



CHEROKEE METROPOLITAN DISTRICT
6250 Palmer Park Blvd., Colorado Springs, CO 80915-2842
Telephone: (719) 597-5080 Fax: (719) 597-5145

May 20, 2026 Board Meeting Packet

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CHEROKEE METROPOLITAN DISTRICT
REGULAR MEETING OF THE BOARD OF DIRECTORS

MINUTES – APRIL 21, 2026

The Regular Meeting of the Board of Directors of the Cherokee Metropolitan District was held on Tuesday, April 21, 2026 at 5:30 p.m. at 6250 Palmer Park Blvd., Colorado Springs, Colorado.

Board of Directors Present: Dan Wall, Kim Hale, Jeff Bandy, Jeremy Atkinson, Dolly Letriz

CMD Staff Present: Kevin Brown, General Manager; Joshua Watkins, Wastewater Supervisor/ORC

Others Present: Joan Fritsche, Fritsche Law LLC

ITEM 1: Call to Order

The meeting was called to order by Director Wall at 5:30 p.m. A quorum of the Directors was present and there were no changes to Directors' qualifications or disclosures. Those in attendance were asked to stand and cite the Pledge of Allegiance.

ITEM 2: Review and Approval of the Agenda

A. Addendums/Amendments to Agenda

The agenda was reviewed for any changes. Mr. Brown requested that the Board postpone the 1st Quarter Financial Review. Board discussion followed.

MOTION: THE BOARD APPROVED THE AGENDA AS AMENDED TO TABLE ITEM 5(B) – 1ST QUARTER FINANCIAL REVIEW. ALL IN FAVOR.

ITEM 3: Public Comment

None.

ITEM 4: Consent Agenda

Items on the Consent Agenda:

A. March 17, 2026 Regular Meeting Minutes

MOTION: DIRECTOR HALE MOVED, SECONDED BY DIRECTOR ATKINSON, TO APPROVE ITEM A ON THE CONSENT AGENDA. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

ITEM 5: Financial Report

A. March 2026 Financial Report

Mr. Brown reviewed the March 2026 Financial Report. Director Hale asked about missing revenue for March.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HALE, TO APPROVE THE MARCH FINANCIAL REPORT AS PRESENTED. ALL IN FAVOR. MOTION UNANIMOUSLY PASSED.

B. 1st Quarter Financial Review

Mr. Brown gave a brief overview of the First Quarter Financial Report. Mr. Brown noted field work for the 2025 Audit is complete and preparation of the 2025 Audit is on track. The Board had no additional questions.

ITEM 6: New Business

A. RJ Gleeson Construction Contract – Valve Replacement Project (Various Locations)

Mr. Brown presented the bid analysis for the 2026 valve replacement project. The District received six bids for the project on March 30, 2026. After review of the bids, District Staff recommends the District award the contract for the 2026 Valve Replacement Project to RJ Gleeson Construction LLC.

MOTION: DIRECTOR BANDY MOVED, SECONDED BY DIRECTOR ATKINSON, TO AWARD THE CONTRACT FOR THE 2026 VALVE REPLACEMENT PROJECT TO RJ GLEESON CONSTRUCTION LLC, IN THE AMOUNT OF \$301,975.00. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

B. Golfnow Agreement – Golf Round Booking Software

Mr. Brown presented the Agreement with Golfnow, LLC. Golfnow provides the software and online booking engine for customers to reserve tee times at Cherokee Ridge Golf Course and was proposed by the Golf Course Manager. Golfnow agreed to the District’s requested changes to its standard contract.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HALE, TO APPROVE THE AGREEMENT WITH GOLFNOW, LLC. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

C. Burns & McDonnell Contract Change – Treatment Site Pipeline Easement Acquisition

Mr. Brown reviewed Amendment #4 to the District’s Master Agreement with Burns & McDonnell for an updated scope of work including easement acquisition between the District’s existing pump

station and the planned PFAS treatment facility. The team is already in place and able to coordinate with eminent domain counsel to acquire the necessary easements before construction in late 2027 and early 2028.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR ATKINSON, TO APPROVE AMENDMENT NO. 4 TO THE BURNS & MCDONNELL MASTER AGREEMENT IN THE AMOUNT OF \$263,069. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

D. Employee Handbook Amendments

Mr. Brown reviewed proposed revisions to the District’s Employee Handbook. The revisions update the Vacation Accrual and District Vehicle Use sections of the Handbook. Board discussion followed regarding employee phone use.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HALE, TO TABLE THIS MATTER UNTIL NEXT REGULAR BOARD MEETING. ALL IN FAVOR. MOTION PASSED UNANIMOUSLY.

E. Updated Water Restrictions Framework

Mr. Brown indicated the District’s watering restrictions policy had not been updated in several years and provided the Board with a summary of Colorado Springs Utilities’ (“CSU”) drought response plan and watering restrictions policy. Discussion followed regarding following CSU’s policy as a general framework for updating the District’s watering restrictions policies and what enforcement might look like, if necessary.

There was no Board action on this item.

ITEM 7: Staff Reports

Mr. Brown presented his Manager’s Report. Mr. Brown provided an update on the PFAS Treatment Project, noting the closing on the property is tentatively scheduled for June 11th. The treatment facility design is proceeding more quickly now that the property is under contract. Geotechnical and survey work is under way and the AE2S team submitted revised site plans. The construction contractor request for proposals has been published and there has been strong interest from the contractor community. The team hopes to present a contractor recommendation at the May meeting. Mr. Brown also reviewed El Paso County Planning Department’s 1041 requirements.

Mr. Brown provided an update on parks projects and noted the Eastridge Ballfields and Plower Court projects are under way. The Fredericksburg Slide Project is complete. Mr. Brown noted the contractor left wood behind after completion of the work.

Mr. Brown updated the Board on proposed Mountain View Electrical Association (MVEA) rates. He received confirmation that MVEA will not be imposing time-of-day rates but will be making rate adjustments in Q4 based on a rate review case. The District will be subject to the increased MVEA

rates and won't be able to save money by strategically using power at different times of day. As MVEA's second largest customer, a custom load shedding agreement with MVEA is a possibility for later this year, which could result in potential savings.

There were no additional questions from the Board.

ITEM 8. Executive Session

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR ATKINSON, TO GO INTO EXECUTIVE SESSION PURSUANT TO SECTION 24-6-402(4)(B), C.R.S., FOR A CONFERENCE WITH THE DISTRICT'S ATTORNEY REGARDING LEGAL ADVICE ON SPECIFIC LEGAL QUESTIONS; SECTION 24-6-402(4)(E), C.R.S., DETERMINING POSITIONS RELATIVE TO MATTERS THAT MAY BE SUBJECT TO NEGOTIATIONS, DEVELOPING STRATEGY FOR NEGOTIATIONS, AND INSTRUCTING NEGOTIATORS; AND SECTION 24-6-402(4)(A), C.R.S., REGARDING THE PURCHASE, ACQUISITION, LEASE, TRANSFER, OR SALE OF ANY REAL, PERSONAL, OR OTHER PROPERTY INTEREST. NO FORMAL ACTION OR VOTING WILL TAKE PLACE IN THE EXECUTIVE SESSION.

- A. Neighboring Property Acquisition Discussion
- B. Meridian Service Metropolitan District Intergovernmental Agreement Discussion
- C. Inclusion Criteria Discussion

There was a short break from 6:16 – 6:21 p.m. before the Executive Session convened. The Directors, Mr. Brown and Ms. Fritsche attended the Executive Session.

MOTION: DIRECTOR WALL MOVED, SECONDED BY DIRECTOR HALE, TO COME OUT OF EXECUTIVE SESSION AT 7:26 P.M. MOTION UNANIMOUSLY PASSED.

ITEM 9. Adjournment

There being no further business to come before the Board, the meeting adjourned at 7:27 p.m.

Jeff Bandy, Secretary

Attorney Fritsche certified for the record that the Executive Session was not recorded, as the matters discussed in Executive Session constituted privileged attorney-client communications.

Joan M. Fritsche, Esq.

Date: May 12, 2026

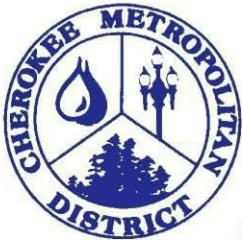
To: Board of Directors, Cherokee Metropolitan District
Kevin Brown, General Manager

From: Joan M. Fritsche, Esq.

Subj: Update to District's Colorado Open Records Act ("CORA") Policy

We recently reviewed the District's Open Records Policy and Public Records Request Form available on the District's website. Section 24-72-205(6)(b), C.R.S. allows the research and retrieval fee to be updated every five years for inflation. The most recent update took effect July 1, 2024 and increased the fee to \$41.37 per hour, after the first hour.

We updated the District's CORA Policy and Records Request Form with the allowable "research and retrieval fee" of \$41.37. The updated documents are on the Consent Agenda for the Board's approval. No other changes were made.



CHEROKEE METROPOLITAN DISTRICT

6250 Palmer Park Blvd., Colorado Springs, CO 80915-2842

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This policy applies to all requests, submitted pursuant to C.R.S. § 24-72-201 *et seq.*, to inspect public records in the custody or control of the Cherokee Metropolitan District. Requirements for requesting to inspect public records are as follows:

1. All requests to inspect public records must be submitted in writing to the District's custodian of records, which is its General Manager. In the absence of the General Manager, the Administrative Executive will accept and process the submittal. **Requests made to any person other than the proper custodian will not be accepted.**
2. Requests may be submitted in person, via electronic mail (e-mail), regular U.S. mail, or via facsimile.
3. The date the request is received by the custodian will constitute the "date of receipt". For requests submitted via e-mail, the date of receipt shall be the date that the official record custodian confirms receipt in writing to the requestor. The statutory time for response will begin when the custodian provides confirmation to the requestor. If a request is sent via e-mail to anyone other than the official record custodian, it will not be considered received until routed or resubmitted to the proper custodian.
4. All requests for records **must** be specific as to the records sought, including the relevant dates. Requests for correspondence must identify the parties to the correspondence. For any request that is vague or broadly stated the custodian may require the requestor to provide a more specific request.
5. There are several categories of information that are protected by State and Federal law. See Colorado Revised Statute 24-72-204 for specific information.
6. The District is not required by the Act to construct or create a record that does not exist. Nor is the District required to manipulate or analyze information in a new way in order to respond to a request.
7. Time for response to records requests shall be as follows:
 - a. The normal time for production shall be three (3) working days; beginning on the first business day after the request is received.
 - b. Such period may be extended upon determination by the custodian that extenuating circumstances exist. Such period of extension shall not normally exceed seven (7) working days. The requestor shall be notified of the extension within the three-day period.
8. Requests to inspect records will not take priority over the regular work activities of District employees.
9. Charges for copies of requested records shall be as follows:
 - a. The normal cost for requested documents shall be \$.25 per page or, for documents in non-standard formats, the actual duplication costs. If electronic copies of responsive records can be made available without printing or scanning, there shall be no per page charge for such records.

- b. The custodian may charge a research and retrieval fee based on the actual time spent and the actual cost of responding to the request; provided, however, that the hourly rate for employee time shall be set in accordance with C.R.S. 24-72-205, *et seq.* and there shall be no charge for the first hour of employee time. Effective July 1, 2024, the hourly rate is \$41.37.
 - c. Payment must be received by the custodian before any records are produced to the requestor.
10. If the employee time for responding to a request, including, but not limited to, research and retrieval, is expected to exceed the initial complimentary hour, the custodian will provide the requestor with an estimate of the cost of responding. If the requestor wishes to proceed once receiving an estimate, he or she must respond in writing. By responding in writing, the requestor agrees to pay all fees associated with responding to the request before any records are produced. The time between the date of the custodian's estimate and the receipt by the custodian of a written response to proceed will not be counted against the time period set forth in this policy.
11. If a requestor wishes to inspect available records in advance of receiving copies, such inspection shall be by appointment only during normal working hours. Such inspection must be supervised by a District representative and the requestor may be charged for employee time associated with such inspection.

The District is committed to the guiding principles of openness, transparency, accountability and responsiveness.



CHEROKEE METROPOLITAN DISTRICT

6250 Palmer Park Blvd., Colorado Springs, CO 80915-1721

Telephone: (719) 597-5080 Fax: (719) 597-5145

PUBLIC RECORDS REQUEST FORM

CHEROKEE METROPOLITAN DISTRICT

The District's records are governed by the Colorado Open Records Act (CORA) (C.R.S. §24-72-201 et seq.) All requests for records will be governed by the Colorado Open Records Act as amended by the District's policies; please review the District's Board approved records policy document.

Note: Please allow three (3) working days for official District response. If a greater amount of time is needed to respond, you will be notified.

Fees/Costs:

Copies, Printouts or Photographs. Pursuant to C.R.S. § 24-72-205(5)(a), the District shall charge a fee not to exceed 25 cents per standard page for any copy of a public record or a fee not to exceed the actual cost of providing a copy, printout or photograph of a public record which is in a format other than a standard page. For purposes of this Policy, a black and white copy made on a single sheet of letter or legal sized white paper shall constitute a "standard page."

Research and Retrieval Fees. Pursuant to C.R.S. § 24-72-205(6)(a), the first hour of research and retrieval shall be free. After the first hour, the District shall charge a research and retrieval fee of \$41.37 per hour for any staff time devoted to searching for the requested information. A deposit of equal to 50% of the estimated costs of responding to a records request shall be submitted to the District prior to any search being commenced.

Transmission. Pursuant to C.R.S. §24-72-205(1)(b), the District shall charge a fee, not to exceed the actual cost of transmitting the requested records (e.g., postage, courier service, electronic storage device, etc.). No fee shall be charged for transmitting material via electronic mail, provided that the requesting party may be charged for staff time associated with research and retrieval of the requested records as provided herein.

Payment of Fees. Requested documents will only be sent to the requestor once the Custodian of Records either receives payment or makes arrangements for receiving payment for all costs associated with records transmission and for all other fees lawfully allowed.

Examination of Records: Persons inspecting records shall not take any action to change or alter any record. The District reserves the right to assign a document Chaperone, at a cost, to any document inspection to ensure the protection of original documents.

Waiver: Nothing in this form waives any attorney-client privilege, deliberative process privilege, or other privileges or law concerning records.

Personnel Information: If a person inspecting records finds a record that contains confidential commercial or personal information or that is privileged and that should not have been disclosed by the terms of the Act, the person finding the record is requested to inform the Official Custodian of the error and is requested, as a courtesy, to maintain the confidentiality of the information.

Date of Request Transmittal:

Name:	<input type="text"/>	Phone #:	<input type="text"/>
Address:	<input type="text"/>	City:	<input type="text"/>
State:	<input type="text"/>	Zip:	<input type="text"/>
		Email:	<input type="text"/>

Description of the information desired: (Please be as specific as possible)

<input type="text"/>
<input type="text"/>

This Section to be Completed by District:

Date Received: _____
Received By: _____
Response Date: _____
Method of Response: _____
Number of Pages: _____
Total Amount Due: _____
Description of Information Requested: _____

MASTER AGREEMENT FOR SERVICES

THIS MASTER AGREEMENT (“**Agreement**”) is made and entered into this 21st day of April, 2026 the "**Effective Date**", by and between the **Cherokee Metropolitan District**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**District**"), with a principal place of business at 6250 Palmer Park Boulevard, Colorado Springs, CO 80915, and Water Technology Group a, Cogent Company with a principal place of business at 14452 W 44th Ave Golden, CO 80403 ("**Contractor**") (individually a "**Party**" and collectively the "**Parties**").

WHEREAS, the District requires pump troubleshooting and repair.

WHEREAS, Contractor has held itself out to the District as having the requisite expertise and experience to perform the required services.

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

I. SCOPE OF SERVICES AND WORK ORDER PROCESS

A. Contractor shall furnish all labor and materials required for the complete and prompt execution and performance of all duties, obligations, and responsibilities which are described or reasonably implied from the Scope of Services set forth in individual Work Orders entered into by the Parties, which shall be subject to the provisions of this Agreement. Individual Work Orders shall include identification of the project, a description of the services, compensation to be paid to Contractor for the performance of the services, a time and schedule for the performance of the services, and statement of the personnel assigned to the specific project, including a project manager (“**Work Order**”). Upon mutual agreement of the Parties, the Work Order shall be finalized and executed by the Parties. The effective date of the Work Order and its term shall be as set forth in the individual Work Order. All provisions of Work Orders, including without limitation any terms and conditions included therein, shall be subject to the provisions of this Agreement. In the event of any inconsistency between the provisions of this Agreement and Work Orders, the provisions contained within this Agreement shall control.

B. A change in an executed Work Order shall not be effective unless authorized as a written amendment to that Work Order. If Contractor proceeds without such written authorization, Contractor shall be deemed to have waived any claim for additional compensation, including a claim based on the theory of unjust enrichment, quantum meruit or implied contract. Except as expressly provided herein, no agent, employee, or representative of the District is authorized to modify any term of this Agreement, either directly or implied by a course of action.

II. TERM AND TERMINATION

A. This Agreement shall commence on the Effective Date and shall automatically renew for successive one-year terms unless terminated as provided herein.

B. Notwithstanding the time periods contained herein, the District may terminate this Agreement at any time without cause by providing written notice of termination to the Contractor. Such notice shall be delivered at least seven (7) days prior to the termination date contained in said notice unless otherwise agreed in writing by the Parties. In the event of any such early termination by the District, the Contractor shall be paid for services rendered prior to the date of termination, subject only to the satisfactory performance of the Contractor's obligations under this Agreement. Such payment shall be the Contractor's sole right and remedy for such termination. If, however, Contractor has materially breached this Agreement, the District shall have any remedy or right of set-off available at law and in equity.

C. Contractor may terminate this Agreement for cause for a material breach of its terms by the District upon ten (10) days advance written notice to the District. Contractor may terminate this Agreement for convenience by providing the District with advance written notice no later than sixty (60) days prior to the expiration of the then-applicable one-year term.

D. In the event of the expiration or partial termination of this Agreement, Contractor shall, unless otherwise directed by the District, complete its performance of any outstanding Work Orders then pending in accordance with the terms and conditions of this Agreement and of such Work Order(s), as may be further amended. In such case, the specifications, terms and conditions of the Work Order(s) and this Agreement shall be deemed to have survived the expiration of this Agreement with respect to such Work Order(s) until such time as the Work Order(s) are completed.

E. Upon the effective date of termination, Contractor shall deliver to the District all data, drawings, specifications, reports, summaries, and such other information and materials as may have been produced or accumulated by Contractor in performing the work ("**Work Product**"), whether completed or in process, with the exception of one record copy of such information which shall be kept by Contractor. If the Agreement is terminated for any reason other than for cause prior to completion of the work, any use of the documents by the District thereafter shall be at the District's sole risk, unless otherwise consented to by Contractor.

F. Where the method of payment identified in a particular Work Order is "lump sum" or cost reimbursement, the final invoice will include all services and expenses associated with the project up to the effective date of termination.

G. Without terminating this Agreement or breaching its obligations hereunder, the District may, at its convenience, suspend the services of the Contractor by giving the Contractor written notice one day in advance of the suspension date. Upon receipt of such notice, the Contractor shall cease its work in as efficient a manner as possible so as to keep its total charges to the District for services under this Agreement to the minimum. No work shall be performed during such suspension except with prior written authorization by the District Representative. After a suspension has been in effect for thirty (30) days, the Contractor may terminate this Agreement at will.

