OR ANY PART OF THE COSTS OF OPERATING, MAINTAINING, OR OTHERWISE PROVIDING SYSTEMS, OPERATIONS, AND ADMINISTRATION FOR THE PURPOSE OF CARRYING OUT THE OBJECTS AND PURPOSES FOR WHICH THE DISTRICT WAS ORGANIZED, TOGETHER WITH ALL NECESSARY, INCIDENTAL AND APPURTENANT PROPERTIES, FACILITIES, EQUIPMENT, PERSONNEL, CONTRACTORS, CONSULTANTS, AND COSTS AND ALL LAND, EASEMENTS, AND APPURTENANCES NECESSARY OR APPROPRIATE IN CONNECTION THEREWITH; AND SHALL SUCH DEBT BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY AS MAY BE DETERMINED BY THE DISTRICT; AND SHALL SUCH DEBT TO BE SOLD IN ONE SERIES OR MORE AT A PRICE ABOVE, BELOW OR EQUAL TO THE PRINCIPAL AMOUNT OF SUCH DEBT AND ON SUCH TERMS AND CONDITIONS AS THE DISTRICT MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE DEBT PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF PREMIUM IN AN AMOUNT NOT IN EXCESS OF 5% OF THE PRINCIPAL AMOUNT BEING REDEEMED, SUCH DEBT TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; AND SHALL ANY SUCH TAXES CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY OF THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT’S DEBT?

BALLOT ISSUE [__] – DEBT FOR REFUNDING PURPOSES:

SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT DEBT BE INCREASED $120,000,000, WITH A REPAYMENT COST OF $984,000,000; AND SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT TAXES BE INCREASED $984,000,000 ANNUALLY, OR BY SUCH LESSER ANNUAL AMOUNT AS MAY BE NECESSARY TO PAY THE DISTRICT’S DEBT WHICH MAY CONSIST OF GENERAL OBLIGATION BONDS OR OTHER OBLIGATION ISSUED OR INCURRED FOR THE PURPOSE FOR THE PURPOSE OF REFUNDING, PAYING, OR DEFEASING, IN WHOLE OR IN PART, BONDS, NOTES, OR OTHER FINANCIAL OBLIGATIONS OF THE DISTRICT; AND SHALL SUCH DEBT BEAR INTEREST AT A NET EFFECTIVE INTEREST RATE NOT IN EXCESS OF 18% PER ANNUM, BE PAYABLE AT SUCH TIME OR TIMES AND WHICH MAY COMPOUND ANNUALLY OR SEMIANNUALLY AS MAY BE DETERMINED BY THE DISTRICT; AND SHALL SUCH DEBT TO BE SOLD IN ONE SERIES OR MORE AT A PRICE ABOVE, BELOW OR EQUAL TO THE PRINCIPAL AMOUNT OF SUCH DEBT AND ON SUCH TERMS AND CONDITIONS AS THE DISTRICT MAY DETERMINE, INCLUDING PROVISIONS FOR REDEMPTION OF THE DEBT PRIOR TO MATURITY WITH OR WITHOUT PAYMENT OF PREMIUM IN AN AMOUNT NOT IN EXCESS OF 5% OF THE PRINCIPAL AMOUNT BEING REDEEMED, SUCH DEBT TO BE PAID FROM ANY LEGALLY AVAILABLE MONEYS OF THE DISTRICT, INCLUDING THE PROCEEDS OF AD VALOREM PROPERTY TAXES; AND SHALL ANY SUCH TAXES CONSIST OF AN AD VALOREM MILL LEVY IMPOSED ON ALL TAXABLE PROPERTY OF THE DISTRICT, WITHOUT LIMITATION OF RATE OR WITH SUCH LIMITATIONS AS MAY
BE DETERMINED BY THE BOARD, AND IN AMOUNTS SUFFICIENT TO PRODUCE THE ANNUAL INCREASE SET FORTH ABOVE OR SUCH LESSER AMOUNT AS MAY BE NECESSARY, TO BE USED SOLELY FOR THE PURPOSE OF PAYING THE PRINCIPAL OF, PREMIUM IF ANY, AND INTEREST ON THE DISTRICT’S DEBT?

BALLOT ISSUE [__] – IGA Debt:

SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT BE AUTHORIZED TO ENTER INTO ONE OR MORE MULTIPLE FISCAL YEAR FINANCIAL OBLIGATIONS OR INTERGOVERNMENTAL AGREEMENTS WITH THE TOWN OF TIMNATH OR ANY POLITICAL SUBDIVISION OF THE STATE, FOR THE PURPOSE OF JOINTLY FINANCING THE COSTS OF ANY PUBLIC IMPROVEMENTS, FACILITIES, PROJECTS, SYSTEMS, PROGRAMS, OR SERVICES WHICH THE DISTRICT MAY LAWFULLY PROVIDE OR FOR OPERATIONS AND MAINTENANCE EXPENSES OF THE DISTRICT, WHICH AGREEMENT MAY CONSTITUTE A DEBT OR INDEBTEDNESS AND A MULTIPLE-FISCAL YEAR OBLIGATION OF THE DISTRICT TO THE EXTENT PROVIDED THEREIN AND OTHERWISE AUTHORIZED BY LAW, AND IN CONNECTION THEREWITH SHALL THE DISTRICT BE AUTHORIZED TO MAKE COVENANTS REGARDING THE ESTABLISHMENT AND USE OF AD VALOREM TAXES, RATES, FEES, TOLLS, PENALTIES, AND OTHER CHARGES OR REVENUES OF THE DISTRICT, AND COVENANTS, REPRESENTATIONS, AND WARRANTIES AS TO OTHER MATTERS ARISING UNDER THE AGREEMENTS, ALL AS MAY BE DETERMINED BY THE BOARD OF DIRECTORS OF THE DISTRICT?