III. COMPENSATION

A. In consideration for the completion of the Scope of Services by Contractor, the District shall pay Contractor an amount not to exceed the approved amount set forth in separate

individual Work Orders. The maximum amount set forth in each Work Order shall include all fees, costs and expenses incurred by Contractor, and no additional amounts shall be paid by the District for such fees, costs and expenses. Contractor shall submit monthly invoices describing the services performed and expenses incurred during the preceding month. The District shall make payment of all undisputed portions of such invoice and provide written justification for the withholding of any disputed portions to Contractor within thirty (30) days from the date of the Contractor's monthly invoice. The District shall provide no benefits to the Contractor other than the compensation stated above.

B. Notwithstanding the maximum amount specified in a Work Order, Contractor shall be paid only for work performed. If Contractor completes a Work Order for less than the maximum amount, Contractor shall be paid the lesser amount, not the maximum amount.

C. If District fails to make payment due to Contractor for services and expenses within sixty (60) days after receipt of Contractor's statement, the amounts due Contractor may include interest at the rate of 1½% per month from said sixty first (61) day and, in addition, Contractor may, after giving seven (7) days written notice to District, suspend services under this Agreement and specific Work Order until paid in full all amounts due for services and expenses under the Work Order(s).

D. Requests for payment:

1. Address all payment requests to Cherokee Accounts Payable at ap@cherokeemetro.org.
2. Include the following information:
 - a. Payee Name and Remittance address
 - b. W-9 prior to first invoice
3. District payment policy: It is the District's policy to pay invoices, net 30 days, unless otherwise agreed to by the District and Contractor. Payments are processed twice per month around the 1st and the 15th and will be mailed to the remittance address or the payment processed electronically.
4. If applicable, final payment shall be in accordance with the provisions of C.R.S. §§ 38-26-106 and 107, which, among other things require for construction contracts exceeding \$150,000 that public notice of final settlement under the Contract be published at least twice in a public newspaper of general circulation any county where the work was contracted for or performed no less than ten (10) days prior to final payment.

IV. PROFESSIONAL RESPONSIBILITY

A. Contractor hereby represents that it is qualified to assume the responsibilities and render the services described herein and has all requisite corporate authority and professional licenses in good standing, required by law.

B. The work performed by Contractor shall be in accordance with generally accepted professional practices and the level of competency presently maintained by other practicing professional firms in the same or similar type of work in the applicable community. The work and services to be performed by Contractor hereunder shall be done in compliance with all applicable laws, ordinances, rules and regulations.

C. The District's review, approval or acceptance of, or payment for any services shall not be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement.

D. Any subcontractors and outside associates or contractors required by the Contractor in connection with services under this Agreement will be limited to such individuals or firms as were specifically identified and agreed to in writing between the District and Contractor. The District must give prior written approval for any substitutions, additions or deletions to such subcontractors, associates, or consultants. The work performed by such subcontractors, associates, or consultants shall be in accordance with generally accepted practices and the level of competency presently maintained by such other persons practicing in the same or similar type of work in the applicable community.

E. The Contractor represents, covenants, and agrees that its work will be accurate and free from any material errors. The District's approval shall not diminish or release the Contractor's duties, since the District is ultimately relying upon the Contractor's skill, knowledge and expertise.

F. The Contractor may rely upon information provided to it by the District, and shall not be liable for damages to the District caused by the errors, omissions or other deficiencies in performance to the extent attributable to the District or District-furnished data. The Contractor shall not be responsible for any time delays identified in Work Orders caused by circumstances not anticipated and reasonably beyond the Contractor's control.

G. The District and Contractor agree that safety is a priority in all services performed under any authorized Work Order. Contractor shall review all District safety procedures and protocols prior to commencing work, including Cherokee Metropolitan District's Safety Manual ("**Safety Manual**"), and adhere to those procedures and protocols during the performance of all work. Contractor may substitute its own safety procedures and protocols for those of District upon submission of such procedures and protocols to the District and receipt of District's written authorization.

H. Contractor Acknowledgement Form is attached to this Agreement. By its signature, Contractor acknowledges its receipt of a copy of the District's current Safety Manual.

V. DISTRICT RESPONSIBILITIES

A. The District shall provide to the Contractor full and free access to enter upon all District property required for the performance of the Contractor's services under this Agreement, or as allowed in specific Work Orders.

B. Furnish to Contractor data prepared by or services of others, including without limitation, aerial photography, surveys, boring, probing and subsurface explorations, hydrographic surveys, laboratory tests and inspections of samples, materials, and equipment; all of which Contractor may use and rely upon in performing services under this Agreement.

C. Examine all studies, reports, sketches, Drawings, Specifications, proposals and other documents presented by Contractor, obtain advice of an attorney, insurance counselor and other consultants as District deems appropriate for such examination and render in writing decisions pertaining thereto within a reasonable time so as not to delay the services of Contractor.

D. Furnish approvals, consents and permits from all governmental authorities having jurisdiction over the work as well as any land, right-of-way, easements and such from others as may be necessary for successful completion of the Work Order(s).

VI. OWNERSHIP

Copies of materials, items, and work specified in any Work Order provided or developed by Contractor shall be provided to the District upon final payment to the Contractor; however, Contractor shall not be liable for any such reuse of those documents. Nothing in this Section shall prevent the Contractor from retaining copies of such materials, continuing to have a property interest therein and using such materials after the termination of this Agreement provided the information contained therein is not confidential.

VII. RELATIONSHIP OF THE PARTIES

A. The services to be performed by the Contractor are those of an independent contractor and not of an employee of the District. The Contractor is obligated to pay federal and state income tax on any moneys earned pursuant to this Agreement. Neither the Contractor nor its employees, if any, are entitled to Workers' Compensation benefits from the District for the performance of the services specified in this Agreement. Contractor shall make no representation that it is a District employee for any purposes.

B. By entering into this Agreement, the Parties are not creating, and shall not be construed as creating, a joint venture, partnership or any other type of relationship, and each Party shall remain a separate and distinct entity for all purposes under this Agreement.

VIII. INSURANCE

A. Contractor agrees to procure and maintain, at its own cost, a policy or policies of insurance sufficient to insure against all liability, claims, demands, and other obligations assumed by Contractor pursuant to this Agreement. Such insurance shall be in addition to any other insurance requirements imposed by law.

B. Contractor shall procure and maintain, and shall cause any subcontractor to procure and maintain, the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to the District. In the case of any claims-made

policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

1. Contractor represents, warrants, and agrees that it has and shall maintain state minimum Workers' Compensation insurance coverage for its employees and Employer's Liability insurance. Evidence of qualified self-insured status may be substituted for the requirements of this Paragraph.
2. Contractor shall maintain broad form general liability, property damage, and automotive liability insurance in the minimum amount of \$1,000,000 for bodily injury, death, or damage to property of any person and \$2,000,000 in the aggregate. The policy shall be applicable to all premises and operations, and shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, products, and completed operations. The policy shall contain a severability of interests provision, and shall include the District and the District's officers, employees, and contractors as additional insureds. No additional insured endorsement shall contain any exclusion for bodily injury or property damage arising from completed operations.
3. Professional liability insurance in the minimum amount of \$1,000,000, if applicable.

C. Any insurance carried by the District, its officers, its employees, or its contractors shall be excess and not contributory insurance to that provided by Contractor. Contractor shall be solely responsible for any deductible losses under any policy.

D. Contractor shall provide to the District certificates of insurance, completed by Contractor's insurance agent, as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect. The certificate shall identify this Agreement and shall provide that the coverages afforded under the policies shall not be cancelled, terminated, or materially changed until at least thirty (30) days prior written notice has been given to the District. The District reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

E. Failure on the part of Contractor to procure or maintain the insurance required herein shall constitute a material breach of this Agreement upon which the District may immediately terminate this Agreement, or at its discretion, the District may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies paid by the District shall be repaid by Contractor to the District upon demand, or the District may offset the cost of the premiums against any monies due to Contractor from the District.

IX. WARRANTIES AND GUARANTEES. [DELETE IF NOT PURCHASING GOODS OR EQUIPMENT]

The Contractor hereby represents, warrants and guarantees to the District all workmanship, equipment and materials paid for by the District pursuant to this Agreement for a period of two years following the date of purchase by the Contractor. Such warranty and guarantee shall be construed to include, but is not limited to, representations that all workmanship, equipment and materials are of good quality, free from any defects or irregularities, and in strict conformity with any and all specifications provided to the Contractor by the District. If any defect in workmanship, equipment or materials arises, the Contractor shall remedy or otherwise correct such defect without cost to the District within such reasonable period of time as specified by the District in writing. If the Contractor fails to repair such defect within such period of time specified by the District, the District may repair such defect or contract for such repairs at the expense of Contractor.

X. INDEMNIFICATION

Contractor agrees to indemnify, defend, and hold harmless the District and its officers, employees, and agents from and against any and all claims, liability, damages, losses, expenses and demands, including attorneys' fees, arising out of or in any manner connected with Contractor's performance under this Agreement if such injury, loss, or damage is caused in whole or in part by, the negligent act, omission, or error of Contractor, any subcontractor of Contractor, or any officer, employee, representative, or agent of Contractor, or which arise out of a Workers' Compensation claim of any employee of Contractor or of any employee of any subcontractor of Contractor. Contractor's liability under this indemnification provision shall be to the fullest extent of, but shall not exceed, that amount represented by the degree or percentage of negligence or fault attributable to Contractor, any subcontractor of Contractor, or any officer, employee, representative, or agent of Contractor or of any subcontractor of Contractor. If Contractor is providing architectural, engineering, surveying or other design services under this Agreement, the extent of Contractor's obligation to indemnify and hold harmless the District may be determined only after Contractor's liability or fault has been determined by adjudication, alternative dispute resolution or otherwise resolved by mutual agreement between the Parties, as provided by C.R.S. § 13-50.5-102(8)(c).

XI. MISCELLANEOUS

A. Governing Law, Venue and Jurisdiction. The laws of the State of Colorado shall govern the construction, interpretation, execution and enforcement of this Agreement. Jurisdiction and venue for any dispute between the Parties arising out of or relating to this Agreement shall be in the State of Colorado District Court in and for El Paso County, Colorado.

B. No Waiver. Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by the District shall not constitute a waiver of any of the other terms or obligation of this Agreement.

C. Integration. This Agreement constitutes the entire agreement between the Parties, superseding all prior oral or written communications.

D. Third Parties. There are no intended third-party beneficiaries to this Agreement. No person or entity, other than the Parties to this Agreement, shall have any right, legal or equitable, to enforce any provision of this Agreement.

E. Notice. Any notice under this Agreement shall be in writing, and shall be deemed sufficient when hand delivered, sent via overnight national courier, or sent pre-paid, first class United States Mail to the party at the address set forth on the first page of this Agreement.

F. Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

G. Modification. This Agreement may only be modified upon written agreement of the Parties.

H. Assignment. Neither this Agreement nor any of the rights or obligations of the Parties hereto, shall be assigned by either Party without the written consent of the other.

I. Governmental Immunity. The District and its officers, attorneys and employees are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as amended, or otherwise available to the District and its officers, attorneys or employees.

J. Rights and Remedies. The rights and remedies of the District under this Agreement are in addition to any other rights and remedies provided by law. The expiration of this Agreement shall in no way limit the District's legal or equitable remedies, or the period in which such remedies may be asserted, for work negligently or defectively performed.

K. Consequential Damages Waiver. To the fullest extent permitted by law, the District and Contractor waive against each other, and the other's officers, directors, members, partners, agents, employees, subcontractors, and insurers, any and all claims for or entitlement to special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to this Agreement, from any cause or causes. Such excluded damages include but are not limited to loss of profits or revenue; loss of use or opportunity; loss of good will; cost of substitute facilities, goods, or services; and cost of capital.

L. Attorneys' Fees. In any dispute arising from or relating to this Agreement, the prevailing party shall be awarded its reasonable attorneys' fees, costs, and expenses, including any attorneys' fees, costs, and expenses incurred in collecting upon any judgment, order or award.

M. Annual Appropriation. Consistent with Article X, § 20 of the Colorado Constitution, any financial obligation of the District not performed during the current fiscal year is subject to annual appropriation, shall extend only to monies currently appropriated, and shall not constitute a mandatory charge, requirement, debt or liability beyond the current fiscal year.

N. Counterparts, Electronic Signatures and Electronic Records. This Agreement may be executed in counterparts, each of which shall be an original and together shall constitute one and the same instrument. This Agreement and any other documents requiring a signature may be signed electronically by either Party, pursuant to the Uniform Electronic Transactions Act, § 24-71.3-101, et seq., C.R.S.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first set forth above.

CHEROKEE METROPOLITAN DISTRICT

By: _____
Name: _____
Title: _____

Attest:

By: _____
Name/Title: _____

CONTRACTOR:

Water Technology Group - A Cogent Company_

By: [Signature]

Name: Peter Botsonis

Title: Aftermarket Sales / Service

STATE OF CO)

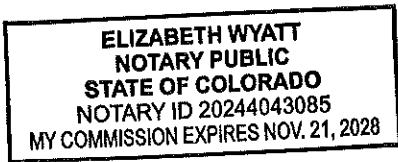
COUNTY OF Jefferson) ss.

The foregoing instrument was subscribed, sworn to and acknowledged before me this 21st day of April, by Elizabeth Wyatt as notary of

My commission expires: Nov. 21, 2028

(SEAL)

Elizabeth Wyatt
Notary Public





CHEROKEE METROPOLITAN DISTRICT

Financial Statements

April 2026

UNAUDITED

CASH POSITION

CHEROKEE METROPOLITAN DISTRICT

Cash Position Schedule

April 30, 2026

Account	Beginning Balance 3/31/2026	Transfers In/(Out)	Interest/ Dividends Earned	Bond/ Loan Payments	Cash In	Cash Out	Ending Balance 4/30/2026
<u>ColoTrust-WW Enterprise Savings (7024)</u>	\$ 3,062,109	\$ (157,282)	\$ 9,265	\$ -	\$ -	\$ -	\$ 2,914,092
<u>ColoTrust WWTF Reserve (7026)**</u>	\$ 1,992,372	\$ -	\$ 6,176	\$ -	\$ -	\$ -	\$ 1,998,549
<u>ColoTrust Project Construction 5% Fund (7028)**</u>	\$ 2,991,968	\$ 24,684	\$ 9,311	\$ -	\$ -	\$ -	\$ 3,025,963
<u>ColoTrust Parks/CTF Funds (7029)**</u>	\$ 47,583	\$ -	\$ 148	\$ -	\$ -	\$ -	\$ 47,731
<u>ColoTrust 7% Capital Reserve (7030)**</u>	\$ 3,466,749	\$ 34,557	\$ 10,797	\$ -	\$ -	\$ -	\$ 3,512,103
<u>ColoTrust Water Capital (7031)**</u>	\$ 1,084,459	\$ -	\$ 3,362	\$ -	\$ -	\$ -	\$ 1,087,821
<u>ColoTrust TDS Surcharges (7032)**</u>	\$ 1,904,094	\$ 98,041	\$ 6,045	\$ -	\$ -	\$ -	\$ 2,008,180
<u>ColoTrust 2020 Bonds-TDS Project (7033)**</u>	\$ 2,046,614	\$ -	\$ 6,345	\$ -	\$ -	\$ -	\$ 2,052,959
<u>Wells Fargo Sweep (Investments Account)</u>	\$ 42,110,755	\$ 507,065	\$ 110,160	\$ -	\$ -	\$ -	\$ 42,727,980
<u>Wells Fargo Water/Wastewater Operating*</u>	\$ (52,213)	\$ (931,088)	\$ -	\$ -	\$ 1,703,337	\$ (763,988)	\$ (43,953)
<u>Wells Fargo Golf Course Operating*</u>	\$ (64)	\$ (134,633)	\$ -	\$ -	\$ 218,277	\$ (82,210)	\$ 1,370
<u>Wells Fargo Payroll Account*</u>	\$ -	\$ 558,656	\$ -	\$ -	\$ -	\$ (558,656)	\$ -
Total Cash - All Funds	\$ 58,654,426	\$ -	\$ 161,608	\$ -	\$ 1,921,613	\$ (1,404,854)	\$ 59,332,793

Transfers In/(Out) Detail

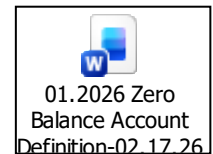
ColoTrust-General (WW Enterprise Savings)

Transfer Out to ColoTrust 5% Fund	\$ (24,684)
Transfer Out to ColoTrust 7% Fund	\$ (34,557)
Transfer Out to ColoTrust TDS Surcharges	\$ (98,041)
Net Transfers In (Out)	<u>\$ (157,282)</u>

Wells Fargo Sweep (Investments Account)

Transfer In from Wells Fargo WW Operating Account*	\$ 931,088
Transfer In from Wells Fargo Golf Course Checking*	\$ 134,633
Transfer Out to Wells Fargo Payroll Account*	\$ (558,656)
Net Transfers In (Out)	<u>\$ 507,065</u>

Additional Comments



*Zero Balance Accounts (ZBAs) attached to the main Sweep/Investments account. These account structures are explained in the Word Document link (double click to open).