BALLOT ISSUE [__] – REVENUE RETENTION:

SHALL TOWN OF TIMNATH - TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT BE AUTHORIZED TO COLLECT, RETAIN, AND SPEND ANY AND ALL AMOUNTS THE DISTRICT RECEIVES ANNUALLY FROM ANY REVENUE SOURCES WHATSOEVER WITHOUT REGARD TO ANY SPENDING, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW?

5. If a majority of the votes cast on the question to authorize the increase of tax submitted at the Election shall be in favor of the increase of tax as provided in such question, the Board shall be authorized to proceed with the necessary action to increase such tax in accordance with such question. Any authority to increase in tax, if conferred by the results of the Election, shall be deemed and considered a continuing authority to increase taxes so authorized at any one time, or from time to time, and neither the partial exercise of the authority so conferred, nor any lapse of time, shall be considered as exhausting or limiting the full authority so conferred.

6. Pursuant to Section 31-10-1308(2), C.R.S., any election contest arising out of a ballot issue or ballot question election concerning the order of the ballot or the form or content of the ballot title shall be commenced by petition filed with the proper court within five days after the title of the ballot issue or ballot question is set.

7. The ballot titles in Section 4 hereof are set based upon the requirements of TABOR and, pursuant to Section 31-11-102, C.R.S., are an alternative to the provisions of Section 31-11-111, C.R.S. regarding both a title and a submission clause.

8. If a majority of the votes cast on the questions to authorize the issuance of bonds as set forth above, the District intends to issue such bonds in the approximate aggregate principal amount of
$20,000,000 to pay the costs of the improvements or services authorized in such questions, including the reimbursement of certain costs incurred by the District prior to the execution and delivery of such bonds, upon terms acceptable to the District, as authorized in a resolution to be hereafter adopted and to take all further action which is necessary or desirable in connection therewith. The officers, employees and agents of the District shall take all action necessary or reasonably required to carry out, give effect to and consummate the transactions contemplated hereby and shall take all action necessary or desirable to finance the Project and to otherwise carry out the transactions contemplated by the resolution. The District shall not use reimbursed moneys for purposes prohibited by Treasury Regulation §1.150-2(h). This resolution is intended to be a declaration of “official intent” to reimburse expenditures within the meaning of Treasury Regulation §1.150-2.

9. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall in no manner affect any remaining provisions of this resolution.

10. All resolutions or parts of resolutions inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any resolution or part of any resolution heretofore repealed.

The effective date of this resolution shall be immediately upon adoption.

INTRODUCED, PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Timnath, Colorado, acting ex-officio as the Board of Directors of the Town of Timnath – Timnath Landing General Improvement District, on August 27, 2019.

TOWN OF TIMNATH – TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT

Jill Grossman-Belisle, Mayor/Chairman of the Board of Directors

ATTEST: APPROVED AS TO LEGAL FORM:

Milissa Peters-Garcia, CMC, Town Clerk/District Secretary

Town Attorney

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Timnath

Report

TO: Board of Directors

FROM: Robert Rogers

DATE OF MEETING: August 27, 2019

TITLE / SUBJECT: A Resolution Approving Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services and A Resolution Approving Engagement of CliftonLarsonAllen LLP (collectively, the “Resolutions”)

DESCRIPTION
A Resolution Approving Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services and A Resolution Approving Engagement of CliftonLarsonAllen LLP (collectively, the “Resolutions”)

SUMMARY
The Town and White Bear Ankele Tanaka & Waldron ("WBA") are parties to a Professional Services Agreement dated December 11, 2018 (the “WBA Agreement”). Pursuant to the WBA Agreement, WBA provides legal services to the Town and the Timnath Development Authority.

The Town and CliftonLarsonAllen LLP (“CLA”) are parties to a Professional Services Agreement dated December 11, 2018 (the “CLA Agreement”). Pursuant to the CLA Agreement, CLA provides accounting services to the Town and the Timnath Development Authority.

The Town has recently authorized the formation of the Town of Timnath – Timnath Landing General Improvement District (the “GID”) which is a separate legal entity from the Town of Timnath and the Timnath Development Authority. Resolution No. 2 approves an engagement letter for legal services between WBA and the GID.
Resolution No. 3 approves an engagement letter for accounting services between CLA and the GID.

RECOMMENDATION
Staff recommends approval of the Resolutions.

KEY POINTS
• Resolution No. 2 approves the engagement of WBA to provide legal services to the GID.
• Resolution No. 3 approves the engagement of CLA to provide accounting services to the GID.

ADVANTAGES
The Resolutions memorialize the engagement of WBA as legal counsel for the GID and the engagement of CLA to provide accounting services to the GID.

DISADVANTAGES
None.

FINANCIAL IMPLICATIONS
WBA’s and CLA’s fees for services rendered on the GID’s behalf will be based upon time charged using the same hourly rates charged by each consult for Town and Timnath Development Authority matters.

RECOMMENDED MOTION
I move for approval of the Resolutions.

ATTACHMENTS
1. Resolution No. 2
2. WBA Engagement Letter
3. Resolution No. 3
4. CLA Engagement Letter
A RESOLUTION APPROVING WHITE BEAR ANKELE TANAKA & WALDRON ENGAGEMENT LETTER FOR LEGAL SERVICES

WHEREAS, the Town Council of the Town of Timnath ("Town") pursuant to C.R.S. § 31-15-103, has the power to pass resolutions; and

WHEREAS, pursuant to Ordinance No. 9, Series 2019, the Town Council approved the establishment of the Town of Timnath – Timnath Landing General Improvement District (the “GID”); and

WHEREAS, attached hereto as Exhibit A is an Engagement Letter between the Town and White Bear Ankele Tanaka & Waldron for legal services to the GID (the “Engagement Letter”); and

WHEREAS, the Town Council is familiar with the Engagement Letter and finds it to be in the best interest of the Town, its residents, the general public, and the GID to approve the Engagement Letter.

NOW, THEREFORE, BE IT RESOLVED BY THE TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT OF THE TOWN OF TIMNATH, COLORADO AS FOLLOWS:

Section 1. Approval
The Engagement Letter is hereby approved in substantially the form attached hereto as Exhibit A, with such modifications and additions as the Town Manager, in consultation with Staff, determines to be necessary and appropriate to protect the interests of the Town or the Town of Timnath – Timnath Landing General Improvement District or to effectuate the purposes set forth herein and not otherwise inconsistent with this Resolution.

Jill Grossman-Belisle, Mayor/Chairman of the Board of Directors

ATTEST:

______________________________
Milissa Peters-Garcia, CMC,
Town Clerk/District Secretary
August 27, 2019

Board of Directors
Timnath Landing General Improvement District
c/o April Getchius, Town Manager
4750 Signal Tree Drive
Timnath, Colorado 80547

RE: Engagement of WHITE BEAR ANKELE TANAKA & WALDRON

Dear Directors:

We are pleased to confirm our engagement as general counsel to the Timnath Landing General Improvement District (the “District”).

This engagement letter provides the terms upon which White Bear Ankele Tanaka & Waldron (“WBA”) will provide legal services to the District and is intended to formalize our retention as general counsel, as required by the applicable Rules of Professional Conduct. This letter sets forth details of the engagement, including how we propose to staff the matter, billing arrangements and certain conflict of interest understandings. Additional information about WBA can be found at www.whitebearankele.com.

1. Personnel. Legal services provided under this engagement may be performed by any lawyer at WBA. We will also use paralegals and/or other support staff as we believe to be necessary and effective in providing you with legal services.

2. Fees, Expenses and Retainer. Our fees for services rendered on the District’s behalf will be based upon time charged using the hourly rates charged by each attorney or paralegal working on the matter. WBA’s legal services are billed on an hourly basis, in increments of one-tenth of an hour, and are not contingent. Hourly rates for professionals in WBA currently range from $225.00 to $475.00 (attorneys), from $135.00 to $200.00 (paralegals), and are $200.000 to $210.00 for other professionals. Hourly rates are revised periodically to reflect the current cost for delivery of legal services and the fees charged for services under this engagement may change without notice. From time to time WBA prepares memoranda, agreements or other documents based upon current legislative, State and Federal law concerns that are the subject of common interest and benefit to our clients. WBA allocates the fees for this work on an equitable basis to clients who benefit from this legal work by WBA’s personnel. If you do not wish to receive this information, please advise us.
Board of Directors  
Timnath Landing General Improvement District  
RE: Engagement of WHITE BEAR ANKELE TANAKA & WALDRON  
August 27, 2019  
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accordingly. WBA contracts with other law firms for the performance of specialized services. In the event that these services are rendered on behalf of the Client, the fees and costs associated with those services will be reflected on WBA’s bill.

In addition to legal fees, WBA also charges for certain out-of-pocket costs incurred by us in representing you. Charges for long distance telephone calls (domestic only), conference calling services (domestic only), facsimiles (domestic only), in-office copying, ordinary postage (under $10.00), and deliveries made by in-house staff are covered by an administrative fee, currently equal to 2.5% of the legal fees charged. This administrative fee is in lieu of itemizing those expenses and may be adjusted over time. If there are other expenses, such as filing and recording fees, computer-assisted research fees, mileage, delivery service fees, travel, meals or hotel accommodation charges, those will be billed separately. These costs are subject to the same payment terms as legal fees and are your responsibility. WBA’s policy is to advance or incur expenses on a discretionary basis up to $1,000.00, subject to your reimbursement of them in the next bill. If an expense will exceed that amount, we will ask you to pay it directly to us in advance or have you contract directly with the vendor.

WBA will not require the payment of a retainer at this time, but we reserve the right to require a retainer if deemed necessary by WBA or if you fail to timely pay invoices.

3. Billing. Generally, invoices for fees and expenses will be submitted to you monthly and are due upon receipt. If an invoice remains unpaid after thirty (30) days, we will consider it in default and you agree that we may charge a late fee on all amounts due and owing at the rate of one percent (1%) compounded monthly. By signature below, you agree to pay all fees, costs and expenses billed by WBA for the legal services. If payments as described above are not paid on a timely basis, WBA may withdraw from the representation in accordance with the Rules of Professional Conduct. In the event that WBA is compelled to resort to collection of your account, which may or may not include litigation, you agree that your obligations to WBA shall include payment of all costs and expenses of such collection efforts, including court fees and costs, attorneys’ fees and out-of-pocket expenses.

4. Attorney-Client Relationship. In performing our services as general counsel to the District, the District will be our client. We will represent the interests of the District, acting through its duly authorized management and at the Board of Directors’ (the “Board” or “Directors”) direction. We do not represent the interests of any of the Board, the Directors individually, or the District’s employees. Nothing in this engagement agreement and nothing in our statements to you will be construed as a guarantee or promise about the outcome of any matter which WBA may handle on your behalf. Our comments about the outcome of your matters or any phase thereof are expressions of opinion only. Further, neither WBA nor any of its attorneys or employees shall be employed, retained, or otherwise categorized as a “municipal advisor” to the District as such term is defined in the 15 U.S.C. 78o-4(e)(4)(c), as amended by the Dodd/Frank Act (the “Act”), or any rules promulgated by the Securities and Exchange Commission under the Act. Any comments or advice provided by WBA or its attorneys regarding the issuance of securities by the District shall be solely
of a “traditional legal nature”, as permitted under the Act. Throughout the attorney-client relationship, the District consents to the use of the District’s name and public information relating to the District’s transactions on WBA’s website or in other marketing materials.

5. **Conflicts of Interest.** We have performed an internal review for potential conflicts of interest based upon information you have provided to us. In doing so, we find it important to note that we currently represent the Town of Timnath and the Timnath Development Authority pursuant to a Professional Services Agreement dated December 11, 2018, and the Timnath Foundation pursuant to a separate engagement letter. Although we are not aware of any conflicts between the Town, the Timnath Development Authority, and/or the Timnath Foundation, in the event that your interests are or become adverse to one or more of these entities, we will discuss our continued engagement with you at that time.