**Accounts designated/restricted for Capital/CTF expenditures

GOVERNMENTAL FUNDS

General Fund

Parks Fund

CHEROKEE METROPOLITAN DISTRICT

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN
 FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND - STREET LIGHTS - SUMMARY
 For the four months ended April 30, 2026
UNAUDITED

	<u>2026 Budget</u>	<u>Year to Date</u>	<u>Percent of Budget (YTD 33%)</u>
REVENUE			
Fees	\$ 149,200	\$ 49,124	33%
Total Revenue	<u>\$ 149,200</u>	<u>\$ 49,124</u>	<u>33%</u>
EXPENDITURES			
Lighting-Streets*	\$ 164,800	\$ 35,744	22%
Total Expenditures	<u>\$ 164,800</u>	<u>\$ 35,744</u>	<u>22%</u>
EXCESS REVENUE OVER (UNDER)			
EXPENDITURES	<u>\$ (15,600)</u>	<u>\$ 13,380</u>	
FUND BALANCE - BEGINNING OF YEAR-Estimated	<u>\$ 175,543</u>	<u>\$ 175,543</u>	
FUND BALANCE - End of Reporting Period-Estimated	<u><u>\$ 159,943</u></u>	<u><u>\$ 188,923</u></u>	

*Not all electric bills have been received as of the date of printing

CHEROKEE METROPOLITAN DISTRICT

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL PARKS FUND - SUMMARY For the four months ended April 30, 2026 UNAUDITED

	2026 Budget	Year to Date	Percent of Budget (YTD 33%)
REVENUE			
Fees	\$ 228,000	\$ 81,914	36%
Conservation Trust funds	150,000	45,970	31%
Interest/Miscellaneous income	15,200	1,817	12%
Total Revenue	\$ 393,200	\$ 129,701	33%
EXPENDITURES			
Parks, Landscape and Open Space	\$ 372,180	\$ 84,628	23%
Capital Outlay	130,000	19,657	15%
Total Expenditures	\$ 502,180	\$ 104,285	21%
EXCESS REVENUE OVER (UNDER)			
EXPENDITURES	(108,980)	\$ 25,416	
FUND BALANCE - BEGINNING OF YEAR-Estimated	\$ 378,017	\$ 378,017	
FUND BALANCE - End of Reporting Period-Estimated	\$ 269,037	\$ 403,433	

ENTERPRISE/PROPRIETARY FUNDS

Water and Wastewater Fund

Golf Course Fund

CHEROKEE METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE (NON-GAAP BUDGETARY BASIS)

WATER AND WASTEWATER ENTERPRISE FUND - SUMMARY

For the four months ended April 30, 2026

UNAUDITED

	2026 Budget	Year to Date	Percent of Budget (YTD 33%)
REVENUE			
Sale of Water Services	\$ 8,641,500	\$ 1,611,087	19%
Sale of Wastewater Services	6,420,000	2,097,462	33%
Other Operating Revenue	1,907,740	754,305	40%
Capital Revenue (inc. Water/Wastewater Tap Fees)	4,616,000	624,476	14%
Interest Income	1,250,000	522,575	42%
Miscellaneous Income	185,000	190,216	103%
Total Revenue	\$ 23,020,240	\$ 5,800,120	25%
EXPENDITURES			
Water System			
Purchased Water	\$ 25,000	\$ -	0%
Pumping	930,100	217,035	23%
Treatment	219,000	66,933	31%
Transmission and Distribution	592,500	212,454	36%
Employee Benefits and Training	1,566,200	586,178	37%
Total Water System	\$ 3,332,800	\$ 1,082,600	32%
Wastewater System			
Treatment	\$ 1,514,900	\$ 490,309	32%
Collections	575,000	115,382	20%
Employee Benefits and Training	1,811,000	578,569	32%
Total Wastewater system	\$ 3,900,900	\$ 1,184,260	30%
Support Services			
Engineering	\$ 20,000	\$ 15,846	79%
Safety and Technical Services	247,000	63,193	26%
Employee Benefits and Training	1,128,900	335,251	30%
Total Support Services	\$ 1,395,900	\$ 414,291	30%
Other			
General and Professional	\$ 2,106,470	\$ 647,391	31%
Capital Expenditures	22,091,400	1,958,610	9%
Debt Principal Payments	1,804,000	521,708	29%
Interest and Bond Fees	1,292,000	-	0%
Total Other	\$ 27,293,870	\$ 3,127,710	11%
Total Expenditures	\$ 35,923,470	\$ 5,808,861	16%
EXCESS OF REVENUE OVER (UNDER)			
EXPENDITURES	\$ (12,903,230)	(8,741)	
FUND BALANCE - BEGINNING OF YEAR-Estimated	\$ 46,387,764	\$ 46,387,764	
FUND BALANCE - End of Reporting Period-Estimated	\$ 33,484,534	\$ 46,379,023	

CHEROKEE METROPOLITAN DISTRICT

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE (NON-GAAP BUDGETARY BASIS)

GOLF COURSE FUND - SUMMARY

For the four months ended April 30, 2026

UNAUDITED

	2026 Budget	Year to Date	Percent of Budget (YTD 33%)
REVENUE			
Operating Revenue	\$ 1,466,000	\$ 452,789	31%
Resale	405,000	105,487	26%
Other	34,200	14,881	44%
Total Revenue	<u>\$ 1,905,200</u>	<u>\$ 573,158</u>	<u>30%</u>
EXPENDITURES			
Pro Shop/Grill	\$ 44,000	\$ 14,497	33%
Employee Benefits and Training-Pro Shop/Grill	404,500	120,504	30%
Course Maintenance	219,000	59,061	27%
Employee Benefits and Training-Maintenance	339,950	96,051	28%
Resale Expense	271,000	156,563	58%
General and Administrative	303,137	91,709	30%
Capital Expenditures	63,000	-	10%
Total Expenditures	<u>\$ 1,644,587</u>	<u>\$ 538,386</u>	<u>33%</u>
EXCESS OF REVENUE OVER (UNDER) EXPENDITURES	<u>\$ 260,613</u>	<u>\$ 34,772</u>	
FUND BALANCE - BEGINNING OF YEAR-Estimated	<u>\$ 2,051,502</u>	<u>\$ 2,051,502</u>	
FUND BALANCE - End of Reporting Period-Estimated	<u>\$ 2,312,115</u>	<u>\$ 2,086,274</u>	

CAPITAL SCHEDULE - ALL FUNDS

CHEROKEE METROPOLITAN DISTRICT

2026 CAPITAL SCHEDULE - ALL FUNDS

FUND/DEPARTMENT	2026 Budget	Previous Months' Costs	April Costs	2026 Costs to Date	Over/(Under) Budget
PARKS FUND:					
Parks/Ballfield Improvements	\$ 85,000	\$ -	\$ 19,657	\$ 19,657	\$ (65,343)
Plower Court Erosion Mitigation	\$ 40,000	\$ -	\$ -	\$ -	\$ (40,000)
Total - PARKS FUND	\$ 125,000	\$ -	\$ 19,657	\$ 19,657	\$ (105,343)
GOLF COURSE FUND:					
Pro Shop Expansion	\$ 50,000	\$ -	\$ -	\$ -	\$ (50,000)
Tee Line Improvements	\$ 13,000	\$ -	\$ 6,324	\$ 6,324	\$ (6,676)
Total - GOLF COURSE FUND	\$ 63,000	\$ -	\$ 6,324	\$ 6,324	\$ (56,676)
WATER/WASTEWATER FUND					
WATER DIVISION:					
Tamlin Tank 5 Site Development	\$ 6,000,000	\$ 22,378	\$ 99,275	\$ 121,653	\$ (5,878,347)
Possible Land Acquisition	\$ 2,750,000	\$ 15,400	\$ 6,587	\$ 21,987	\$ (2,728,013)
Replacement Plan	\$ 2,400,000	\$ 1,754	\$ 4,153	\$ 5,907	\$ (2,394,094)
PFA's Treatment Facility Design	\$ 2,200,000	\$ 210,029	\$ 78,788	\$ 288,816	\$ (1,911,184)
Poleson Well Final Closing	\$ 1,000,000	\$ -	\$ -	\$ -	\$ (1,000,000)
Ellicott 30" Land Acquisition/Peterson Casing	\$ 952,000	\$ 43,509	\$ -	\$ 43,509	\$ (908,491)
Ellicott Highway Lowering	\$ 820,000	\$ 753,786	\$ 58,845	\$ 812,631	\$ (7,369)
Pipeline Connection-PFA's Facility	\$ 500,000	\$ -	\$ -	\$ -	\$ (500,000)
Distribution System Valve Replacements	\$ 290,200	\$ -	\$ -	\$ -	\$ (290,200)
Fleet Vehicle Replacements	\$ 150,000	\$ -	\$ -	\$ -	\$ (150,000)
Well Rehab Phase 3	\$ 150,000	\$ 572	\$ 180	\$ 751	\$ (149,249)
Omaha Rd Water Line Replacement	\$ 120,000	\$ 7,380	\$ -	\$ 7,380	\$ (112,620)
Pressure-sustaining Valves-North Well Field	\$ 120,000	\$ 14,091	\$ 23,141	\$ 37,232	\$ (82,768)
Towable LED Light Tower	\$ 19,200	\$ 16,500	\$ -	\$ 16,500	\$ (2,700)
Galley Rd/Ford St Hydrant Replacement/Relocation	\$ 15,000	\$ -	\$ -	\$ -	\$ (15,000)
Well 22 (2025 Project)	\$ -	\$ 56,799	\$ 3,315	\$ 60,114	\$ 60,114
El Paso County Permits & Fees	\$ -	\$ 9,579	\$ 23,403	\$ 32,981	\$ 32,981
Water Meters-Utility Billing	\$ -	\$ -	\$ 10,762	\$ 10,761	\$ 10,761
Total - WATER DIVISION	\$ 17,486,400	\$ 1,151,776	\$ 308,448	\$ 1,460,223	\$ (16,026,177)
WASTEWATER RECLAMATION FACILITY (WRF):					
Bioreactor Covers	\$ 3,500,000	\$ 98,750	\$ 307,328	\$ 406,078	\$ (3,093,922)
Additional RIBS Trenches	\$ 400,000	\$ 10,176	\$ -	\$ 10,176	\$ (389,824)
RIBs Control Upgrades	\$ 150,000	\$ -	\$ -	\$ -	\$ (150,000)
EQ Basin Closing	\$ 120,000	\$ -	\$ -	\$ -	\$ (120,000)
Bioreactor Floating Scum Skimmers	\$ 80,000	\$ -	\$ -	\$ -	\$ (80,000)
Truck 107 Replacement	\$ 45,000	\$ -	\$ -	\$ -	\$ (45,000)
Solids Handling-Screw Press (2025 Project)	\$ -	\$ 5,296	\$ 500	\$ 5,796	\$ 5,796
Total - WRF	\$ 4,295,000	\$ 114,222	\$ 307,828	\$ 422,050	\$ (3,872,950)
COLLECTIONS:					
Terminal Lift Station Alternatives Analysis	\$ 100,000	\$ -	\$ 6,200	\$ 6,200	\$ (93,800)
LS1 Headworks Gate Valves & Actuators	\$ 60,000	\$ -	\$ 70,135	\$ 70,135	\$ 10,135
Total - COLLECTIONS	\$ 160,000	\$ -	\$ 76,335	\$ 76,335	\$ (83,665)
ADMIN/FINANCE					
Accounting Software Setup	\$ 90,000	\$ -	\$ -	\$ -	\$ (90,000)
Board Room Renovation	\$ 30,000	\$ -	\$ -	\$ -	\$ (30,000)
Engineering/Office Pool Vehicle	\$ 30,000	\$ -	\$ -	\$ -	\$ (30,000)
Total - ADMIN/FINANCE	\$ 150,000	\$ -	\$ -	\$ -	\$ (150,000)
Total - WATER/WASTEWATER FUND	\$ 22,091,400	\$ 1,265,999	\$ 692,611	\$ 1,958,608	\$ (20,132,792)
TOTAL DISTRICT CAPITAL - ALL FUNDS	\$ 22,279,400	\$ 1,265,999	\$ 718,592	\$ 1,984,589	\$ (20,294,811)

LONG-TERM OBLIGATIONS SCHEDULE

CHEROKEE METROPOLITAN DISTRICT

LONG-TERM OBLIGATIONS SCHEDULE

	Principal Balance at January 1, 2026	Additions	Deductions	Principal Balance at April 30, 2026	Remaining Principal Amounts Due 2026
Business-Type Activities:					
2006 CWRPDA Note	\$ 1,917,626	\$ -	\$ 456,444	\$ 1,461,182	\$ 461,949
2012 CWRPDA Note	1,126,319	-	65,264	1,061,055	65,917
Total CWRPDA Notes	<u>\$ 3,043,945</u>	<u>\$ -</u>	<u>\$ 521,708</u>	<u>\$ 2,522,237</u>	<u>\$ 527,866</u>
2020 Revenue Bonds	\$ 38,755,000	\$ -	\$ -	\$ 38,755,000	\$ -
2021A Revenue Bonds	6,070,000	-	-	6,070,000	315,000
2021B Revenue Bonds	6,410,000	-	-	6,410,000	430,000
Total Revenue Bonds	<u>\$ 51,235,000</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,235,000</u>	<u>\$ 745,000</u>
Total - Business-type activities long-term liabilities	<u><u>\$ 54,278,945</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 521,708</u></u>	<u><u>\$ 53,757,237</u></u>	<u><u>\$ 1,272,866</u></u>

AMENDED AND RESTATED
PURCHASE AND SALE AGREEMENT

This Amended and Restated Purchase and Sale Agreement (the "**Agreement**") is made and entered into effective as of March 20, 2026 (the "**Effective Date**"), by and between the **Cherokee Metropolitan District**, a Colorado special district and political subdivision of the State of Colorado, with a legal address of 6250 Palmer Park Boulevard, Colorado Springs, Colorado 80915 (the "**District**") and **Arete Commons, LLC**, a Colorado limited liability company, with an address of 7661 McLaughlin Rd PMB 514, Peyton, CO 80831 ("**Seller**") (each a "**Party**" and collectively the "**Parties**").

RECITALS

A. Seller owns the real property described below (the "**Initial Property**").

BEGINNING AT A POINT ON THE EAST-WEST CENTERLINE OF SECTION 7, TOWNSHIP 14 SOUTH, RANGE 62 WEST OF THE 6TH P.M., FROM WHENCE THE WEST 1/4 CORNER THEREOF, BEARS S 89°55'29" W, 1,205.16 FEET; THENCE N 89°55'29" E ALONG THE SAID EAST-WEST CENTERLINE, 1,301.00 FEET; THENCE S 00°04'12" E, 2,577.83 FEET TO INTERSECT THE NORTHERLY RIGHT-OF-WAY OF STATE HIGHWAY 94; THENCE S 89°58'27" W ALONG SAID NORTHERLY RIGHT-OF-WAY, 1,302.40 FEET; THENCE N 00°02'20" W, 2,576.70 FEET TO THE POINT OF BEGINNING, COUNTY OF EL PASO, STATE OF COLORADO.

B. The Initial Property consists of approximately 77 acres. The District seeks to purchase approximately 38.5 acres of the southern half of the Initial Property in fee simple, based on a new legal description prepared by a licensed surveyor.

C. The District wishes to purchase the southern half of the Initial Property from Seller, and Seller wishes to sell the southern half of the Initial Property to the District, pursuant to the terms set forth in this Agreement.

AGREEMENT

NOW THEREFORE, for the consideration hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Purchase and Sale of Property. Subject to and in accordance with the terms and conditions of this Agreement, Seller agrees to sell and convey to District, and District agrees to purchase from Seller, the following described real property:

The Southeast Quarter of Section 7, T14S R62W, excluding that portion occupied by Colorado Highway 94 ("**CMD Parcel**" or "**Property**"), as shown on the diagram attached hereto as Exhibit A and incorporated herein by this reference.

2. Purchase Price; Earnest Money. The purchase price and terms of payment, subject to all adjustments and credits hereinafter provided, shall be as follows:

- a. Purchase Price: Three Hundred and Eight Thousand Dollars (\$308,000).
- b. Earnest Money. Fifteen Thousand Four Hundred Dollars (\$15,400) which shall be placed in escrow by the District with Land Title (the “**Escrow Agent**” and “**Closing Company**”), to be applied to the Purchase Price at Closing.

3. Inspection. The District shall have sixty (60) days from the Effective Date of this Agreement to complete its due diligence investigation of the Property and investigate the title thereof (the "Inspection Period"). During the Inspection Period, the District and its agents, consultants and representatives shall have the right to enter the Initial Property to conduct inspections and analyses, including but not limited to survey, geophysical testing, and environmental sampling related purposes. District shall conduct such inspections, tests and studies in such a manner as to minimize damage to the Property. In the event District does not purchase the Property, District agrees to close all soil borings and other sampling points, if any, and to repair any damage caused by such inspections, tests or studies. District shall also promptly return all inspection materials to Seller if District does not purchase the Property. Prior to such time as District or any of District’s representatives enter the Property, District shall obtain (or cause their representatives to obtain) policies of general liability insurance which insure District (and their representatives as applicable) with liability insurance limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, for personal injury and property damage, and name Seller as an additional insured thereunder, and provide Seller with certificates of insurance evidencing the aforementioned policies of insurance. During the Inspection Period, Seller shall provide to the District copies of all deeds and other documents affecting ownership of and title to the Initial Property. District shall remain solely liable for any and all costs and damages resulting from any acts or omissions of the District and its consultants or contractors in their performance of due diligence activity on the Property. The District is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, defenses and protections provided by the Colorado Governmental Immunity Act § 24-10-101 *et seq.*, C.R.S. (“**CGIA**”), or otherwise available to District or its officers or employees, but not available to District consultants or contractors.

Seller shall not make any physical alteration to, or transfer, convey or otherwise encumber any interest in the Initial Property at any time from the Effective Date to Closing.

4. Termination. If on or before the expiration of the Inspection Period, the District gives Seller written notice setting forth the District's dissatisfaction with the Property or any characteristic thereof, in the District’s sole discretion, for any reason whatsoever, then this Agreement shall terminate, the Earnest Money shall be returned to the District and both Parties shall be relieved from any further liability hereunder. If the District does not terminate this Agreement on or before the expiration of the Inspection Period, then this Agreement shall remain in full force and effect in accordance with its terms.

5. Seller's Obligations Prior to Closing

- a. Seller's Authorized Representative executes and delivers partially executed Contract to Land Title.
- b. Seller provides all information on any contracts, liens, or other encumbrances affecting the Initial Property.
- c. The existing Deed of Trust shall be paid off against the CMD Parcel and a lien release or partial release of lien shall be recorded at Closing.
- d. Seller complies with the terms of the Contract.
- e. Seller shall review the metes and bounds legal description for the CMD Parcel for accuracy.
- f. Seller agrees to facilitate or comply with all necessary actions required for the sale and timely Closing on the Property.

6. District's Obligations Prior to Closing

- a. District's Authorized Representative executes the Contract and delivers a partially executed Contract and Earnest Money Deposit equal to five percent (5%) of CMD Parcel purchase price (\$15,400) to Land Title.
- b. The District shall engage a licensed surveyor to create a new metes and bounds legal description for the CMD Parcel.
- c. Facilitate or comply with all necessary actions related to Closing.
- d. District agrees to cooperate with Seller during its Inspection Period and with Land Title concerning actions or documentation necessary for the Closing.
- e. District shall draft an agreement between the parties addressing the parties' Post Closing Obligations, outlined below. The Post Closing Agreement shall be included in the Closing Documents for execution by the parties.
- f. District shall draft the Road Access Easement and Maintenance Agreement described below for inclusion in the Closing Documents for execution by the Parties.
- g. Buyer complies with the terms of the Contract.
- h. Buyer agrees to facilitate or comply with all necessary actions required for the sale and timely Closing on the Property.

7. Closing

a. The closing is tentatively set for June 18, 2026, approximately 30 days after completion of the Inspection Period by Land Title at a time that is mutually acceptable to the Parties, (the “Closing”).

b. The District shall pay the closing costs for this transaction, and all other items required to be paid at Closing. Seller shall pay real property taxes and any assessments on the Initial Property through the date of Closing. Other costs of Closing shall be borne by the District.

c. At Closing, Seller shall deliver to Land Title a special warranty deed and subject only to statutory exceptions, executed and acknowledged by Seller, conveying good and marketable fee simple title to the CMD Parcel to the District. The special warranty deed shall contain the following provisions:

i. Seller to retain ownership of underlying Denver Basin ground water rights for the Property, as quantified, without authorization for surface disturbance related to such water rights.

ii. Seller shall convey any and all interest it holds in and to underlying mineral rights.

iii. The special warranty deed shall contain a restriction running perpetually with the land that no wastewater treatment facilities or wastewater treatment equipment for treating flows from property outside of the CMD Parcel shall be constructed on the Property. Wastewater flows produced by the proposed Water Treatment Facility shall be explicitly excluded from this restriction.

d. At Closing, the District shall deliver to the Closing Company the Purchase Price plus all closing costs, and such other documents as may be required hereunder or reasonably required by Seller or the Closing Company.

8. Possession. Possession of the Property shall be delivered to the District at Closing.

9. Seller's Representations and Warranties. Seller hereby represents and warrants that the following statements are now, and will be as of the Closing date, true and correct, to the best of Seller's knowledge.

a. Seller has the full right, power, and authority to transfer and convey the Property, as provided in this Agreement, and to carry out Seller's obligations under the Agreement and Seller, if not a natural person, is a corporation, partnership, limited partnership, limited liability company, or other entity validly existing and in good standing under the laws of the State of Colorado.

b. Seller has not: commenced a voluntary case, or had entered against it a

petition, for relief under Title 11 U.S.C., as amended (the "Bankruptcy Code") or any similar petition, order, or decree under any federal or State law or statute relative to bankruptcy, insolvency, or other relief for debtors; caused, suffered, or consented to the appointment of a receiver, trustee, administrator, conservator, liquidator, or similar official in any federal, State, or foreign judicial or non-judicial proceeding, to hold, administer, and liquidate all or substantially all of its property; or made an assignment for the benefit of creditors.

c. There is no action, suit or proceeding pending, or to the best of Seller's knowledge, threatened, against or otherwise affecting Seller or the Initial Property in any court of law or equity, or before any governmental authority, in which an adverse decision might materially impair Seller's ability to perform its obligations under this Agreement.

d. There is no pending or threatened condemnation or similar proceeding affecting the Initial Property.

e. The Property is being conveyed free and clear of all service contracts, agreements, leases, and other occupancy rights.

f. Seller has not received any notice of any violations of any applicable law related to the Property.

g. Seller is not aware of any special assessments to be levied against the Property after acquisition by the District.

The representations and warranties in this Paragraph 9 shall survive Closing for a period of one year from the date of Closing and may be enforced by the District during that period.

10. Condition of Property. The District understands that it is purchasing the Property in its existing condition, "AS IS", "WHERE IS" and "WITH ALL FAULTS". Except for those warranties expressly set forth in this Agreement, Seller makes no warranties, representations or guarantees, either express or implied, of any kind, nature or type whatsoever. Without limiting the generality of the preceding sentence, Seller acknowledges and agrees that neither Seller, nor anyone acting for or on behalf of Seller, makes or has made any statements, promises, warranties or representations, either express or implied, with respect to the absence or presence of any hazardous substance, material or condition affecting the Property, the soil condition, geologic condition or other physical aspect of the Property or the accuracy or completeness of any reports or information pertaining to such matters.

11. Remedies.

a. Seller's Remedies. If the Closing does not occur by reason of a breach by the District, and the Seller has complied with the terms of this Agreement, Seller shall have the right to terminate this Agreement by written notice to the District and retain the Earnest Money, if any, which shall be Seller's exclusive remedy.

b. District's Remedies. If the Closing does not occur by reason of a breach by Seller, and the District has complied with the terms of this Agreement, the District may terminate this Agreement by written notice to Seller and the Earnest Money, if any, shall be refunded to the District. In addition, the District shall have all remedies available at law or equity for such breach, including specific performance. The District also retains the right to attempt to acquire the Property pursuant to its eminent domain authority.

12. Road Access Easement and Maintenance Agreement

a. Seller, Wishing Star Entertainment (affiliate of Seller) and the District shall grant to each other a forty (40) foot wide permanent cross access and utility easement and an adjacent twenty (20) foot wide temporary construction easement (“**Road Access Easement and Maintenance Agreement**”) across the southern edge of the 36 acre parcel defined as the Northwest Quarter of the Southwest Quarter of S7, T14S, R62W, currently owned by Arete Commons and the southern edge of the remaining Initial Property for construction and perpetual use of an access road connecting North Ellicott Highway to the Initial Property. The Road Access Easement shall be for construction of a twenty-four foot (24’) wide unpaved road and future utility easement to be utilized by Seller, District and Wishing Star Entertainment, as the Adjacent Property Owner, as shown on the attached map.

b. The Road Access Easement and Maintenance Agreement shall be entered into by and between the Seller, District and Wishing Star Entertainment as part of the Closing documents and the Road Access Easement and Maintenance Agreement shall be recorded by the Title Company after recording the special warranty deed conveying the CMD Parcel.

c. Upon commencement of use of the Access Road Easement by the District, the District shall provide:

- i. A minimum 5 strand wire livestock fence along the north and south side of the Road Access Easement. If a fence already exists that meets these requirements, the District shall not be required to replace it. This fence shall furthermore have two access points with gates allowing Arete Commons or Wishing Star Entertainment to cross the Easement. One set of gates shall be on the north side of the Road Access Easement and the other shall be on the south side, such that when all gates are open the road will be completely blocked. The final location of access point gates to be determined by Arete Commons, as depicted on the attached map.
- ii. Access Road construction and ongoing road and new fence maintenance will be the responsibility of District and all costs for such maintenance shall be paid by District.

- iii. Should Seller or Wishing Star Entertainment increase the use of, or need access to, more than the first 200 ft. of the western side of the Road Access Easement, as shown on the attached map, Access Road maintenance costs shall be equally split between Seller, District and any Adjacent Property Owner.
- iv. The Access Road Easement shall run with the land.

13. District's Post Closing Obligations

a. District shall grant the two adjacent property owners, currently Arete Commons and Wishing Star Entertainment and their guests a License to use thirty (30) feet along the perimeter of the CMD Parcel for access purposes only to adjacent parcels. The License shall be recorded, and the License shall not authorize Licensees to disturb or make improvements within the License area.

b. Upon substantial completion of the proposed Water Treatment Facility, the District shall provide one metered, potable water line connection to the property line of the adjacent parcel currently owned by Wishing Star Entertainment LLC, Parcel No. 240000265, (the "Adjacent Parcel") subject to the following terms:

- i. Water line will be metered and usage billed according to District's then current in-district water rates, limited to one acre-foot per year for commercial, domestic, outdoor irrigation, and stock watering purposes.
- ii. District shall waive its then current tap fees, water infrastructure fees, and other connection fees for the water line.
- iii. District shall commit up to one additional (two total) acre-feet per year of water service to the Seller, subject to District's then current policies.

c. Upon final completion of the proposed Water Treatment Facility, Seller (Arete Commons) and Wishing Star Entertainment, as an adjacent property owner (collectively, the "**Adjacent Property Owners**"), and guests of the Adjacent Property Owners shall be granted the right to use the first two hundred (200) feet of the twenty-four (24) foot wide gravel road for limited access purposes. The gravel road to be constructed by the District on the Arete Commons parcels from Ellicott Highway to the CMD Parcel property line to allow for District access, as shown on the diagram attached hereto as Exhibit A and as further described in the Road Access Easement and Maintenance Agreement.

d. District agrees to grant Seller, first, then Wishing Star Entertainment, second, so long as Wishing Star Entertainment is fee owner of the adjacent property, a right of first refusal should the District seek to sell or lease any portion

of the CMD Parcel, pursuant to the terms being offered by the District. The right of first refusal shall be outlined in the Post Closing Agreement.

14. Miscellaneous.

a. Entire Agreement. This Agreement contains the entire agreement of the Parties. There are no other agreements, oral or written, and this Agreement can be amended only by written agreement signed by the Parties.

b. Agreement Binding. This Agreement, and the terms, covenants, and conditions herein contained, shall inure to the benefit of and be binding upon the heirs, personal representatives, successors, and assigns of the Parties.

c. Notice. Any notice under this Agreement shall be in writing, and shall be deemed sufficient when hand delivered, sent via overnight national courier service or upon delivery if sent pre-paid, first-class United States Mail to the Party at the address set forth on the first page of this Agreement.

d. Governing Law and Venue. This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in El Paso County, Colorado.

e. Severability. If any provision of this Agreement is found by a court of competent jurisdiction to be unlawful or unenforceable for any reason, the remaining provisions hereof shall remain in full force and effect.

f. Third Parties. There are no intended third-party beneficiaries to this Agreement.

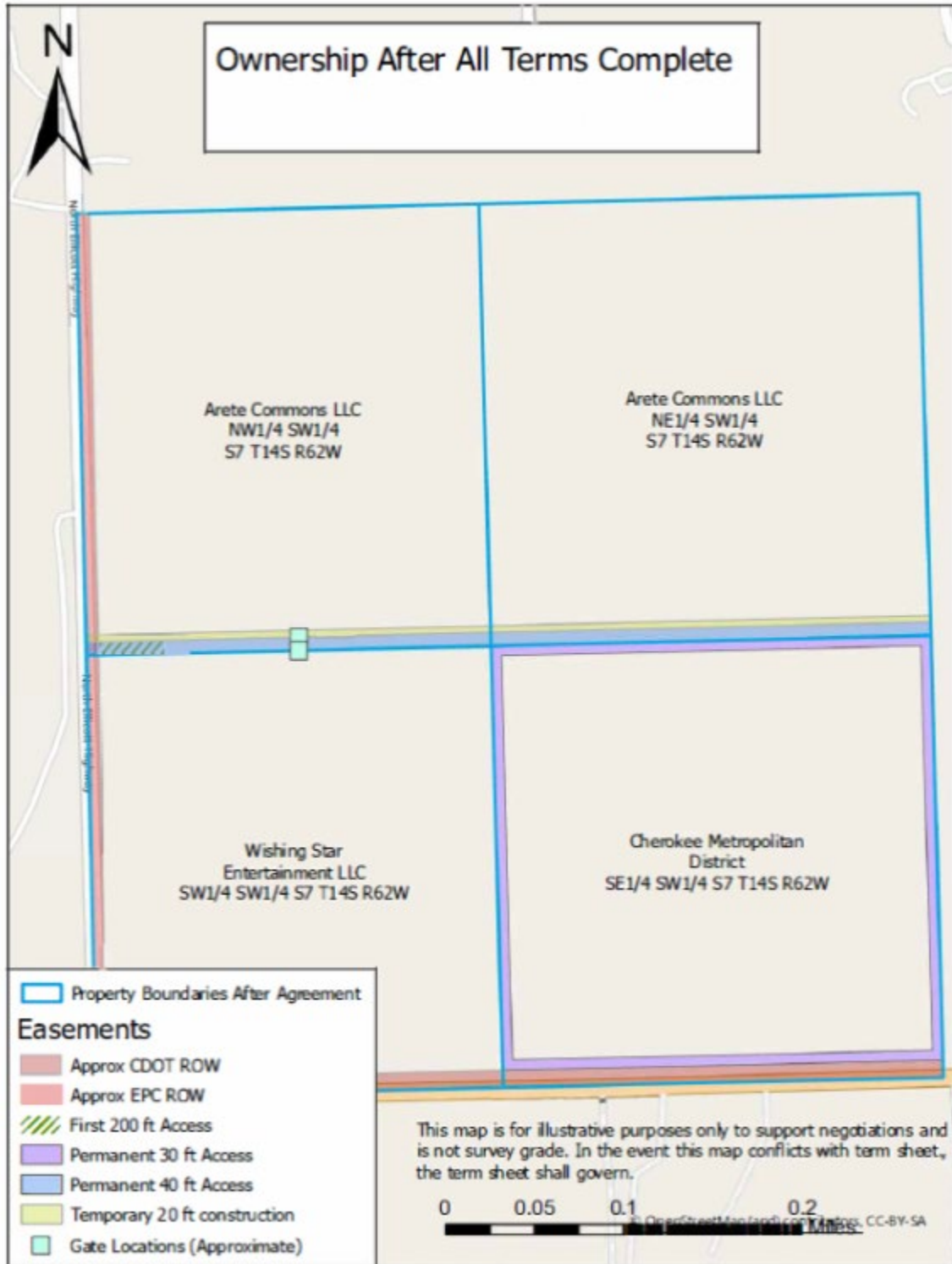
g. Subject to Annual Appropriation. Consistent with Article X, § 20 of the Colorado Constitution, any financial obligation of the District not performed during the current fiscal year is subject to annual appropriation, shall extend only to monies currently appropriated, and shall not constitute a mandatory charge, requirement, debt, or liability beyond the current fiscal year.

h. Governmental Immunity. The District and its officers, attorneys and employees, are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities or protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq., as amended, or otherwise available to the District and its officers, attorneys or employees.

[Signature Pages Follow]

EXHIBIT A

DIAGRAM OF OWNERSHIP AND EASEMENT TERMS
AFTER SALE OF PROPERTY



STATEMENT OF AUTHORITY
(Section 38-30-172, C.R.S.)

1. This Statement of Authority relates to an entity named: Cherokee Metropolitan District (the “District”)
2. The type of entity: quasi-municipal corporation and political subdivision of the State of Colorado
3. The entity is formed under Section 32-1-101, *et seq.*, C.R.S.
4. The mailing address for the entity is: 6250 Palmer Park Blvd., Colorado Springs, CO 80915
5. The name and position of each person authorized to execute instruments conveying, encumbering or otherwise affecting title to real property on behalf of the entity is:

Danial Wall, President of the District Board of Directors

6. The authority of the foregoing person to bind the entity is not limited, or limited as follows:
 - a. Execution of a Real Estate Sales Agreement between the District and Arete Commons LLC, an Amended and Restated Real Estate Sales Agreement, and related documents, and acceptance of a Special Warranty Deed, conveying the property described as:

Southern half of EPC Parcel 2400000270

7. Other matters concerning the manner in which the entity deals with interests in real property:

District General Manager Kevin Brown is authorized to sign any additional documents and take all actions which are reasonably necessary to effect and perform the transaction.

8. This Statement of Authority is executed on behalf of the entity pursuant to the provisions of Section 38-30-172, C.R.S.
9. This Statement of Authority amends and supersedes in all respects any prior Statement of Authority executed on behalf of the entity.

[Signature page to follow]

Executed on: May 20, 2026.

CHEROKEE METROPOLITAN DISTRICT, a
quasi-municipal and political subdivision of the
State of Colorado

By: _____
Name/Title: Danial Wall, President

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

The foregoing instrument was acknowledged before me this _____ day of _____,
2026, by Danial Wall, as President of Cherokee Metropolitan District.

Witness my hand and official seal.

My commission expires: _____

(S E A L)

Notary Public

CERTIFIED COPY OF RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHEROKEE METROPOLITAN DISTRICT AUTHORIZING THE PURCHASE OF REAL PROPERTY; AND NAMING PERSONS AUTHORIZED TO EXECUTE NECESSARY DOCUMENTS

STATE OF COLORADO)
COUNTY OF EL PASO)
CHEROKEE METROPOLITAN DISTRICT)

The Board of Directors of the Cherokee Metropolitan District, El Paso County, Colorado, held a special meeting at 5:30 p.m., on Wednesday, May 20, 2026 at 6250 Palmer Park Blvd., Colorado Springs, Colorado 80915.

The following members of the Board of Directors were present, constituting a quorum:

- Danial Wall, President
- Jeff Bandy, Secretary
- Kim Hale, Treasurer
- Jeremy Atkinson, Director
- Dolly Letriz, Director

Thereupon there was introduced the following resolution:

**CHEROKEE METROPOLITAN DISTRICT
RESOLUTION 2026-03**

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHEROKEE
METROPOLITAN DISTRICT, EL PASO COUNTY, COLORADO, AUTHORIZING THE
PURCHASE OF REAL PROPERTY; AND NAMING PERSONS AUTHORIZED TO
EXECUTE NECESSARY DOCUMENTS

WHEREAS, Cherokee Metropolitan District (the “**District**”) is a quasi-municipal corporation and a political subdivision of the State of Colorado, formed pursuant to C.R.S. §32-1-101, *et seq.* of the Special District Act; and

WHEREAS, the District’s Board of Directors (the “**Board**”) is the governing body of the District, and pursuant to §32-1-1001(1)(f), C.R.S., the Board has the authority to purchase real property.

NOW THEREFORE, be it resolved by the Board of Directors of the Cherokee Metropolitan District, El Paso County, that:

1. The Board hereby authorizes acceptance of a Special Warranty Deed from Arete Commons LLC (“**Seller**”) for property described as:

Southern half of EPC Parcel 2400000270 (the “**Property**”).

2. Danial Wall, as President of the Board of Directors, is authorized to execute and deliver such instruments affecting title to the Property in connection with the purchase of the Property by the District, in accordance with all agreed terms and conditions of the transaction, including without limitation, accepting the Special Warranty Deed.

3. The Board hereby authorizes an expenditure of Three Hundred and Eight Thousand Dollars and No/100 (\$308,000.000) for the purchase of the Property. Said purchase is hereby authorized.

4. The Board authorizes payment of all Closing Costs and title policy fees.

4. The Board further authorizes General Manager Kevin Brown to take any additional actions and sign any additional documents which are reasonably necessary to effectuate and perform the transaction.

5. 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 not affect any of the remaining issues of this Resolution.

6. The provisions of this Resolution shall take effect upon its adoption.

ADOPTED AND APPROVED this 20th day of May, 2026.

CHEROKEE METROPOLITAN DISTRICT

By: _____
Danial Wall, President

ATTEST:

By: _____
Jeff Bandy, Secretary

CHEROKEE METROPOLITAN DISTRICT
STATE OF COLORADO
EL PASO COUNTY

I, Jeff Bandy, certify that I am a Director and the duly elected and qualified Secretary of the Cherokee Metropolitan District, and that the foregoing constitute a true and correct copy of the record of proceedings of the Board of Directors of said District, adopted at a special meeting of the Board of Directors of the Cherokee Metropolitan District held on May 20, 2026, at 6250 Palmer Park Blvd., Colorado Springs, Colorado, as recorded in the official record of the proceedings of the District; that said proceedings were duly had and taken; that the meeting was duly held; and that the persons were present at the meeting as therein shown.

Jeff Bandy, Secretary

**Grant Award Letter
Intergovernmental Grant Agreement**

Cover Page

State Agency

Colorado Department of Public Health and Environment

Grantee

Cherokee Metropolitan Water District

Grantee UEI

Grant Amount

Year 2026 \$299,848.00

Total for all State Fiscal Years \$299,848.00

Grant Issuance Date

The later of the May 21, 2026, or the date the State Controller or an authorized delegate signs this Grant Letter

Grant Expiration Date

March 06, 2027

Fund Expenditure End Date

September 30, 2029

Agreement Authority -

Authority to enter into this Agreement exists in: CRS 25-1.5-101 - CRS 25-1.5-113

Grant Purpose

This public health project serves to address health concerns related to per-fluoroalkyl and poly-fluoroalkyl substances (PFAS) detected in the drinking water in the Cherokee Metropolitan District.

Exhibits and Order of Precedence

The following Exhibits and attachments are included with this Agreement:

1. Exhibit A, Statement of Work.
2. Exhibit B, Sample Option Letter.
3. Exhibit C, Budget.
4. Exhibit D, Federal Provisions.
5. Exhibit E, PII Certification
6. Exhibit F, HIPAA BAA

In the event of a conflict of inconsistency between this Agreement and any Exhibit or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:

1. Exhibit F, HIPAA BAA
2. Exhibit D, Federal Provisions
3. Colorado Special Provisions in §17 of the main body of this Agreement.
4. The provisions of the other sections of the main body of this Agreement.

5. Exhibit A, Statement of Work.
6. Exhibit E, PII Certification
7. Exhibit B, Sample Option Letter.
8. Exhibit C, Budget.

Principal Representatives

For the State:

Kathy Boyer
Colorado Department of Public Health and
Environment
4300 Cherry Creek Dr. S
Glendale, CO 80246
Kathy.Boyer@state.co.us

For Grantee:

Kevin Brown
General Manager
6250 Palmer Park Blvd.
Colorado Springs, CO 80915

Signature Page



The Signatories Listed Below Authorize this Grant

STATE OF COLORADO

Jared S. Polis, Governor

Colorado Department of Public Health and
Environment

[Insert Name & Title of Head of Agency or
IHE]

By: [Name & Title of Person Signing for
Agency or IHE]

Date: _____

In accordance with §24-30-202, C.R.S., this
Agreement is not valid until signed and dated
below by the State Controller or an
authorized delegate.