WBA represents many other local governments and municipal clients that may be viewed as competing with the District. Simultaneous representation in unrelated matters of clients whose interests are only economically adverse, such as representation of competing economic enterprises in unrelated transactions, does not ordinarily constitute a conflict of interest that requires consent of the respective clients.

6. **Document Retention.** WBA maintains its client files electronically and ordinarily does not keep separate paper files. We will scan documents you or others send to us related to your work to our electronic file and will ordinarily maintain the electronic version throughout the term of our engagement or, in some instances, while a particular matter or project is pending. Unless you instruct us otherwise, with limited exceptions for certain documents such as original real property deeds and promissory notes, once such documents have been scanned to our electronic file, we will destroy all paper documents provided to us. Following the conclusion of our services, we will return the District’s files to the District upon request, unless WBA has not received payment of all outstanding fees and costs, in which case WBA reserves the right to withhold them until payment is made. Otherwise, no sooner than thirty (30) days after the conclusion of our services, we may destroy the files. Please note that if WBA is designated as the public records custodian for the District pursuant to §§24-72-202, *et seq.*, C.R.S., WBA will maintain all public records in accordance with any duly approved and adopted retention and destruction policy of the District and the Colorado State Archives or similar regulatory body.

7. **Termination.** You will have the right to terminate our representation at any time. Whether you terminate the representation or we terminate the representation for reasons set forth in the Rules of Professional Conduct, including nonpayment of legal fees and expenses, all fees incurred for services rendered through the date of termination, as well as all costs and expenses incurred by us on your behalf, must be paid within ten days of receipt of our final statement. We reserve the right to charge for any extraordinary work required in connection with the orderly transition of pending matters to new counsel. Upon conclusion of our services, whether due to termination or completion of the work, we will not thereafter be responsible for legal matters for which our services have not been specifically requested and we have agreed to perform in writing.
8. **Arbitration of Disputes.** If a dispute arises regarding our services or fees set forth in this engagement letter or any prior engagement letter between you and WBA, any fee dispute will be decided by the Colorado Bar Association Legal Fee Arbitration Committee in Denver, Colorado. There is no charge for the dispute resolution services provided by the Legal Fee Arbitration Committee and each party will pay its own costs and expenses. If, either in addition to a pending fee dispute or in the absence of one, any other dispute or claim of any type or nature arises with respect to services rendered pursuant to this engagement agreement set forth in this engagement letter or any prior engagement letter between you and WBA, including, without limitation, a claim for legal malpractice, it will be decided by the Judicial Arbiter Group in Denver, Colorado by a single arbitrator to be mutually agreed to by the parties. Each party will be responsible for paying one-half of all fees and expenses charged by the arbitrator. The parties recognize that by agreeing to arbitration as the method for dispute resolution, they: relinquish the right to bring an action in court and seek remedies available in court proceedings, including the extensive discovery rights typically permitted in judicial proceedings; waive the right to a jury trial; acknowledge the arbitrator’s award is not required to include factual findings or legal reasoning; and acknowledge that any party’s right to appeal or seek modification of the award is strictly limited and the award is final and binding on the parties.

9. **Employment Eligibility.** WBA hereby states that it does not knowingly employ or contract with an illegal alien, and that WBA has participated in or has attempted to participate in the E-Verify program pursuant to §§8-17.5-101, *et seq.*, C.R.S., in order to verify that it does not employ any illegal aliens.

10. **Representative Client Lists.** WBA currently maintains a website, firm résumé, and other materials for use with current and potential clients and for marketing purposes. Execution of this engagement letter provides your consent to WBA’s use of the District’s name as a representative client of WBA on our website, firm résumé, and other materials.

If you are in agreement with the foregoing terms of this engagement and it meets your understanding of the professional relationship we have established, please have an authorized representative of the District sign and return a copy of this letter to our office at your earliest convenience. By signing below, you acknowledge that you have been given the opportunity to discuss this engagement letter with another attorney or any other person of your choosing.

We look forward to working with you and will commit the necessary resources of WBA to meet your needs. Our efforts will always be to ensure that our relationship is based on open and honest communication regarding these matters. If at any time you have questions concerning our representation, please feel free to contact us immediately.

Sincerely,

**WHITE BEAR ANKELE TANAKA & WALDRON**
Attorneys at Law

[Signature]

**White Bear Ankele Tanaka & Waldron**
JGT:ecs

APPROVED, ACCEPTED AND AGREED TO BY:
Timnath Landing General Improvement District

Signature

Printed Name: ____________________________
Position: ____________________________
Date: ____________________________
TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT
RESOLUTION NO. 3, SERIES 2019

A RESOLUTION APPROVING CLIFTONLARSONALLEN LLP ENGAGEMENT
LETTER FOR ACCOUNTING SERVICES

WHEREAS, the Town Council of the Town of Timnath (“Town”) pursuant to C.R.S. § 31-15-103, has the power to pass resolutions; and

WHEREAS, pursuant to Ordinance No. 9, Series 2019, the Town Council approved the establishment of the Town of Timnath – Timnath Landing General Improvement District (the “GID”); and

WHEREAS, attached hereto as Exhibit A is an Engagement Letter between the Town and CliftonLarsonAllen LLP for accounting services to the GID (the “Engagement Letter”); and

WHEREAS, the Town Council is familiar with the Engagement Letter and finds it to be in the best interest of the Town, its residents, the general public, and the GID to approve the Engagement Letter.

NOW, THEREFORE, BE IT RESOLVED BY THE TIMNATH LANDING GENERAL IMPROVEMENT DISTRICT OF THE TOWN OF TIMNATH, COLORADO AS FOLLOWS:

Section 1. Approval
The Engagement Letter is hereby approved in substantially the form attached hereto as Exhibit A, with such modifications and additions as the Town Manager, in consultation with Staff, determines to be necessary and appropriate to protect the interests of the Town or the Town of Timnath – Timnath Landing General Improvement District or to effectuate the purposes set forth herein and not otherwise inconsistent with this Resolution.