STATE CONTROLLER

Robert Jaros, CPA, MBA, JD

[Insert Name of agency or IHE]

[Insert name & title of head of agency or IHE]

By: [Name of Agency or IHE Delegate-Please
delete if Agreement will be routed to OSC for
approval]

Date: _____

Grantee

Cherokee Metropolitan Water District

By: Danial Wall, President


Date: _____

1. Grant

As of the Grant Issuance Date, the State Agency shown on the first page of this Grant Award Letter (the “State”) hereby obligates and awards to Grantee shown on the first page of this Grant Award Letter (the “Grantee”) an award of Grant Funds in the amounts shown on the first page of this Grant Award Letter. By accepting the Grant Funds provided under this Grant Award Letter, Grantee agrees to comply with the terms and conditions of this Grant Award Letter and requirements and provisions of all Exhibits to this Grant Award Letter.

2. Term

A. Initial Grant Term and Extension

The Parties’ respective performances under this Grant Award Letter shall commence on the Grant Issuance Date and shall terminate on the Grant Expiration Date unless sooner terminated or further extended in accordance with the terms of this Grant Award Letter. Upon request of Grantee, the State may, in its sole discretion, extend the term of this Grant Award Letter by providing Grantee with an updated Grant Award Letter showing the new Grant Expiration Date.  If the Work will be performed in multiple phases, the period of performance start and end date of each phase is detailed under the Project Schedule in Exhibit [Insert Exhibit Number].

B. Early Termination in the Public Interest

The State is entering into this Grant Award Letter to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Grant Award Letter ceases to further the public interest of the State or if State, Federal or other funds used for this Grant Award Letter are not appropriated, or otherwise become unavailable to fund this Grant Award Letter, the State, in its discretion, may terminate this Grant Award Letter in whole or in part by providing written notice to Grantee that includes, to the extent practicable, the public interest justification for the termination. If the State terminates this Grant Award Letter in the public interest, the State shall pay Grantee an amount equal to the percentage of the total reimbursement payable under this Grant Award Letter that corresponds to the percentage of Work satisfactorily completed, as determined by the State, less payments previously made. Additionally, the State, in its discretion, may reimburse Grantee for a portion of actual, out-of-pocket expenses not otherwise reimbursed under this Grant Award Letter that are incurred by Grantee and are directly attributable to the uncompleted portion of Grantee’s obligations, provided that the sum of any and all reimbursements shall not exceed the maximum amount payable to Grantee hereunder. This

subsection shall not apply to a termination of this Grant Award Letter by the State for breach by Grantee.

C. **Grantee's Termination Under Federal Requirements**

Grantee may request termination of this Grant by sending notice to the State, or to the Federal Awarding Agency with a copy to the State, which includes the reasons for the termination and the effective date of the termination. If this Grant is terminated in this manner, then Grantee shall return any advanced payments made for work that will not be performed prior to the effective date of the termination.

3. **Definitions**

The following terms shall be construed and interpreted as follows:

- A. **"Agreement"** means this Agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto.
- B. **"Award"** means an award by a Recipient to a Subrecipient funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to the Award unless the terms and conditions of the Federal Award specifically indicate otherwise.
- C. **"Breach of Agreement"** means the failure of a Party to perform any of its obligations in accordance with this Agreement, in whole or in part or in a timely or satisfactory manner. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 30 days after the institution of such proceeding, shall also constitute a breach. If Grantee is debarred or suspended under §24-109-105, C.R.S. at any time during the term of this Agreement, then such debarment or suspension shall constitute a breach.
- D. **"Budget"** means the budget for the Work described in Exhibit B.
- E. **"Business Day"** means any day in which the State is open and conducting business, but shall not include Saturday, Sunday or any day on which the State observes one of the holidays listed in §24-11-101(1) C.R.S.
- F. **"CJI"** means criminal justice information collected by criminal justice agencies needed for the performance of their authorized functions, including, without limitation, all information defined as criminal justice information by the U.S. Department of Justice,

Federal Bureau of Investigation, Criminal Justice Information Services Security Policy, as amended and all Criminal Justice Records as defined under §24-72-302 C.R.S.

- G. **“CORA”** means the Colorado Open Records Act, §§24-72-200.1 *et seq.*, C.R.S.
- H. **“Cost Sharing”** means a portion of project costs not paid under this Subaward. This includes match which refers to required levels of cost share that must be provided (2 CFR 200.306)
- I. **“Grant Award Letter”** means this letter which offers Grant Funds to Grantee, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future updates thereto.
- J. **“Grant Funds”** means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Grant Award Letter.
- K. **“Grant Expiration Date”** means the Grant Expiration Date shown on the first page of this Grant Award Letter.
- L. **“Grant Issuance Date”** means the Grant Issuance Date shown on the first page of this Grant Award Letter.
- M. **“Exhibits”** exhibits and attachments included with this Grant as shown on the first page of this Grant
- N. **“Extension Term”** means the period of time by which the Grant Expiration Date is extended by the State through delivery of an updated Grant Award Letter
- O. **“Federal Award”** means an award of Federal financial assistance or a cost-reimbursement agreement under the Federal Acquisition Regulations by a Federal Awarding Agency to the Recipient. “Federal Award” also means an agreement setting forth the terms and conditions of the Federal Award. The term does not include payments to a contractor or payments to an individual that is a beneficiary of a Federal program.
- P. **“Federal Awarding Agency”** means a federal agency providing a Federal Award to a Recipient. [Insert Federal Awarding Agency’s Full Legal Name and Acronym] is the Federal Awarding Agency for the Federal Award which is the subject of this Grant.
- Q. **“Goods”** means any movable material acquired, produced, or delivered by Grantee as set forth in this Grant Award Letter and shall include any movable material acquired, produced, or delivered by Grantee in connection with the Services.

- R. **“Incident”** means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access or disclosure of State Confidential Information or of the unauthorized modification, disruption, or destruction of any State Records.
- S. **“Initial Term”** means the time period between the Grant Issuance Date and the Grant Expiration Date.
- T. **“Party”** means the State or Grantee, and **“Parties”** means both the State and Grantee.
- U. **“PCI”** means payment card information including any data related to credit card holders’ names, credit card numbers, or the other credit card information as may be protected by state or federal law.
- V. **“PII”** means personally identifiable information including, without limitation, any information maintained by the State about an individual that can be used to distinguish or trace an individual’s identity, such as name, social security number, date and place of birth, mother’s maiden name, or biometric records; and any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information. PII includes, but is not limited to, all information defined as personally identifiable information in §§24-72-501 and 24-73-101 C.R.S. “PII” shall also mean “personal identifying information” as set forth at § 24-74-102, et. seq., C.R.S.
- W. **“PHI”** means any protected health information, including, without limitation any information whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual. PHI includes, but is not limited to, any information defined as Individually Identifiable Health Information by the federal Health Insurance Portability and Accountability Act.
- X. **“Recipient”** means the State Agency shown on the first page of this Grant Award Letter, for the purposes of the Federal Award.
- Y. **“Services”** means the services to be performed by Grantee as set forth in this Grant Award Letter, and shall include any services to be rendered by Grantee in connection with the Goods.

- Z. **“State Confidential Information”** means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to, PII, PHI, PCI, Tax Information, CJJ, and State personnel records not subject to disclosure under CORA. State Confidential Information shall not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State to Grantee which (i) is subject to disclosure pursuant to CORA; (ii) is already known to Grantee without restrictions at the time of its disclosure to Grantee; (iii) is or subsequently becomes publicly available without breach of any obligation owed by Grantee to the State; (iv) is disclosed to Grantee, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.
- AA. **“State Fiscal Rules”** means the fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a) C.R.S.
- BB. **“State Fiscal Year”** means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.
- CC. **“State Records”** means any and all State data, information, and records, regardless of physical form, including, but not limited to, information subject to disclosure under CORA.
- DD. **“Sub-Award”** means this grant by the State (a Recipient) to Grantee (a Subrecipient) funded in whole or in part by a Federal Award. The terms and conditions of the Federal Award flow down to this Sub-Award unless the terms and conditions of the Federal Award specifically indicate otherwise.
- EE. **“Subcontractor”** means third-parties, if any, engaged by Grantee to aid in performance of the Work. “Subcontractor” also includes sub-grantees.
- FF. **“Subrecipient”** means an entity that receives a Sub-Award from a pass-through entity to carry out part of a Federal award. The term subrecipient does not a beneficiary or participant. A Subrecipient may also be a recipient of other Federal Awards directly from a Federal Awarding Agency. For the purposes of this Grant, Grantee is a Subrecipient.
- GG. **“Tax Information”** means Federal and State of Colorado tax information including, without limitation, Federal and State tax returns, return information, and such other tax-related information as may be protected by Federal and State law and regulation.

Tax Information includes, but is not limited to all information defined as Federal tax information in Internal Revenue Service Publication 1075.

- HH. **“Uniform Guidance”** means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The terms and conditions of the Uniform Guidance flow down to the Awards to Subrecipients unless the Uniform Guidance or the terms and conditions of the Federal Award specifically indicate otherwise.
- II. **“Work”** means the delivery of the Goods and performance of the Services described in this Grant Award Letter.
- JJ. **“Work Product”** means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and any other results of the Work. “Work Product” does not include any material that was developed prior to the Grant Issuance Date that is used, without modification, in the performance of the Work.

Any other term used in this Grant Award Letter that is defined in an Exhibit shall be construed and interpreted as defined in that Exhibit.

4. **Statement of Work**

Grantee shall complete the Work as described in this Grant Award Letter and in accordance with the provisions of Exhibit A. The State shall have no liability to compensate or reimburse Grantee for the delivery of any goods or the performance of any services that are not specifically set forth in this Grant Award Letter.

5. **Payments to Grantee**

A. **Maximum Amount**

Payments to Grantee are limited to the unpaid, obligated balance of the Grant Funds. The State shall not pay Grantee any amount under this Grant that exceeds the Grant Amount for each State Fiscal Year shown on the first page of this Grant Award Letter. Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available. The State shall not be liable to pay or reimburse Grantee for any Work performed or expense incurred before the Grant Issuance Date or after the Grant Expiration Date; provided,

however, that Work performed and expenses incurred by Grantee before the Grant Issuance Date that are chargeable to an active Federal Award may be submitted for reimbursement as permitted by the terms of the Federal Award.

B. **Federal Recovery**

The close-out of a Federal Award does not affect the right of the Federal Awarding Agency or the State to disallow costs and recover funds on the basis of a later audit or other review. Any cost disallowance recovery is to be made within the Record Retention Period, as defined below.

C. **Matching Funds**

Grantee shall provide the Local Match Amount shown on the first page of this Grant Award Letter and described in Exhibit A (the “Local Match Amount”). Grantee’s obligation to pay all or part of any matching funds, whether direct or contingent, only extends to funds duly and lawfully appropriated for the purpose of this Agreement by the authorized representatives of Grantee and paid into Grantee’s treasury or bank account. Grantee shall appropriate and allocate all Local Match Amounts to the purpose of this Grant Award Letter each fiscal year prior to accepting any Grant Funds for that fiscal year. Grantee does not by accepting this Grant Award Letter irrevocably pledge present cash reserves for payments in future fiscal years, and this Grant Award Letter is not intended to create a multiple-fiscal year debt of Grantee. Grantee shall not pay or be liable for any claimed interest, late charges, fees, taxes or penalties of any nature, except as required by Grantee’s laws or policies.

D. **Reimbursement of Grantee Costs**

Upon prior written approval, the State shall reimburse Grantee’s allowable costs, not exceeding the maximum total amount described in this Grant Award Letter for all allowable costs described in this Grant Award Letter and shown in the Budget, except that Grantee may adjust the amounts between each line item of the Budget without formal modification to this Agreement as long as the Grantee provides notice to the State of the change, the change does not modify the total maximum amount of this Grant Award Letter or the maximum amount for any state fiscal year, and the change does not modify any requirements of the Work. **The** State shall reimburse Grantee for the Federal share of properly documented allowable costs related to the Work after the State’s review and approval thereof, subject to the provisions of this Grant. The State shall only reimburse allowable costs if those costs are: (i) reasonable and necessary to accomplish the Work and

for the Goods and Services provided; and (ii) equal to the actual net cost to Grantee (i.e. the price paid minus any items of value received by Grantee that reduce the cost actually incurred).

E. Close Out.

Grantee shall close out this Grant within 45 days after the Grant Expiration Date. To complete close out, Grantee shall submit to the State all deliverables (including documentation) as defined in this Grant Award Letter and Grantee's final reimbursement request or invoice. The State will withhold 5% of allowable costs until all final documentation has been submitted and accepted by the State as substantially complete. If the Federal Awarding Agency has not closed this Federal Award within 1 year and 90 days after the Grant Expiration Date due to Grantee's failure to submit required documentation, then Grantee may be prohibited from applying for new Federal Awards through the State until such documentation is submitted and accepted.

6. Reporting - Notification

A. Performance and Final Status

Grantee shall submit all financial, performance and other reports to the State no later than the end of the close out described in §5.E, containing an evaluation and review of Grantee's performance and the final status of Grantee's obligations hereunder.

B. Violations Reporting

Grantee shall disclose, in a timely manner, in writing to the State and the Federal Awarding Agency, all violations of federal or State criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal Award. The State or the Federal Awarding Agency may impose any penalties for noncompliance allowed under 2 CFR Part 180 and 31 U.S.C. 3321, which may include, without limitation, suspension or debarment.

7. Grantee Records

A. Maintenance and Inspection

Grantee shall make, keep, and maintain, all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to this Grant for a period of three years following the completion of the close out of this Grant. Grantee shall permit the State to audit, inspect, examine, excerpt, copy and transcribe all such records during normal business hours at Grantee's office or place of

business, unless the State determines that an audit or inspection is required without notice at a different time to protect the interests of the State.

B. Monitoring

The State will monitor Grantee's performance of its obligations under this Grant Award Letter using procedures as determined by the State. Grantee shall allow the State to perform all monitoring required by the Uniform Guidance, based on the State's risk analysis of Grantee. The State shall have the right, in its sole discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State shall monitor Grantee's performance in a manner that does not unduly interfere with Grantee's performance of the Work. If Grantee enters into a subcontract or subgrant with an entity that would also be considered a Subrecipient, then the subcontract or subgrant entered into by Grantee shall contain provisions permitting both Grantee and the State to perform all monitoring of that Subcontractor in accordance with the Uniform Guidance.

C. Final Audit Report

Grantee shall promptly submit to the State a copy of any final audit report of an audit performed on Grantee's records that relates to or affects this Grant or the Work, whether the audit is conducted by Grantee or a third party. Additionally, if Grantee is required to perform a single audit under 2 CFR 200.501, *et seq.*, then Grantee shall submit a copy of the results of that audit to the State within the same timelines as the submission to the federal government.

8. Confidential Information-State Records

A. Confidentiality

Grantee shall hold and maintain, and cause all Subcontractors to hold and maintain, any and all State Records that the State provides or makes available to Grantee for the sole and exclusive benefit of the State, unless those State Records are otherwise publicly available at the time of disclosure or are subject to disclosure by Grantee under CORA. Grantee shall not, without prior written approval of the State, use for Grantee's own benefit, publish, copy, or otherwise disclose to any third party, or permit the use by any third party for its benefit or to the detriment of the State, any State Records, except as otherwise stated in this Grant Award Letter. Grantee shall provide for the security of all State Confidential Information in accordance with all policies promulgated by the Colorado Office of Information Security and all applicable laws, rules, policies, publications, and guidelines. If Grantee or any of its Subcontractors will or may receive the following types of data, Grantee

or its Subcontractors shall provide for the security of such data according to the following: (i) the most recently promulgated IRS Publication 1075 for all Tax Information and in accordance with the Safeguarding Requirements for Federal Tax Information attached to this Grant as an Exhibit, if applicable, (ii) the most recently updated PCI Data Security Standard from the PCI Security Standards Council for all PCI, (iii) the most recently issued version of the U.S. Department of Justice, Federal Bureau of Investigation, Criminal Justice Information Services Security Policy for all CJ, and (iv) the federal Health Insurance Portability and Accountability Act for all PHI and the HIPAA Business Associate Agreement attached to this Grant, if applicable. Grantee shall immediately forward any request or demand for State Records to the State's principal representative.

B. Other Entity Access and Nondisclosure Agreements

Grantee may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Grant Award Letter. Grantee shall ensure all such agents, employees, assigns, and Subcontractors sign nondisclosure agreements with provisions at least as protective as those in this Grant, and that the nondisclosure agreements are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Grantee shall provide copies of those signed nondisclosure restrictions to the State upon request.

C. Use, Security, and Retention

Grantee shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information wherever located. Grantee shall provide the State with access, subject to Grantee's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Grant, Grantee shall return State Records provided to Grantee or destroy such State Records and certify to the State that it has done so, as directed by the State. If Grantee is prevented by law or regulation from returning or destroying State Confidential Information, Grantee warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

D. Incident Notice and Remediation

If Grantee becomes aware of any Incident, it shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. After an Incident, Grantee shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State at no additional cost to the State.

E. Safeguarding PII

If Grantee or any of its Subcontractors will or may receive PII under this Agreement, Grantee shall provide for the security of such PII, in a manner and form acceptable to the State, including, without limitation, State non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Grantee shall be a “Third-Party Service Provider” as defined in §24-73-103(1)(i), C.R.S. and shall maintain security procedures and practices consistent with §§24-73-101 *et seq.*, C.R.S. In addition, as set forth in § 24-74-102, *et. seq.*, C.R.S., Contractor, including, but not limited to, Contractor’s employees, agents and Subcontractors, agrees not to share any PII with any third parties for the purpose of investigating for, participating in, cooperating with, or assisting with Federal immigration enforcement. If Contractor is given direct access to any State databases containing PII, Contractor shall execute, on behalf of itself and its employees, the certification attached hereto as Exhibit __ on an annual basis Contractor’s duty and obligation to certify as set forth in Exhibit __ shall continue as long as Contractor has direct access to any State databases containing PII. If Contractor uses any Subcontractors to perform services requiring direct access to State databases containing PII, the Contractor shall require such Subcontractors to execute and deliver the certification to the State on an annual basis, so long as the Subcontractor has access to State databases containing PII.

9. Conflict of Interest

Grantee shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Grantee under this Grant. Grantee acknowledges that, with respect to this Grant, even the appearance of a conflict of interest shall be harmful to the State’s interests and absent the State’s prior written approval, Grantee shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Grantee’s obligations under this Grant. If a conflict or the appearance of a conflict arises, or if Grantee is uncertain whether a conflict or the appearance

of a conflict has arisen, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Grantee acknowledges that all State employees are subject to the ethical principles described in §24-18-105, C.R.S. Grantee further acknowledges that State employees may be subject to the requirements of §24-18-105, C.R.S. with regard to this Grant.

10. Insurance

Grantee shall maintain at all times during the term of this Grant such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S. (the "GIA"). Grantee shall ensure that any Subcontractors maintain all insurance customary for the completion of the Work done by that Subcontractor and as required by the State or the GIA.