Jill Grossman-Belisle, Mayor/Chairman of the Board of Directors

ATTEST:

___________________________________
Milissa Peters-Garcia, CMC,
Town Clerk/District Secretary
EXHIBIT A

Engagement Letter
August 20, 2019

Engagement letter for:

Town of Timnath – Timnath Landing
General Improvement District

Prepared by:
Christine Harwell, CPA
Christine.Harwell@CLAconnect.com
Phone (303) 779-5710
August 20, 2019

Board of Directors
Town of Timnath – Timnath Landing General Improvement District

Dear Board:

We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services CliftonLarsonAllen LLP (“CLA,” “we,” “us,” and “our”) will provide for the Town of Timnath – Timnath Landing General Improvement District (“you,” “your,” or “the entity”) for the year ended 2019. The terms of our engagement will apply to the initial and all subsequent periods, unless the agreement is changed in a communication that you and CLA both sign or terminated as permitted herein.

Christine Harwell is responsible for the performance of the compilation and preparation engagements and other services identified in this agreement. She may be assisted by one or more of our authorized signers in the performance of the preparation engagement. Marjorie Wickham is responsible for the daily activities of the engagement.

Scope of professional services
CLA will perform the following services for your district:

Ongoing normal accounting services:
  • Outsourced accounting functions
    – For each fund of the district, CLA will generally prepare and maintain the following accounting records:
      o Cash receipts journal
      o Cash disbursements journal
      o General Ledger
      o Accounts receivable journals and ledgers
      o Deposits with banks and financial institutions
      o Schedule of disbursements
      o Bank account reconciliations
      o Investment records
    – Process accounts payable including the preparation and issuance of checks.
    – Prepare billings, record billings, enter cash receipts, and track revenues.
– Reconcile certain accounts regularly and prepare journal entries.

– Prepare depreciation schedules.

– As requested, we will either (1) prepare monthly/quarterly/as requested financial statements and supplementary information and perform a compilation engagement with respect to those financial statements, or (2) prepare monthly/quarterly/as requested financial statements and supplementary information, but not perform a compilation with respect to those financial statements.

  o We expect that you will request CLA to (1) perform a compilation of the district’s quarterly financial statements for filing with third parties on behalf of lenders as required by the district’s financing agreements, and/or (2) prepare financial statements, that will not be subject to a compilation for use by the district’s board of directors.

  o We expect that if the financial statements are intended for use by someone who is not knowledgeable about the district’s financial affairs, you will request that they be subject to a compilation engagement.

  o We will request the board of directors to document acceptance of the requested services performed or not performed in the minutes or in an administrative resolution at least annually.

  o Additional information is provided below.

– Prepare a schedule of cash position to manage the district’s cash deposits, funding for disbursements, and investment programs in accordance with policies established by the district’s board of directors.

– Prepare the annual budget, perform a compilation engagement with respect to the annual budget, and assist with the filing of the annual budget – additional information is provided below.

– Assist the district’s board of directors in monitoring actual expenditures against appropriation/budget.

– If an audit is required, prepare the year-end financial statements (additional information is provided below) and related audit schedules for use by the district’s auditors.

– If an audit is not required, prepare the Application for Exemption from Audit, perform a compilation engagement with respect to the Application for Exemption from audit, and assist with the filing of the Application for Exemption from Audit – additional information is provided below.

– Monitor compliance with bond indentures and trust agreements, including preparation of continuing disclosure reports to the secondary market as required.

– Review claims for reimbursements from related parties prior to the board of directors’ review and approval.
– Read supporting documentation related to the district’s acquisition of infrastructure or other capital assets completed by related parties for overall reasonableness and completeness. Procedures in excess of providing overall reasonableness and completeness will be subject to a separate engagement letter. These procedures may not satisfy District policies, procedures, and Agreement requirements. Note: our procedures should not be relied upon as the final authorization for this transaction.

– Attend board meetings as requested.

– Be available during the year to consult with you on any accounting matters related to the district.

– Review and approve monthly reconciliations and journal entries prepared by staff.

– Reconcile complex accounts monthly and prepare journal entries.

– Analyze financial statements and present to management and the board of directors.

– Develop and track key business metrics as requested and review periodically with the board of directors.


– Continue process and procedure improvement implementation.

– Report and manage cash flows.

– Assist with bank communications.

– Perform other nonattest services.

• Cash access services

  – Prepare checks and wire transfers to be drawn upon your bank account(s).

  – Obtain administrator access to your bank accounts for purposes of performing the duties documented in our engagement letter.

  – Take deposits to the bank, which may include cash.
Compilation services
As requested, we will prepare the monthly/quarterly/as requested financial statements of the District, which comprise the balance sheet – governmental funds and the related statements of revenues, expenditures, and changes in fund balance – general fund, and perform a compilation engagement with respect to those financial statements. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; and required supplementary information.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the district’s basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context. The supplementary information other than RSI accompanying the compiled financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements. Supplementary information other than RSI will be subject to the compilation engagement. Other information will not be subject to the compilation engagement. Management has requested that the required supplementary information not be presented.

We will prepare the annual budget (for the subsequent year) of revenues, expenditures, and fund balances, including the estimate of comparative information (for the current year) and the actual comparative information (for the prior year), in the format prescribed by Colorado Revised Statutes C.R.S. 29-1-105, and perform a compilation engagement with respect to the annual budget.

References to financial statements in the remainder of this engagement letter are taken as a reference to also include the budget/prospective financial information where available.

The budget presents, to the best of the Board of Directors knowledge and belief, the District’s expected financial position and results of operations for the budget period. It is based upon the board of Directors assumptions reflecting conditions its expects to exist and courses of actions it expects to take during the budget period.

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

Preparation services – monthly/quarterly
As requested, we will prepare the monthly/quarterly financial statements of the District, which comprise the balance sheet – governmental funds and the related statement of revenues, expenditures, and changes in fund balance – general fund. The financial statements will not include the related notes to the financial statements; the government-wide financial statements; the statement of revenues, expenditures, and changes in fund balances – governmental funds; and required supplementary information.

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

**Engagement objectives and our responsibilities**

The objectives of our engagement are to:

a. Prepare monthly/quarterly financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP), except for the departures from U.S. GAAP identified above, based on information provided by you and information generated through our outsourced accounting services.

b. As requested, apply accounting and financial reporting expertise to assist you in the presentation of monthly/quarterly financial statements without undertaking to obtain or provide any assurance that there are not material modifications that should be made to the financial statements in order for them to be in accordance with U.S. GAAP, except for the departures from U.S. GAAP identified above.

c. Prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 based on information provided by you.

d. Apply accounting and financial reporting expertise to assist you in the presentation of the annual budget without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the annual budget in order for the annual budget to be in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.

e. If an audit is not required, prepare the Application for Exemption from Audit in accordance with the requirements prescribed by Colorado office of the State Auditor based on information provided by you.

f. Apply accounting and financial reporting expertise to assist you in the presentation of the Application for Exemption from Audit without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the Application for Exemption from Audit in order for the Application for Exemption from Audit to be in accordance with the requirements of the Colorado Office of the State Auditor.

g. If an audit is required, prepare the year-end financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) based on information provided by you.
We will conduct our compilation and preparation engagements in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the American Institute of Certified Public Accountants (AICPA) and comply with the AICPA’s Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence, and due care.

**Engagement procedures and limitations**

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

Our engagement cannot be relied upon to identify or disclose any misstatements in the monthly/quarterly financial statements, the annual budget, the Application for Exemption from Audit, and the year-end financial statements, including misstatements caused by fraud or error, or to identify or disclose any wrongdoing within the district or noncompliance with laws and regulations. We have no responsibility to identify and communicate deficiencies in internal control as part of this engagement. You agree that we shall not be responsible for any misstatements in the district’s financial statements, the annual budget, the application for Exemption from Audit, an the year-end financial statements that we may not identify as a result of misrepresentations made to us.

**Our report**

As part of our monthly/quarterly compilation engagements, we will issue a compilation report that will state that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them. We will disclose that we are not independent in our report.

The compilation report on the monthly/quarterly financial statements will indicate that management has elected to omit substantially all the disclosures; the government-wide financial statements required by U.S. GAAP; and the statement of revenues, expenditures, and changes in fund balances - governmental funds; and that if the omitted disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds were included in the financial statements, they might influence the user’s conclusions about the district’s financial position, changes in financial position, and that the financial statements are not designed for those who are not informed about such matters.

The compilation report on the monthly/quarterly financial statements will indicate that management has omitted the required supplemental information and that such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

The compilation report on the monthly/quarterly financial statements will state that the accompanying annual budget information presented in comparison with the statement of revenues, expenditures, and changes in fund balance (general service fund and debt service fund) has not been compiled or examined by us, and accordingly, we do not express an opinion or any other form of assurance on it.
The compilation report on the monthly/quarterly financial statements will also state that the accompanying historical supplementary information is presented for purposes of additional analysis and is not a required part of the basic financial statements; the information is the responsibility of management; the historical supplementary information was subject to our compilation engagement; we have not audited or reviewed the historical supplementary information and do not express an opinion, a conclusion, nor provide any form of assurance on the historical supplementary information.

The compilation report on the year-end financial statements will also state that the supplementary budget information is presented for purposes of additional analysis and is not a required part of the basic financial statements; the information is the responsibility of management; the supplementary budget information was subject to our compilation engagement; we have not audited or reviewed the supplementary budget information and do not express an opinion, a conclusion, nor provide any form of assurance on the supplementary budget information.

The compilation report on the annual budget will state that management is responsible for the accompanying budget (for the subsequent year) of revenues, expenditures, and fund balances, including the estimate of comparative information (for the current year) and the actual comparative information (for the prior year) in the format prescribed by Colorado Revised Statutes C.R.S. 29-1-105, that we performed a compilation of the annual budget, that we did not audit or review the annual budget, and that, accordingly, we do not express an opinion, a conclusion, not provide any form of assurance on it. The report will also state that the budget is presented in accordance with the requirements of Colorado Revised Statutes C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

Additionally, our report will disclose that budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected and these differences may be material. We assume no responsibility to update our report for events and circumstances occurring after the date of our report.

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

There may be circumstances in which the report may differ from its expected form and content. If, for any reason, we are unable to complete the compilations of your financial statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), or the year-end financial statements (if an audit is required), we will not issue reports on such statements, the annual budget, the Application for Exemption from Audit (if an audit is not required), or the year-end financial statements (if an audit is required), as a result of this engagement.
No assurance statement

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

As part of our preparation of financial statements that are not subject to a compilation engagement, each page of the financial statements and supplementary information will include the following statement: “No assurance is provided on these financial statements. Substantially all required disclosures, the government-wide financial statements, and the statement of revenues, expenditures, and changes in fund balances – governmental funds have been omitted”.

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

Management responsibilities

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

The annual budget engagement to be performed is conducted on the basis that management acknowledges and understands that our role is to prepare the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105 and asset management in the presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105.