11. Breach of Agreement

In the event of a breach of agreement, the aggrieved party shall give written notice of breach of agreement to the other party. If the notified party does not cure the breach, at its sole expense, within 30 days after the delivery of written notice, the party may exercise any of the remedies as described in §12 for that party. Notwithstanding any provision of this agreement to the contrary, the state, in its discretion, need not provide notice or a cure period and may immediately terminate this agreement in whole or in part or institute any other remedy in this agreement in order to protect the public interest of the state; or if grantee is debarred or suspended under §24-109-105, C.R.S., the state, in its discretion, need not provide notice or cure period and may terminate this agreement in whole or in part or institute any other remedy in this agreement as of the date that the debarment or suspension takes effect.

12. Remedies

A. State's Remedies

In addition to any remedies available under any exhibit to this grant agreement, if grantee is in breach under any provision of this agreement and fails to cure such breach, the state, following the notice and cure period set forth in §11, shall have all of the remedies listed in this section in addition to all other remedies set forth in this agreement or at law. The state may exercise any or all of the remedies available to it, in its discretion, concurrently or consecutively.

i. Termination for Breach

In the event of grantee's uncured breach, the state may terminate this entire agreement or any part of this agreement. Additionally, if grantee fails to comply with any terms of the federal award, then the state may, in its discretion or at the direction of a federal awarding agency, terminate this entire agreement or any part of this agreement. Grantee shall continue performance of this agreement to the extent not terminated, if any.

The State may also terminate this grant agreement at any time if the State has determined, in its sole discretion, that Grantee has ceased performing the Work without intent to resume performance, prior to the completion of the Work.

a. Obligation and Rights

To the extent specified in any termination notice, Grantee shall not incur further obligations or render further performance past the effective date of such notice, and shall terminate outstanding orders and subcontracts with third parties. However, Grantee shall complete and deliver to the State all Work not cancelled by the termination notice, and may incur obligations as necessary to do so within this Agreement's terms. At the request of the State, Grantee shall assign to the State all of Grantee's rights, title, and interest in and to such terminated orders or subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee but in which the State has an interest. At the State's request, Grantee shall return materials owned by the State in Grantee's possession at the time of any termination. Grantee shall deliver all completed Work Product and all Work Product that was in the process of completion to the State at the State's request.

b. Payments

Notwithstanding anything to the contrary, the State shall only pay Grantee for accepted Work received as of the date of termination. If, after termination by the State, the State agrees that Grantee was not in breach or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest, and the rights and obligations of the Parties shall be as if this Agreement had been terminated in the public interest under **§2.B.**

c. Damages and Withholding

Notwithstanding any other remedial action by the State, Grantee shall remain liable to the State for any damages sustained by the State in connection with any breach by Grantee, and the State may withhold payment to Grantee for the purpose of mitigating the State's damages until such time as the exact amount of damages due to the State from Grantee is determined. The State may withhold any amount that may be due Grantee as the State deems necessary to protect the State against loss including, without limitation, loss as a result of outstanding liens and excess costs incurred by the State in procuring from third parties replacement Work as cover.

II. Remedies Not Involving Termination

The State, in its discretion, may exercise one or more of the following additional remedies:

a. Suspend Performance

Suspend Grantee's performance with respect to all or any portion of the Work pending corrective action as specified by the State without entitling Grantee to an adjustment in price or cost or an adjustment in the performance schedule. Grantee shall promptly cease performing Work and incurring costs in accordance with the State's directive, and the State shall not be liable for costs incurred by Grantee after the suspension of performance.

b. Withhold Payment

Withhold payment to Grantee until Grantee corrects its Work.

c. Deny Payment

Deny payment for Work not performed, or that due to Grantee's actions or inactions, cannot be performed or if they were performed are reasonably of no value to the state; provided, that any denial of payment shall be equal to the value of the obligations not performed.

d. Removal

Demand immediate removal of any of grantee's employees, agents, or subcontractors from the work whom the state deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable or whose continued

relation to this Agreement is deemed by the state to be contrary to the public interest or the state's best interest.

e. Intellectual Property

If any work infringes, or if the state in its sole discretion determines that any work is likely to infringe, a patent, copyright, trademark, trade secret or other intellectual property right, grantee shall, as approved by the state (i) secure that right to use such work for the state and grantee; (ii) replace the work with non-infringing work or modify the work so that it becomes non-infringing; or, (iii) remove any infringing work and refund the amount paid for such work to the state.

f. Collection of Unallowable Costs (2 CFR 200.410)

Payments made for costs determined to be unallowable by either the awarding Federal agency, cognizant agency for indirect costs, or pass-through entity must be refunded with interest to the Federal Government. Unless directed by Federal statute or regulation, repayments must be made in accordance with the instructions provided by the Federal agency or pass-through entity that made the allowability determination. See §§ 200.300 through 200.309, and § 200.346.

B. Grantee's Remedies

If the State is in breach of any provision of this Agreement and does not cure such breach, Grantee, following the notice and cure period in §11 and the dispute resolution process in §13 shall have all remedies available at law and equity.

13. Dispute Resolution

Except as herein specifically provided otherwise or as required or permitted by federal regulations related to any Federal Award that provided any of the Grant Funds, disputes concerning the performance of this Grant that cannot be resolved by the designated Party representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager or official designated by Grantee for resolution.

14. Notices and Representatives

Each Party shall identify an individual to be the principal representative of the designating Party and shall provide this information to the other Party. All notices required or permitted to be given under this Grant Award Letter shall be in writing, and shall be delivered either in hard

copy or by email to the representative of the other Party. Either Party may change its principal representative or principal representative contact information by notice submitted in accordance with this §13.

15. Rights in Work Product and Other Information

Grantee hereby grants to the State a perpetual, irrevocable, non-exclusive, royalty free license, with the right to sublicense, to make, use, reproduce, distribute, perform, display, create derivatives of and otherwise exploit all intellectual property created by Grantee or any Subcontractors or Subgrantees and paid for with Grant Funds provided by the State pursuant to this Grant.

16. Governmental Immunity

Liability for claims for injuries to persons or property arising from the negligence of the Parties, their departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State’s risk management statutes, §§24-30-1501, et seq. C.R.S. No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

17. General Provisions

A. Assignment

Grantee’s rights and obligations under this Grant are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee’s rights and obligations approved by the State shall be subject to the provisions of this Grant Award Letter.

B. Captions and References

The captions and headings in this Grant Award Letter are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Grant Award Letter to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

C. Entire Understanding

This Grant Award Letter represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Grant Award Letter.

D. Modification

The State may modify the terms and conditions of this Grant by issuance of an updated Grant Award Letter, which shall be effective if Grantee accepts Grant Funds following receipt of the updated letter. The Parties may also agree to modification of the terms and conditions of the Grant in a formal amendment to this Grant, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules.

E. Statutes, Regulations, Fiscal Rules, and Other Authority.

Any reference in this Grant Award Letter to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Grant Issuance Date. Grantee shall strictly comply with all applicable Federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. Digital Signatures

If any signatory signs this agreement using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.

G. Severability

The invalidity or unenforceability of any provision of this Grant Award Letter shall not affect the validity or enforceability of any other provision of this Grant Award Letter, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under the Grant in accordance with the intent of the Grant.

H. Survival of Certain Grant Award Letter Terms

Any provision of this Grant Award Letter that imposes an obligation on a Party after termination or expiration of the Grant shall survive the termination or expiration of the Grant and shall be enforceable by the other Party.

I. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described above, this Grant Award Letter does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Any services or benefits which third parties receive as a result of this Grant are incidental to the Grant, and do not create any rights for such third parties.

J. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Grant Award Letter, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

K. Accessibility

- i. Grantee shall indemnify, save, hold harmless, and assume liability on behalf of the State, its officers, employees, agents and assignees (collectively the "Indemnified Parties") for any and all costs, expenses, claims, damages, liabilities, court awards, attorney fees and related costs, and other amounts incurred by any of the Indemnified Parties in relation to Grantee's noncompliance with §§24-85-101, et seq., C.R.S., or the *Accessibility Standards for Individuals with a Disability* as established by the Office of Information Technology pursuant to Section §24-85-103, C.R.S. State employees are considered third parties for the purposes of this section.
- ii. Grantee shall comply with the *Accessibility Standards for Individuals with a Disability*, as adopted by the Office of Information Technology pursuant to §24-85-103 C.R.S.
- iii. The State may require Grantee's compliance with the *Accessibility Standards for Individuals with a Disability* adopted by the Office of Information Technology pursuant to §24-85-103 C.R.S. is determined and tested by a qualified third party selected by the State. The State may ask the Grantee to review the selection of the third party. Grantee shall be responsible for all costs associated with the third-party vendor's assessment. If Grantee is not in compliance as determined by the third-party vendor, at the State's request and at the State's direction, Grantee shall promptly take all necessary actions to come into compliance using a State-approved vendor, at no additional cost to the State.

L. Federal Provisions

Grantee shall comply with all applicable requirements of Exhibit C at all times during the term of this Grant.

18. Colorado Special Provisions (Colorado Fiscal Rule 3-3)

A. Statutory Approval. §24-30-202(1) C.R.S.

This agreement shall not be valid until it has been approved by the Colorado State Controller or designee. If this agreement is for a Major Information Technology Project, as defined in §24-37.5-102(2.6), then this agreement shall not be valid until it has been approved by the State's Chief Information Officer or designee.

B. Fund Availability. §24-30-202(5.5) C.R.S.

Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

C. **Governmental Immunity.**

Liability for claims for injuries to persons or property arising from the negligence of the State, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, et seq. C.R.S. No term or condition of this agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

D. Independent Contractor.

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be deemed to be an agent or employee of the State. Grantee shall not have authorization, express or implied, to bind the State to any Agreement, liability, or understanding, except as expressly set forth herein. Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. Grantee shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required

by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.

E. Compliance with Law.

Grantee shall comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. Choice of Law, Jurisdiction, and Venue.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Agreement. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Agreement shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

G. Prohibited Terms.

Any term included in this Agreement that requires the State to indemnify or hold Grantee harmless; requires the State to agree to binding arbitration; limits Grantee's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Agreement shall be construed as a waiver of any provision of §24-106-109 C.R.S.

H. Software Piracy Prohibition.

State or other public funds payable under this Agreement shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Agreement and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Agreement, including, without limitation, immediate termination of this Agreement and any remedy consistent with federal copyright laws or applicable licensing restrictions.

I. Employee financial Interest/Conflict of Interest. §§24-18-201 and 24-50-507 C.R.S.

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Agreement. Grantee has no interest and shall not acquire any interest, direct or indirect, that would

conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

Exhibit A Statement of Work

To Original Contract Number 2026*3564

These provisions are to be read and interpreted in conjunction with the provisions of the contract specified above.

I. **Entity Name:** Cherokee Metropolitan District

II. **Project Description**

This public health project serves to address health concerns related to Per-fluoroalkyl and poly-fluoroalkyl substances (PFAS) detected in the drinking water at the Cherokee Metropolitan District located in Colorado Springs, Colorado. PFAS chemicals from firefighting foam, personal products, and other substances are toxic and can get into the groundwater and surface water, contaminating Colorado's drinking water supplies. The Environmental Protection Agency (EPA) has released funding through the Infrastructure Investment and Jobs Act (IIJA) for the Emerging Contaminants in Small and Disadvantaged Communities (EC-SDC) grant program, managed by the Colorado Department of Public Health and Environment (CDPHE), Water Quality Control Division (WQCD). The grant program provides funding opportunities to eligible entities for two categories of projects: Tier 1 Planning and Design Grants and Tier 2 Infrastructure Grants to address emerging contaminants. The Contractor shall use this funding to complete a Tier 1 Planning and Design project in order to mitigate the negative impacts on public health caused by PFAS for the benefit of the communities that receive drinking water from the Cherokee Metropolitan District. The grant program is designed to further enable small or disadvantaged communities by pursuing SRF funding through the DWRP for further assistance in managing and mitigating emerging contaminants. Managing and mitigating emerging contaminants will improve the health of the people in Colorado.

III. **Definitions:**

- A. CEOS - Colorado Environmental Online Services
 - B. DWRP - Drinking Water Revolving Fund
 - C. SRF - State Revolving Fund
-

IV. **Work Plan**

Program Goal #1: To protect and restore Colorado’s water quality for public health, the environment and future generations.

Project Objective #1: No later than the expiration date of the contract, support Colorado’s water quality by addressing PFAS contaminants in Colorado’s drinking water.

Primary Activity #1 The Contractor shall communicate with the SRF funding source.

Primary Activity #1 Sub- Activities

1. The Contractor shall complete the DWRf eligibility survey.
 2. The Contractor shall complete a DWRf pre-qualification form.
-

Primary Activity #2 The Contractor shall complete a performance evaluation of treatment alternatives to address contamination.

Primary Activity #2 Sub- Activities

1. The Contractor shall complete the following in the performance evaluation:
 - a. Alternatives evaluation
-

Primary Activity #3 The Contractor shall complete the following documents:

- a. Project Needs Assessment documents
 - b. Planning documents
 - c. Engineering Design documents.
-

Primary Activity #4 The Contractor shall complete the following reports:

- a. Quarterly reports
 - b. A final report.
-

Standards and Requirements

1. The content of electronic documents located on CDPHE and non-CDPHE websites and information contained on CDPHE and non-CDPHE websites may be updated periodically during the contract term. The contractor shall monitor documents and website content for updates and comply with all updates.
2. The Contractor shall submit SRF funding DWRF deliverables through the CEOS Portal. This portal is incorporated and made part of this contract by reference and is available on the following website [CEOS Portal](#).
3. The Contractor shall adhere to requirements included in the EPA EC-SDC Grant Program: Grant Implementation Document. This document is incorporated and made part of this contract by reference and is available on the following website [Emerging Contaminants in Small or Disadvantaged Communities Grant Program Manual](#).
4. The Contractor shall adhere to the requirements included in the EPA General Terms and Conditions. This document is incorporated and made part of this contract by reference and is available on the following website [EPA General Terms and Conditions](#).
5. The Contractor shall comply with the CDPHE State of Colorado Design Criteria for Potable Water Systems when completing drinking water design plans, specifications, and construction. This criteria is incorporated and made part of this contract by reference and is available on the website: [Design Criteria for Potable Water Systems](#).
6. The Contractor shall comply with Water Quality Control Commission Regulation No. 11 Colorado Primary Drinking Water Regulations. These requirements are incorporated and made part of this contract by reference and is available on the website [Water Quality Control Commission Regulation No. 11 Colorado Primary Drinking Water Regulations](#)
7. The Contractor shall use the EC-SDC Grant Program Quarterly Report Form for Tier 1 Planning Grants. This document is incorporated and made part of this contract by reference and is available on the following website [Quarterly Report Form for Tier 1 Planning Grants](#).
8. The Contractor shall use the EC-SDC Grant Program Final Report Form. This document is incorporated and made part of this contract by reference and is available on the following website [Final Report Form](#).

Expected Results of Activities:

1. Development of a plan for addressing PFAS that complies with Water Quality Control Commission Regulation No. 11 Colorado Primary Drinking Water Regulations.

Measurement of Expected Results:

1. Submission of a DWRF project pre-qualification form.
2. Annual submission of DWRF Eligibility Survey
3. Submission of an alternatives evaluation
4. Submission of a DWRF Project Needs Assessment.
5. Completed Planning and Design documents

6. Completed reports.

V. Deliverable Schedule:

Description:	Due Date:
1. The Contractor shall submit the proof of the completion of the DWRP pre-qualification form to the CDPHE Contract Monitor via email at cdphe_wqcd_contracts+ECSDC@state.co.us .	No later than 30 days after the contract's effective date.
2. The Contractor shall submit the proof of the completion of the DWRP Eligibility Survey to the CDPHE Contract Monitor via email at cdphe_wqcd_contracts+ECSDC@state.co.us .	No later than 06/30/2026.
3. The Contractor shall submit the performance evaluation of treatment alternatives to the CDPHE Contract Monitor via email at cdphe_wqcd_contracts+ECSDC@state.co.us .	No later than 60 days after the Contract execution date.
4. The Contractor shall submit Project Needs Assessment documents via email to the CDPHE Contract Monitor via email at cdphe_wqcd_contracts+ECSDC@state.co.us .	No later than 90 days after the Contract execution date.
5. The Contractor shall submit Planning and Design Documents via email to the CDPHE Contract Monitor via email at cdphe_wqcd_contracts+ECSDC@state.co.us .	No later than 60 days before the Contract expiration date.
6. The Contractor shall submit quarterly reports via email to the CDPHE Contract Monitor via email at cdphe_wqcd_contracts+ECSDC@state.co.us .	No later than quarterly, on the 3rd Friday of the month in Jan., April, July and Oct., during the contract term.
7. The Contractor shall submit a final report via email to the CDPHE Contract Monitor via email at cdphe_wqcd_contracts+ECSDC@state.co.us .	No later than 30 days after project completion within the term of the contract.

VI. Monitoring

CDPHE's monitoring of this contract for compliance with performance requirements will be conducted throughout the contract period by the Program Unit Contract Manager,

cdphe_wqcd_contracts+ECSDC@state.co.us. Methods used will include a review of documentation determined by CDPHE to be reflective of performance to include progress reports, and other fiscal and programmatic documentation as applicable. The Contractor's performance will be evaluated at set intervals and communicated to the Contractor. A Final Contractor Performance Evaluation will be conducted at the end of the life of the contract.

VII. Resolution of Non-Compliance

The Contractor will be notified in writing within **10** calendar days of discovery of a compliance issue(s). Within **10** calendar days of discovery, the Contractor and the State will collaborate, when appropriate, to determine the action(s) necessary to rectify the compliance issue and determine when the action(s) must be completed. The action(s) and timeline for completion will be documented in writing and agreed to by both parties. If extenuating circumstances arise that require an extension to the timeline, the Contractor must email a request to the Program Unit Contract Manager and receive approval for a new due date. The State will oversee the completion and implementation of the agreed-upon action(s) to ensure timelines are met and the compliance issue(s) is resolved. Failure by the Contractor to diligently pursue the compliance resolution plan, or to reach an agreement with the State on such a plan, may result in the State exercising its rights under the provisions of the contract.

VIII. Additional Provisions:

The following terms and conditions are in addition to the standard Contract terms and conditions and are to be read and interpreted in conjunction with the provisions of the Contract. Wherever used in the following provisions, “Contractor” and “Vendor” shall have the same meaning. Contractor and/or Vendor - any party to which a Contract is issued.

A. Invoicing Provisions:

To receive compensation under the Contract, the Contractor shall submit a signed monthly, quarterly, or other CDPHE Reimbursement Invoice Form. This form is accessible from the CDPHE internet website <https://www.colorado.gov/pacific/cdphe/standardized-invoice-form-and-links> and is incorporated and made part of this SOW by reference. CDPHE will provide technical assistance in accessing and completing the form. The CDPHE Reimbursement Invoice Form and Expenditure Details page must be submitted no later than **forty-five (45)** calendar days after the end of the billing period for which services were rendered. Expenditures shall be in accordance with the Statement of Work and Budget. The Contractor shall submit the invoice using the following method:

1. The Contractor shall submit supporting documentation for proof of expenditures with the completed CDPHE Reimbursement Invoice Form and Expenditure Details page
2. Submit the CDPHE Reimbursement Invoice Form as an electronic document either by signing a PDF of the Cover Page with the Expenditure Details page or emailing the scanned invoice and Expenditure Details page to the CDPHE Contract Monitor at Cdphe_wqcd_contracts+ECSDC@state.co.us

Final billings under the Contract must be received by the State within a reasonable time after the expiration or termination of the Contract; but in any event no later than forty-five (45) calendar days from the effective expiration or termination date of the Contract.