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

We are required by professional standards to identify management’s responsibilities in this agreement. Professional standards define management as the persons with executive responsibility for the conduct of the district’s operations, and may include some or all of those charged with governance. Those standards require that you acknowledge and understand that management has the following overall responsibilities that are fundamental to our undertaking the engagement to prepare your financial statements in accordance with SSAR5s:

a. The selection of the financial reporting framework to be applied in the preparation of the financial statements, the annual budget, and the Application for Exemption from Audit.

b. The preparation and fair presentation of the financial statements in accordance with U.S. GAAP, except as identified above, the preparation and fair presentation of the annual budget in accordance with the requirements prescribed by Colorado Revised Statutes C.R.S. 29-1-105, and the preparation and fair
presentation of the Application for Exemption from Audit (if applicable) in accordance with the requirements prescribed by the Colorado Office of the State Auditor.

c. The presentation of the supplementary information.

d. The presentation of the required supplementary information.

e. The design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) that are free from material misstatement, whether due to fraud or error.

f. The prevention and detection of fraud.

g. To ensure that the district complies with the laws and regulations applicable to its activities.

h. The accuracy and completeness of the records, documents, explanations, and other information, including significant judgments, you provide to us for the engagement to prepare financial statements.

i. To provide us with the following:

   i. Access to all information relevant to the preparation and fair presentation of the financial statements, the annual budget, and the Application for Exemption from Audit (if applicable) such as records, documentation, and other matters.

   ii. Additional information that may be requested for the purpose of the engagement.

   iii. Unrestricted access to persons within the entity with whom we determine it necessary to communicate.

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

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

**Management responsibilities relevant to CLA’s access to your cash**

Someone with management authority is responsible for the processes below. All approvals listed must be documented in writing, either electronically or manually, or formally approved and documented in the minutes of the district’s board meeting.

- Approve all invoices and check payments.

- Approve all new vendors and customers added to the accounting system.
• Approve all wire transfers to external parties.
• Approve all new employees and all employee status changes prior to those employees or changes being added to the payroll system.
• Approve all credit card statements prior to those expenses being processed in the accounting system and subsequently paid.
• Approve (or delegate to the CLA controller if applicable) all customer and vendor credit memos and accounts receivable amounts written off.
• Review and approve (or delegate to the CLA controller if applicable) all bank statements and affiliated monthly reconciliations.

Fees, time estimates, and terms
Our fees for these services will be based on the time involved and the degree of responsibility and skills required, plus expenses including internal and administrative charges. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 60 days or more overdue and will not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed even if we have not issued our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

The rates currently in effect for our services are as follows:

- Principal $300 - $425
- Chief Financial Officer $200 - $365
- Controller $180 - $225
- Senior $140 - $185
- Staff $80 - $155
- Administrative Support $80 - $100

As our rates change over time, we will provide an updated rate schedule.

Out-of-pocket expenses such as out-of-town travel, meals, and lodging will be billed at cost and are not included in the fees quoted above. The fee estimate is based on anticipated cooperation from your personnel and their assistance with preparing requested schedules. If the requested items are not available on the dates required or are not accurate, the estimated fee for services will likely be higher. If unexpected circumstances require significant additional time, we will advise you before undertaking work that would require a substantial increase in the fee estimate.

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

You agree that if any statement is not paid within 30 days from its billing date, the unpaid balance shall accrue interest at the monthly rate of one and one-quarter percent (1.25%), which is an annual percentage rate of 15%. In the event that any collection action is required to collect unpaid balances due us, reasonable attorney fees and expenses shall be recoverable.

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

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

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

We may issue preliminary drafts to you for your review. Any preliminary drafts should not be relied on or distributed.

**Municipal advisors**

CliftonLarsonAllen Municipal Advisors (“CLAMA”) is a registered municipal advisor. Municipal advisor services provided by CLAMA will be covered by a separate engagement letter.

The district is not engaging CLA as a municipal advisor, and CLA is not a municipal advisor as defined in Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act or under Section 15B of the Securities Exchange Act of 1934 (the “Act”). CLA is not recommending an action to you, is not acting as an advisor to you, and does not owe a fiduciary duty pursuant to Section 15B of the Act to you with respect to the information and material contained in the deliverables issued under this engagement. You should discuss any information and material contained in the deliverable with any and all internal and external advisors that you deem appropriate before acting on this information or material.

**Limitation of remedies**

Our role is strictly limited to the engagement described in this letter, and we offer no assurance as to the results or ultimate outcomes of this engagement or of any decisions that you may make based on our communications with you. You agree that it is appropriate to limit the liability of CLA, its partners, principals, directors, officers, employees, and agents (each a “CLA party”) and that this limitation of remedies provision is governed by the laws of the state of Colorado, without giving effect to choice of law principles.
You further agree that you will not hold CLA or any other CLA party liable for any claim, cost, or damage, whether based on warranty, tort, contract, or other law, arising from or related to this agreement, the services provided under this agreement, the work product, or for any plans, actions, or results of this engagement, except to the extent authorized by this agreement. In no event shall any CLA party be liable to you for any indirect, special, incidental, consequential, punitive, or exemplary damages, or for loss of profits or loss of goodwill, costs, or attorney fees.

The exclusive remedy available to you shall be the right to pursue claims for actual damages that are directly caused by acts or omissions that are breaches by a CLA party of our duties owed under this agreement, but any recovery on any such claims shall not exceed the fees actually paid under this agreement by you to CLA.

**Time limitation**

The nature of our services makes it difficult, with the passage of time, to gather and present evidence that fully and fairly establishes the facts underlying any dispute that may arise between you and any CLA party. The parties (you and CLA) agree that, notwithstanding any statute or law of limitations that might otherwise apply to a dispute, including one arising out of this agreement or the services performed under this agreement, for breach of contract or fiduciary duty, tort, fraud, misrepresentation or any other cause of action or remedy, any action or legal proceeding by you against any CLA party must be commenced as provided below or you shall be forever barred from commencing a lawsuit or obtaining any legal or equitable relief or recovery. An action to recover on a dispute shall be commenced within the statute of limitation under Colorado state statutes.

**Service satisfaction**

If you are not completely satisfied with the services performed by CLA, we will take reasonable corrective action to satisfy you, and then if you are not completely satisfied, we will accept a portion of the fees that reflects your level of satisfaction. Upon full payment of our invoice, we will assume you are satisfied with our work and our service commitment will have been fulfilled.