Unless otherwise provided for in the Contract, "Local Match", if any, shall be included on all invoices as required by funding source.

The Contractor shall not use federal funds to satisfy federal cost sharing and matching requirements unless approved in writing by the appropriate federal agency.

The Contractor shall request prior approval in writing from the State for all modifications to the Statement of Work, or for any modification to the direct costs in excess of twenty-five percent (25%) of the total budget for direct costs, or for any modifications to the indirect cost rate. Any request for modifications to the Budget in excess of twenty-five percent (25%) of the total budget for direct costs, or any modifications to indirect cost rates, shall be submitted to the State at least ninety (90) days prior to the end of the contract period and will require a modification in accordance with the provisions of this Contract.

B. Deliverable Acceptance Process

1. The Contractor shall coordinate and prioritize all work to ensure that all deliverables, due dates, and timelines are met.
2. The Contractor shall employ an internal quality control process to ensure that all deliverables are complete, accurate, easy to understand, and of high quality.
3. The Contractor shall provide deliverables that, at a minimum, are responsive to the relevant Standards and Requirements in the SOW, organized in a logical order, contain no spelling or grammatical errors, are formatted uniformly, and contain accurate information and correct calculations.
4. The Contractor shall maintain all work papers related to the development of all Deliverables for reference through the duration of the contract.
5. The Contractor shall provide, at no cost to the State, copies of any work papers or supporting documentation related to the development of any Deliverable within 5 calendar days of request by the State.
6. The Contractor shall submit each Deliverable to the State by the specific due date for each Deliverable outlined in the Deliverable Schedule for review and approval.
7. Review - Unless specifically outlined elsewhere in the SOW, the State will have 10 calendar days from the date the deliverable is due to the State by the Contractor to evaluate that Deliverable.
8. Notice - Unless specifically outlined elsewhere in the SOW, if the State, in its sole discretion, determines that a submitted Deliverable fails to meet the Standards and Requirements or is otherwise deficient, the State will notify the Contractor of the failure or deficiency within 10 calendar days of the date the State becomes aware of the failure or deficiency.

9. Revision - Unless specifically outlined elsewhere in the SOW, the Contractor shall have 10 calendar days from notice of a Deliverable's failure or deficiency to revise the Deliverable and resubmit it to the State for review and approval.
10. The Contractor shall participate in the Deliverable review and revision process until the State provides written acceptance of the Deliverable.
11. At no time shall payment or partial payment for a Deliverable constitute acceptance of the Deliverable and excuse Contractor's obligation to participate in the Deliverable review and revision process until such time as the State issues written acceptance of the Deliverable.

C. Health Insurance Portability and Accountability Act (HIPAA) Business Associate Determination:

The State has determined that this Contract **does not** constitute a Business Associate relationship under HIPAA.

D. Option to Increase or Decrease Maximum Amount:

The State has the Option to increase or decrease the statewide quantity of Goods and Services based upon the rates established in this Agreement and increase or decrease the maximum amount payable accordingly. In order to exercise this option, the State shall provide written notice to the Contractor in a form substantially equivalent to the Sample Option Letter attached to this Agreement. Delivery of Goods and performance of Services shall continue at the same rates and terms as described in this Agreement. The State may include and incorporate a revised budget with the option letter, as long as the revised budget does not unilaterally change rates or terms specified in this Agreement.

E. Option to Extend Term:

The **State** at its discretion, shall have the option to extend the performance under this Agreement beyond the Initial Term for a period, or for successive periods, of one year or less, at the same rates and under the same terms specified in the Agreement (each such period an "Extension Term"). In order to exercise this option, the **State** shall provide written notice to the **Contractor** in a form substantially equivalent to the Sample Option Letter attached to this Agreement. The total duration of this Agreement, including the exercise of any options to extend, shall not exceed five years from its Effective Date absent prior approval from the Chief Procurement Officer in accordance with the Colorado Procurement Code.

Exhibit B, Sample Option Letter

State Agency

[Insert Department's or IHE's Full Legal Name]

Grantee

[Insert Grantee's Full Legal Name, including "Inc.", "LLC", etc.]

Grantee UEI

[Insert Grantee UEI]

Current Agreement Maximum Amount

Initial Term

State Fiscal Year [20XX] [\$0.00]

Extension Terms

State Fiscal Year [20XX] [\$0.00]

State Fiscal Year [20XX] [\$0.00]

State Fiscal Year [20XX] [\$0.00]

State Fiscal Year [20XX] [\$0.00]

Total for All State Fiscal Years [\$0.00]

Option Letter Number

[Insert the Option Number (e.g. "1" for the first option)]

Original Agreement Number

[Insert CMS number or Other Agreement Number of the Original Agreement]

Option Agreement Number

[Insert CMS number or Other Agreement Number of this Option]

Agreement Performance Beginning Date

[Month Day, Year]

Current Agreement Expiration Date

[Month Day, Year]

Options:

- A. Option to extend for an Extension Term
- B. Option to change the quantity of Goods under the Agreement
- C. Option to change the quantity of Services under the Agreement
- D. Option to modify Agreement rates
- E. Option to initiate next phase of the Agreement

Required Provisions:

1. For use with Option 1(A): In accordance with Section(s) [Number] of the Original Agreement referenced above, the State hereby exercises its option for an additional term, beginning [Insert start date] and ending on the current Agreement expiration date shown above, at the rates stated in the Original Agreement, as amended.

2. For use with Options 1(B and C): In accordance with Section(s) [Enter Section(s) number] of the Original Agreement referenced above, the State hereby exercises its option to [Increase/Decrease] the quantity of the [Goods/Services or both] at the rates stated in the Original Agreement, as amended.
3. For use with Option 1(D): In accordance with Section(s) [Enter Section(s) number] of the Original Agreement referenced above, the State hereby exercises its option to modify the Agreement rates specified in [Enter Exhibit/Section] [Enter Number/Letter]. The Agreement rates attached to this Option Letter replace the rates in the Original Agreement as of the Option Effective Date of this Option Letter.
4. For use with Option 1(E): In accordance with Section(s) [Enter Section(s) number] of the Original Agreement referenced above, the State hereby exercises its option to initiate Phase [indicate which Phase: 2, 3, 4, etc.], which shall begin on [Insert start date] and end on [Insert ending date] at the cost/price specified in Section [Enter Section(s) number].
5. For use with all Options that modify the Agreement Maximum Amount: The Agreement Maximum Amount table on the Agreement’s Signature and Cover Page is hereby deleted and replaced with the Current Agreement Maximum Amount table shown above.

Option Effective Date:

The effective date of this Option Letter is upon approval of the State Controller or [Enter date], whichever is later.

STATE OF COLORADO
 Jared S. Polis, Governor
 [INSERT-Name of Agency or IHE]
 [INSERT-Name & Title of Head of Agency or
 IHE]

In accordance with §24-30-202, C.R.S., this Option is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
 Robert Jaros, CPA, MBA, JD

By: [Name & Title of Person Signing for Agency or IHE]

Date: _____

By: _____

[Name of Agency or IHE Delegate-Please delete if Agreement will be routed to OSC for approval]

Option Effective

Date: _____

Exhibit C, Budget

Cherokee Metropolitan District CT 2026*3564 Budget

Goal: To protect and restore Colorado's water quality for public health, the environment and future generations.
 Objectives: To address emerging contaminants in finished drinking water.

Activity Number	Check those that apply	Description of the Activity	A. Contractor (grant recipient) Expenses	B. Subcontractor/ Subconsultant Expenses	C. Total (sum of the prior two columns)
Line 1.	X	Primary Activity #1: Completion of the Intended Use Plan eligibility survey and a DWRF prequalification form	\$0	\$5,250	\$5,250
Line 2.		Primary Activity #2 Pilot testing, pilot sampling, performance evaluation of treatment technologies (assessment sampling is not eligible).	\$0	\$0	\$0
Line 3.	X	Primary Activity #3 Development of PNA documents. *Includes Pre-Qualification meetin2 with CDPHE	\$0	\$61,770	\$61,770
Line 4.	X	Primary Activity #4 Development of planning or design documents.	\$0	\$225,828	\$225,828
Line 5.	X	Primary Activity #5 Reporting. Sub-Activities: 1. The contractor shall prepare quarterly reports. 2. The contractor shall prepare a final report.	\$0	\$7,000	\$7,000
Line 6. Budget Subtotal (total of each column):			\$0	\$299,848	\$299,848
Line 7. Enter the Indirect (F&A) Cost Rate if applicable to your project:					\$ 0.00
Line 8. Multiply the Indirect Cost Rate (Line 7) times the total budget amount (Line 6 Column C):					\$ 0.00
Line 9. Line 8 plus the total budget amount (Line 6 Column C) Total Budget:					\$299,848

Line 9 is the Tier 1 Planning and Design Grant Project Budget. Note this should not exceed the grant allowable amount (\$300,000 max).

Exhibit D, Federal Provisions

1. Applicability of Provisions.

- 1.1. The Grant to which these Federal Provisions are attached has been funded, in whole or in part, with an Award of Federal funds. In the event of a conflict between the provisions of these Federal Provisions, the Special Provisions, the body of the Grant, or any attachments or exhibits incorporated into and made a part of the Grant, the provisions of these Federal Provisions shall control.

These Federal Provisions are subject to the Award as defined in §2 of these Federal Provisions, as may be revised pursuant to ongoing guidance from the relevant Federal or State of Colorado agency or institutions of higher education.

2. Definitions.

- 2.1. For the purposes of these Federal Provisions, the following terms shall have the meanings ascribed to them below. For a full list of definitions (as of October 1, 2024) under the Uniform Guidance, see 2 CFR 200.1.
 - 2.1.1. “Award” means an award of Federal financial assistance, and the Grant setting forth the terms and conditions of that financial assistance, that a non-Federal Entity receives or administers.
 - 2.1.2. “Entity” means:
 - 2.1.2.1. a non-federal entity;
 - 2.1.2.2. a non-profit organization or for profit organization;
 - 2.1.3. “Executive” means an officer, managing partner or any other employee in a management position.
 - 2.1.4. “Federal Awarding Agency” means a Federal agency providing a Federal Award to a Recipient as described in 2 CFR 200.1
 - 2.1.5. “Grant” means the Grant to which these Federal Provisions are attached.
 - 2.1.6. “Grantee” means the party or parties identified as such in the Grant to which these Federal Provisions are attached. Grantee also means Subrecipient.

- 2.1.7. “Non-Federal Entity” means a State, local government, Indian tribe, institution of higher education, or nonprofit organization that carries out a Federal Award as a Recipient or a Subrecipient.
- 2.1.8. “Nonprofit Organization” organization, that:
- 2.1.8.1. Is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest;
 - 2.1.8.2. Is not organized primarily for profit; and
 - 2.1.8.3. Uses net proceeds to maintain, improve, or expand the organization’s operations; and
 - 2.1.8.4. Is not an IHE.
- 2.1.9. “OMB” means the Executive Office of the President, Office of Management and Budget.
- 2.1.10. “Pass-through Entity” means a recipient or subrecipient that provides a Subaward to a Subrecipient (including lower tier subrecipients) to carry out part of a Federal program. The authority of the pass-through entity under this part flows through the Subaward agreements between the pass-through entity and subrecipient.
- 2.1.11. “Recipient” means the Colorado State agency or institution of higher education identified as the Grantor in the Grant to which these Federal Provisions are attached.
- 2.1.12. “Subaward” means an award provided by a pass-through entity to a Subrecipient to contribute to the goals and objectives of the project by carrying out part of a Federal award received by the pass-through entity. The term does not include payments to a contractor, beneficiary or participant.
- 2.1.13. “Subrecipient” means an entity that receives a subaward from a pass-through entity to carry out part of a Federal award. The term subrecipient does not include a beneficiary or participant. A subrecipient may also be a recipient of other Federal awards directly from a Federal agency. Subrecipient also means Grantee.
- 2.1.14. “System for Award Management (SAM)” means the Federal repository into which an Entity must enter the information required under the Transparency Act, which may be found at <http://www.sam.gov>.

- 2.1.15. “Total Compensation” means the cash and noncash dollar value an Executive earns during the entity’s preceding fiscal year. This includes all items of compensation as prescribed in 17 CFR 229.402(c)(2).
- 2.1.16. “Transparency Act” means the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), as amended by §6202 of Public Law 110-252.
- 2.1.17. “Unique Entity ID” (UEI) is the universal identifier for federal financial assistance applicants, as well as recipients and their direct subrecipients (first tier subrecipients).
- 2.1.18. “Uniform Guidance” means the Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The terms and conditions of the Uniform Guidance flow down to Awards to Subrecipients unless the Uniform Guidance or the terms and conditions of the Federal Award specifically indicate otherwise.

3. Compliance.

- 3.1. Subrecipient shall comply with all applicable provisions of the Transparency Act and the regulations issued pursuant thereto, all applicable provisions of the Uniform Guidance, and all applicable Federal Laws and regulations required by this Federal Award. Any revisions to such provisions or regulations shall automatically become a part of these Federal Provisions, without the necessity of either party executing any further instrument. The State of Colorado, at its discretion, may provide written notification to Subrecipient of such revisions, but such notice shall not be a condition precedent to the effectiveness of such revisions.

4. System for Award Management (SAM) and Unique Entity ID Requirements.

- 4.1. SAM. Subrecipient must obtain a UEI but are not required to fully register in Sam.gov. Subrecipient shall maintain the currency of its information in SAM until the Subrecipient submits the final financial report required under the Award or receives final payment, whichever is later. Subrecipient shall review and update SAM information at least annually after the initial registration, and more frequently if required by changes in its information.
- 4.2. Unique Entity ID. Subrecipient shall provide its Unique Entity ID to its Recipient, and shall update Subrecipient’s information at <http://www.sam.gov> at least annually after the initial registration, and more frequently if required by changes in Subrecipient’s information.

5. Total Compensation.

5.1. Subrecipient shall include Total Compensation in SAM for each of its five most highly compensated Executives for the preceding fiscal year if:

5.1.1. The total Federal funding authorized to date under the Award is \$30,000 or more; and

5.1.2. In the preceding fiscal year, Subrecipient received:

5.1.2.1. 80% or more of its annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and

5.1.2.2. \$25,000,000 or more in annual gross revenues from Federal procurement contracts and subcontracts and/or Federal financial assistance Awards or Subawards subject to the Transparency Act; and

5.1.2.3. The public does not have access to information about the compensation of such Executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d) or § 6104 of the Internal Revenue Code of 1986.

6. Reporting.

6.1. Pursuant to the Transparency Act, Subrecipient shall report data elements to SAM and to the Recipient as required in this Exhibit. No direct payment shall be made to Subrecipient for providing any reports required under these Federal Provisions and the cost of producing such reports shall be included in the Grant price. The reporting requirements in this Exhibit are based on guidance from the OMB, and as such are subject to change at any time by OMB. Any such changes shall be automatically incorporated into this Grant and shall become part of Subrecipient's obligations under this Grant.

7. Effective Date and Dollar Threshold for Reporting.

7.1. Reporting requirements in §8 below apply to new Awards as of October 1, 2010, if the initial award is \$30,000 or more. If the initial Award is below \$30,000 but subsequent Award modifications result in a total Award of \$30,000 or more, the Award is subject to the reporting requirements as of the date the Award exceeds \$30,000. If the initial Award is \$30,000 or more, but funding is subsequently de-obligated such that the total award amount falls below \$30,000, the Award shall continue to be subject to the reporting requirements.

7.2. The procurement standards in §9 below are applicable to new Awards made by Recipient as of December 26, 2015. The standards set forth in §11 below are applicable to audits of fiscal years beginning on or after December 26, 2014.

8. Subrecipient Reporting Requirements.

8.1. Subrecipient shall report as set forth below.

8.1.1. To Recipient. A Subrecipient shall report the following data elements for each Federal Award Identification Number (FAIN) assigned by a Federal agency to a Recipient no later than the end of the month following the month in which the Subaward was made:

8.1.1.1. Subrecipient Unique Entity ID;

8.1.1.2. Subrecipient Unique Entity ID if more than one electronic funds transfer (EFT) account;

8.1.1.3. Subrecipient parent's organization Unique Entity ID;

8.1.1.4. Subrecipient's address, including: Street Address, City, State, Country, Zip + 4, and Congressional District;

8.1.1.5. Subrecipient's top 5 most highly compensated Executives if the criteria in §4 above are met; and Subrecipient's Total Compensation of top 5 most highly compensated Executives if the criteria in §4 above met.

8.1.1.6. The Recipient is required to submit this information to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS) at <http://www.fsr.gov>.

9. Procurement Standards.

9.1. Procurement Procedures. A Subrecipient shall use its own documented procurement procedures which reflect applicable State, local, and Tribal laws and applicable regulations, provided that the procurements conform to applicable Federal law and the standards identified in the Uniform Guidance, including without limitation, 2 CFR 200.318 through 200.327 thereof.

9.2. Domestic preference for procurements (2 CFR 200.322). As appropriate and to the extent consistent with law, the non-Federal entity should, to the greatest extent practicable under a Federal award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this

section must be included in all subawards including all contracts and purchase orders for work or products under this award.

- 9.3. Procurement of Recovered Materials. If a Subrecipient is a State Agency or an agency of a political subdivision of the State, its contractors must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR part 247, that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.
- 9.4. Never contract with the enemy (2 CFR 200.215). Federal awarding agencies and recipients are subject to the regulations implementing “Never contract with the enemy” in 2 CFR part 183. The regulations in 2 CFR part 183 affect covered contracts, grants and cooperative agreements that are expected to exceed \$50,000 during the period of performance, are performed outside the United States and its territories, and are in support of a contingency operation in which members of the Armed Forces are actively engaged in hostilities.
- 9.5. Prohibition on certain telecommunications and video surveillance equipment or services (2 CFR 200.216). Subrecipient is prohibited from obligating or expending loan or grant funds on certain telecommunications and video surveillance services or equipment pursuant to 2 CFR 200.216.

10. Access to Records.

- 10.1. A Subrecipient shall permit Recipient and its auditors to have access to Subrecipient’s records and financial statements as necessary for Recipient to meet the requirements of 2 CFR 200.332 (Requirements for pass-through entities), 2 CFR 200.300 (Statutory and national policy requirements) through 2 CFR 200.309 (Modification to period of performance), 2 CFR 200.337 (Access to Records) and Subpart F-Audit Requirements of the Uniform Guidance.
- 10.2. A Subrecipient must collect, transmit, and store information related to this Subaward in open and machine-readable formats (2 CFR 200.336).

11. Single Audit Requirements.

11.1. If a Subrecipient expends \$1,000,000 or more in Federal Awards during the Subrecipient's fiscal year, the Subrecipient shall procure or arrange for a single or program-specific audit conducted for that year in accordance with the provisions of Subpart F-Audit Requirements of the Uniform Guidance, issued pursuant to the Single Audit Act Amendments of 1996, (31 U.S.C. 7501-7507). 2 CFR 200.501.