To ensure that our services remain responsive to your needs, as well as fair to both parties, we will meet with you throughout the term of the agreement and, if necessary, revise or adjust the scope of the services to be provided and the fees to be charged.

Furthermore, it is understood that either party may terminate this agreement at any time, for any reason, by giving 30 days written notice to the other party. In that event, the provisions of this agreement shall continue to apply to all services rendered prior to termination. It is understood that any unpaid fees that are owed or invoices that are outstanding at the date of termination are to be paid in accordance with the terms of this agreement.

**Other provisions**

Except as permitted by the “Consent” section of this agreement, CLA will not disclose any confidential, proprietary, or privileged information of the entity to any persons without the authorization of entity management or unless required by law. This confidentiality provision does not prohibit us from disclosing your information to one or more of our affiliated companies in order to provide services that you have requested from us or from any such affiliated company. Any such affiliated company shall be subject to the same restrictions on the use and disclosure of your information as apply to us.
Pursuant to authority given by law or regulation, we may be requested to make certain work papers available to a regulator for their regulatory oversight purposes. We will notify you of any such request. Access to the requested work papers will be provided to the regulators under the supervision of CLA personnel and at a location designated by our firm. Furthermore, upon request, we may provide copies of selected work papers to such regulators. The regulators may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

We will be responsible for our own property and casualty, general liability, and workers compensation insurance, taxes, professional training, and other personnel costs related to the operation of our business.

When performing the services above, we will utilize the resources available at the entity to the extent practical to continue development of your personnel. During a portion of our work, we may require the use of your computers. We will try to give you advance notice and coordinate our use so it does not interfere with your employees.

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

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

We are available to perform additional procedures with regard to fraud detection and prevention, at your request, as a separate engagement, subject to completion of our normal engagement acceptance procedures. The terms and fees of such an engagement would be documented in a separate engagement letter.

The entity agrees that CLA will not be assuming any fiduciary responsibility on your behalf during the course of this engagement.

CLA may, at times, utilize external web applications to receive and process information from our clients; however, it is not appropriate for you to upload protected health information using such applications. All protected health information contained in a document or file that you plan to transmit to us via a web application must be redacted by you to the maximum extent possible prior to uploading the document or file. In the event that you are unable to remove or obscure all protected health information, please contact us to discuss other potential options for transmitting the document or file.
Additional provisions required by C.R.S. 8-17.5-102(2) (a) (I) and (II)

Unlawful employees, contractors, and subcontractors

CliftonLarsonAllen LLP (Contractor) shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor shall not knowingly contract with a subcontractor that (a) knowingly employs or contracts with an illegal alien to perform work under this contract of (b) files to certify to the Contractor that the subcontractor will not knowingly employ or contract with an illegal alien to perform work under this contract. [C.R.S 8-17.5-102(2) (a) (I) and (II)]

Verification regarding illegal aliens

Contractor has verified or attempted to verify through participation in the E-Verify Program or the Department Program [as defined in C.R.S. 8-17.5-101(3.3) and (3.7)] of the state of Colorado that Contractor does not employ any illegal aliens.

Limitation regarding E-Verify Program and the Department Program

Contractor shall not use the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while performing this contract. [C.R.S. 8-17.5-102(2)(b)(III)]

Duty to terminate a subcontractor and exceptions

If Contractor obtains actual knowledge that a subcontractor performing work under this contract knowingly employs or contracts with an illegal alien, the Contractor shall, unless the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien:

(1) Notify the subcontractor and the district within three days that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

(2) Terminate the subcontract with the subcontractor if, within three days of receiving notice that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien, the subcontractor does not stop employing or contracting with the illegal alien. [C.R.S. 8-17.5-102(2)(b)(III)(A) and (B)]

Duty to comply with state investigation

Contractor shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to C.R.S. 8-17.5-102(5). [C.R.S. 8-17.5-102(2)(b)(IV)]

Employment provision

In the event that a CLA employee is solicited to work in a position as an employee of the entity, and in the event that the CLA employee accepts the position of employment with the entity, the following conditions will apply:

1. CLA will require a four-week notice period subsequent to the employee’s written notice to CLA, and

2. The entity will be required to pay an employment fee of $60,000 for the controller and $25,000 for the staff to CLA immediately upon receipt of this notice.
If any former CLA employee shall be hired as an employee within 60 days of leaving CLA, there shall be a refutable presumption that the CLA employee was solicited to work as an employee of the entity and the above fee shall be payable to CLA.

Consent

Consent to use financial information
Annually, we assemble a variety of benchmarking analyses using data obtained through our client engagements. Some of this benchmarking information is published and released publicly. However, the information that we obtain is confidential, as required by the AICPA Code of Professional Conduct. Your acceptance of this engagement letter will serve as your consent to use of the district’s information in these cost comparison, performance indicator, and/or benchmarking reports.

Subcontractors
CLA may, at times, use subcontractors to perform services under this agreement, and they may have access to your information and records. Any such subcontractors will be subject to the same restrictions on the use of such information and records as apply to CLA under this agreement.

Technology
CLA may, at times, use third-party software applications to perform services under this agreement. You authorize CLA to sign on your behalf any vendor agreements applicable to such software applications. CLA can provide a copy of the application agreement at your request. You acknowledge the software vendor may have access to your data.

Agreement
We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. This letter constitutes the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and CLA. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign, date, and return the signed copy to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our engagement to prepare your financial statements, and the parties’ respective responsibilities.

Sincerely,

CliftonLarsonAllen LLP

Christine Harwell, CPA
Principal
(303) 779-5710
Christine.Harwell@CLAconnect.com
Enclosures

**Response:**
This letter correctly sets forth the understanding of Town of Timnath – Timnath Landing General Improvement District.

Authorized signature: ________________________________

Title: ________________________________

Date: ________________________________