11.1.1. Election. A Subrecipient shall have a single audit conducted in accordance with Uniform Guidance 2 CFR 200.514 (Scope of audit), except when it elects to have a program-specific audit conducted in accordance with 2 CFR 200.507 (Program-specific audits). The Subrecipient may elect to have a program-specific audit if Subrecipient expends Federal Awards under only one Federal program (excluding research and development) and the Federal program's statutes, regulations, or the terms and conditions of the Federal award do not require a financial statement audit of Recipient. A program-specific audit may not be elected for research and development unless all of the Federal Awards expended were received from Recipient and Recipient approves in advance a program-specific audit.

11.1.2. Exemption. If a Subrecipient expends less than \$1,000,000 in Federal Awards during its fiscal year, the Subrecipient shall be exempt from Federal audit requirements for that year, except as noted in 2 CFR 200.503 (Relation to other audit requirements), but records shall be available for review or audit by appropriate officials of the Federal agency, the State, and the Government Accountability Office.

11.1.3. Subrecipient Compliance Responsibility. A Subrecipient shall procure or otherwise arrange for the audit required by Subpart F of the Uniform Guidance and ensure it is properly performed and submitted when due in accordance with the Uniform Guidance. Subrecipient shall prepare appropriate financial statements, including the schedule of expenditures of Federal awards in accordance with 2 CFR 200.510 (Financial statements) and provide the auditor with access to personnel, accounts, books, records, supporting documentation, and other information as needed for the auditor to perform the audit required by Uniform Guidance Subpart F-Audit Requirements.

12. Required Provisions for Subrecipient with Subcontractors.

12.1. In addition to other provisions required by the Federal Awarding Agency or the Recipient, Subrecipients shall include all of the following applicable provisions;

12.1.1. For agreements with Subrecipients - Include the terms in the Grant Federal Provisions Exhibit (this exhibit)

12.1.2. For agreements with Subcontractors - Include the terms in the Agreement Federal Provisions Exhibit.

13. Certifications.

13.1. Unless prohibited by Federal statutes or regulations, Recipient may require Subrecipient to submit certifications and representations required by Federal statutes or regulations on an annual basis. 2 CFR 200.415. Submission may be required more frequently if Subrecipient fails to meet a requirement of the Federal award. Subrecipient shall certify in writing to the State at the end of the Award that the project or activity was completed or the level of effort was expended. If the required level of activity or effort was not carried out, the amount of the Award must be adjusted.

14. Exemptions.

14.1. These Federal Provisions do not apply to an individual who receives an Award as a natural person, unrelated to any business or non-profit organization he or she may own or operate in his or her name.

14.2. A Subrecipient with gross income from all sources of less than \$300,000 in the previous tax year is exempt from the requirements to report Subawards and the Total Compensation of its most highly compensated Executives.

15. Event of Default and Termination.

15.1. Failure to comply with these Federal Provisions shall constitute an event of default under the Grant and the State of Colorado may terminate the Grant upon 30 days prior written notice if the default remains uncured five calendar days following the termination of the 30-day notice period. This remedy will be in addition to any other remedy available to the State of Colorado under the Grant, at law or in equity.

15.2. Termination (2 CFR 200.340). The Federal Award may be terminated in whole or in part as follows:

15.2.1. By the Federal Awarding Agency or Pass-through Entity, if a Non-Federal Entity fails to comply with the terms and conditions of a Federal Award;

15.2.2. By the Federal awarding agency or Pass-through Entity with the consent of the Non-Federal Entity, in which case the two parties must agree upon the termination

conditions, including the effective date and, in the case of partial termination, the portion to be terminated;

15.2.3. By the Non-Federal Entity upon sending to the Federal Awarding Agency or Pass-through Entity written notification setting forth the reasons for such termination, the effective date, and, in the case of partial termination, the portion to be terminated. However, if the Federal Awarding Agency or Pass-through Entity determines in the case of partial termination that the reduced or modified portion of the Federal Award or Subaward will not accomplish the purposes for which the Federal Award was made, the Federal Awarding Agency or Pass-through Entity may terminate the Federal Award in its entirety; or

15.2.4. By the Federal Awarding Agency or Pass-through Entity pursuant to termination provisions included in the Federal Award

16. Additional Federal Requirements.

16.1. Whistle Blower Protections

16.1.1. An employee of a subrecipient must not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing to a person or body described in paragraph (a)(2) of 41 U.S.C. 4712 information that the employee reasonably believes is evidence of gross mismanagement of a Federal contract or grant, a gross waste of Federal funds, an abuse of authority relating to a Federal contract or grant, a substantial and specific danger to public health or safety, or a violation of law, rule, or regulation related to a Federal contract (including the competition for or negotiation of a contract) or grant. The subrecipient must inform their employees in writing of employee whistleblower rights and protections under 41 U.S.C. 4712. See statutory requirements for whistleblower protections at 10 U.S.C. 4701, 41 U.S.C. 4712, 41 U.S.C. 4304, and 10 U.S.C. 4310.

Exhibit E-PII Certification

State of Colorado

Third Party Individual Certification for Access TO PII through a Database or Automated Network

Pursuant to § 24-74-105, C.R.S., I hereby certify under the penalty of perjury that I have not and will not use or disclose any Personal Identifying Information, as defined by § 24-74-102(1), C.R.S., for the purpose of investigating for, participating in, cooperating with, or assisting Federal Immigration Enforcement, including the enforcement of civil immigration laws, and the Illegal Immigration and Immigrant Responsibility Act, which is codified at 8 U.S.C. §§ 1325 and 1326, unless required to do so to comply with Federal or State law, or to comply with a court-issued subpoena, warrant or order.

Signature: _____

Printed Name: _____

Date: _____

Exhibit E-PII Certification

State of Colorado

Third Party Entity/Organization Certification for Access TO PII through a Database or Automated Network

Pursuant to § 24-74-105, C.R.S., I, _____, on behalf of _____ (legal name of entity / organization) (the “Organization”), hereby certify under the penalty of perjury that the Organization has not and will not use or disclose any Personal Identifying Information, as defined by § 24-74-102(1), C.R.S., for the purpose of investigating for, participating in, cooperating with, or assisting Federal Immigration Enforcement, including the enforcement of civil immigration laws, and the Illegal Immigration and Immigrant Responsibility Act, which is codified at 8 U.S.C. §§ 1325 and 1326, unless required to do so to comply with Federal or State law, or to comply with a court-issued subpoena, warrant or order.

I hereby represent and certify that I have full legal authority to execute this certification on behalf of the Organization.

Signature: _____

Printed Name: _____

Title: _____

Date: _____

Exhibit F - HIPAA Business Associate Agreement

This HIPAA Business Associate Agreement (“Agreement”) between the State and Contractor is agreed to in connection with, and as an exhibit to, the Contract. For purposes of this Agreement, the State is referred to as “Covered Entity” and the Contractor is referred to as “Business Associate”. Unless the context clearly requires a distinction between the Contract and this Agreement, all references to “Contract” shall include this Agreement.

1. Purpose

Covered Entity wishes to disclose information to Business Associate, which may include Protected Health Information (“PHI”). The Parties intend to protect the privacy and security of the disclosed PHI in compliance with the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), Pub. L. No. 104-191 (1996) as amended by the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”) enacted under the American Recovery and Reinvestment Act of 2009 (“ARRA”) Pub. L. No. 111-5 (2009), implementing regulations promulgated by the U.S. Department of Health and Human Services at 45 C.F.R. Parts 160, 162 and 164 (the “HIPAA Rules”) and other applicable laws, as amended. Prior to the disclosure of PHI, Covered Entity is required to enter into an agreement with Business Associate containing specific requirements as set forth in, but not limited to, Title 45, Sections 160.103, 164.502(e) and 164.504(e) of the Code of Federal Regulations (“C.F.R.”) and all other applicable laws and regulations, all as may be amended.

2. Definitions

The following terms used in this Agreement shall have the same meanings as in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

The following terms used in this Agreement shall have the meanings set forth below:

- a. Business Associate. “Business Associate” shall have the same meaning as the term “business associate” at 45 C.F.R. 160.103, and shall refer to Contractor.

- b. Covered Entity. “Covered Entity” shall have the same meaning as the term “covered entity” at 45 C.F.R. 160.103, and shall refer to the State.
- c. Information Technology and Information Security. “Information Technology” and “Information Security” shall have the same meanings as the terms “information technology” and “information security”, respectively, in §24-37.5-102, C.R.S.

Capitalized terms used herein and not otherwise defined herein or in the HIPAA Rules shall have the meanings ascribed to them in the Contract.

3. Obligations and Activities of Business Associate

- a. Permitted Uses and Disclosures.
- b. Business Associate shall use and disclose PHI only to accomplish Business Associate’s obligations under the Contract.
 - i. To the extent Business Associate carries out one or more of Covered Entity’s obligations under Subpart E of 45 C.F.R. Part 164, Business Associate shall comply with any and all requirements of Subpart E that apply to Covered Entity in the performance of such obligation.
 - ii. Business Associate may disclose PHI to carry out the legal responsibilities of Business Associate, provided, that the disclosure is Required by Law or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that:
 - the information will remain confidential and will be used or disclosed only as Required by Law or for the purpose for which Business Associate originally disclosed the information to that person, and;
 - the person notifies Business Associate of any Breach involving PHI of which it is aware.

- iii. Business Associate may provide Data Aggregation services relating to the Health Care Operations of Covered Entity. Business Associate may de-identify any or all PHI created or received by Business Associate under this Agreement, provided the de-identification conforms to the requirements of the HIPAA Rules.
- c. Minimum Necessary. Business Associate, its Subcontractors and agents, shall access, use, and disclose only the minimum amount of PHI necessary to accomplish the objectives of the Contract, in accordance with the Minimum Necessary Requirements of the HIPAA Rules including, but not limited to, 45 C.F.R. 164.502(b) and 164.514(d).
- d. Impermissible Uses and Disclosures.
 - i. Business Associate shall not disclose the PHI of Covered Entity to another covered entity without the written authorization of Covered Entity.
 - ii. Business Associate shall not share, use, disclose or make available any Covered Entity PHI in any form via any medium with or to any person or entity beyond the boundaries or jurisdiction of the United States without express written authorization from Covered Entity.
- e. Business Associate's Subcontractors.
 - i. Business Associate shall, in accordance with 45 C.F.R. 164.502(e)(1)(ii) and 164.308(b)(2), ensure that any Subcontractors who create, receive, maintain, or transmit PHI on behalf of Business Associate agree in writing to the same restrictions, conditions, and requirements that apply to Business Associate with respect to safeguarding PHI.
 - ii. Business Associate shall provide to Covered Entity, on Covered Entity's request, a list of Subcontractors who have entered into any such agreement with Business Associate.

- iii. Business Associate shall provide to Covered Entity, on Covered Entity's request, copies of any such agreements Business Associate has entered into with Subcontractors.
- f. Access to System. If Business Associate needs access to a Covered Entity Information Technology system to comply with its obligations under the Contract or this Agreement, Business Associate shall request, review, and comply with any and all policies applicable to Covered Entity regarding such system including, but not limited to, any policies promulgated by the Office of Information Technology and available at <http://oit.state.co.us/about/policies>.
- g. Access to PHI. Business Associate shall, within ten days of receiving a written request from Covered Entity, make available PHI in a Designated Record Set to Covered Entity as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.524.
- h. Amendment of PHI.
 - i. Business Associate shall within ten days of receiving a written request from Covered Entity make any amendment to PHI in a Designated Record Set as directed by or agreed to by Covered Entity pursuant to 45 C.F.R. 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 C.F.R. 164.526.
 - ii. Business Associate shall promptly forward to Covered Entity any request for amendment of PHI that Business Associate receives directly from an Individual.
- i. Accounting Rights. Business Associate shall, within ten days of receiving a written request from Covered Entity, maintain and make available to Covered Entity the information necessary for Covered Entity to satisfy its obligations to provide an accounting of Disclosure under 45 C.F.R. 164.528.
- j. Restrictions and Confidential Communications.

Business Associate shall restrict the Use or Disclosure of an Individual's PHI within ten days of notice from Covered Entity of:

- A. a restriction on Use or Disclosure of PHI pursuant to 45 C.F.R. 164.522; or
a request for confidential communication of PHI pursuant to 45 C.F.R. 164.522.
 - i. Business Associate shall not respond directly to an Individual's requests to restrict the Use or Disclosure of PHI or to send all communication of PHI to an alternate address.
 - ii. Business Associate shall refer such requests to Covered Entity so that Covered Entity can coordinate and prepare a timely response to the requesting Individual and provide direction to Business Associate.
- k. Governmental Access to Records. Business Associate shall make its facilities, internal practices, books, records, and other sources of information, including PHI, available to the Secretary for purposes of determining compliance with the HIPAA Rules in accordance with 45 C.F.R. 160.310.
- l. Audit, Inspection and Enforcement.
- i. Business Associate shall obtain and update at least annually a written assessment performed by an independent third party reasonably acceptable to Covered Entity, which evaluates the Information Security of the applications, infrastructure, and processes that interact with the Covered Entity data Business Associate receives, manipulates, stores and distributes. Upon request by Covered Entity, Business Associate shall provide to Covered Entity the executive summary of the assessment.
 - ii. Business Associate, upon the request of Covered Entity, shall fully cooperate with Covered Entity's efforts to audit Business Associate's compliance with applicable HIPAA Rules. If, through audit or inspection, Covered Entity determines that Business Associate's conduct would result in violation of the

HIPAA Rules or is in violation of the Contract or this Agreement, Business Associate shall promptly remedy any such violation and shall certify completion of its remedy in writing to Covered Entity.

m. Appropriate Safeguards.

- i. Business Associate shall use appropriate safeguards and comply with Subpart C of 45 C.F.R. Part 164 with respect to electronic PHI to prevent use or disclosure of PHI other than as provided in this Agreement.
- ii. Business Associate shall safeguard the PHI from tampering and unauthorized disclosures.
- iii. Business Associate shall maintain the confidentiality of passwords and other data required for accessing this information.
- iv. Business Associate shall extend protection beyond the initial information obtained from Covered Entity to any databases or collections of PHI containing information derived from the PHI. The provisions of this section shall be in force unless PHI is de-identified in conformance to the requirements of the HIPAA Rules.

n. Safeguard During Transmission.

- i. Business Associate shall use reasonable and appropriate safeguards including, without limitation, Information Security measures to ensure that all transmissions of PHI are authorized and to prevent use or disclosure of PHI other than as provided for by this Agreement.
- ii. Business Associate shall not transmit PHI over the internet or any other insecure or open communication channel unless the PHI is encrypted or otherwise safeguarded with a FIPS-compliant encryption algorithm.

o. Reporting of Improper Use or Disclosure and Notification of Breach.

- i. Business Associate shall, as soon as reasonably possible, but immediately after discovery of a Breach, notify Covered Entity of any use or disclosure of PHI not provided for by this Agreement, including a Breach of Unsecured Protected Health Information as such notice is required by 45 C.F.R. 164.410 or a breach for which notice is required under §24-73-103, C.R.S.
 - ii. Such notice shall include the identification of each Individual whose Unsecured Protected Health Information has been, or is reasonably believed by Business Associate to have been, accessed, acquired, or disclosed during such Breach.
 - iii. Business Associate shall, as soon as reasonably possible, but immediately after discovery of any Security Incident that does not constitute a Breach, notify Covered Entity of such incident.
 - iv. Business Associate shall have the burden of demonstrating that all notifications were made as required, including evidence demonstrating the necessity of any delay.
- p. Business Associate's Insurance and Notification Costs.
- i. Business Associate shall bear all costs of a Breach response including, without limitation, notifications, and shall maintain insurance to cover:
 - A. loss of PHI data;

Breach notification requirements specified in HIPAA Rules and in §24-73-103, C.R.S.; and

claims based upon alleged violations of privacy rights through improper use or disclosure of PHI.
 - ii. All such policies shall meet or exceed the minimum insurance requirements of the Contract or otherwise as may be approved by Covered Entity (e.g., occurrence basis, combined single dollar limits, annual aggregate dollar limits, additional insured status, and notice of cancellation).

- iii. Business Associate shall provide Covered Entity a point of contact who possesses relevant Information Security knowledge and is accessible 24 hours per day, 7 days per week to assist with incident handling.
 - iv. Business Associate, to the extent practicable, shall mitigate any harmful effect known to Business Associate of a Use or Disclosure of PHI by Business Associate in violation of this Agreement.
- q. Subcontractors and Breaches.
- i. Business Associate shall enter into a written agreement with each of its Subcontractors and agents, who create, receive, maintain, or transmit PHI on behalf of Business Associate. The agreements shall require such Subcontractors and agents to report to Business Associate any use or disclosure of PHI not provided for by this Agreement, including Security Incidents and Breaches of Unsecured Protected Health Information, on the first day such Subcontractor or agent knows or should have known of the Breach as required by 45 C.F.R. 164.410.
 - ii. Business Associate shall notify Covered Entity of any such report and shall provide copies of any such agreements to Covered Entity on request.
- r. Data Ownership.
- i. Business Associate acknowledges that Business Associate has no ownership rights with respect to the PHI.
 - ii. Upon request by Covered Entity, Business Associate immediately shall provide Covered Entity with any keys to decrypt information that the Business Association has encrypted and maintains in encrypted form, or shall provide such information in unencrypted usable form.
- s. Retention of PHI. Except upon termination of this Agreement as provided in Section 5 below, Business Associate and its Subcontractors or agents shall retain all PHI throughout

the term of this Agreement, and shall continue to maintain the accounting of disclosures required under Section i above, for a period of six years.

4. Obligations of Covered Entity

- a. **Safeguards During Transmission.** Covered Entity shall be responsible for using appropriate safeguards including encryption of PHI, to maintain and ensure the confidentiality, integrity, and security of PHI transmitted pursuant to this Agreement, in accordance with the standards and requirements of the HIPAA Rules.
- b. **Notice of Changes.**
 - i. Covered Entity maintains a copy of its Notice of Privacy Practices on its website. Covered Entity shall provide Business Associate with any changes in, or revocation of, permission to use or disclose PHI, to the extent that it may affect Business Associate's permitted or required uses or disclosures.
 - ii. Covered Entity shall notify Business Associate of any restriction on the use or disclosure of PHI to which Covered Entity has agreed in accordance with 45 C.F.R. 164.522, to the extent that it may affect Business Associate's permitted use or disclosure of PHI.

5. Termination

- a. **Breach.**
 - i. In addition to any Contract provision regarding remedies for breach, Covered Entity shall have the right, in the event of a breach by Business Associate of any provision of this Agreement, to terminate immediately the Contract, or this Agreement, or both.
 - ii. Subject to any directions from Covered Entity, upon termination of the Contract, this Agreement, or both, Business Associate shall take timely, reasonable, and necessary action to protect and preserve property in the possession of Business Associate in which Covered Entity has an interest.

b. Effect of Termination.

- i. Upon termination of this Agreement for any reason, Business Associate, at the option of Covered Entity, shall return or destroy all PHI that Business Associate, its agents, or its Subcontractors maintain in any form, and shall not retain any copies of such PHI.
- ii. If Covered Entity directs Business Associate to destroy the PHI, Business Associate shall certify in writing to Covered Entity that such PHI has been destroyed.
- iii. If Business Associate believes that returning or destroying the PHI is not feasible, Business Associate shall promptly provide Covered Entity with notice of the conditions making return or destruction infeasible. Business Associate shall continue to extend the protections of Section 3 of this Agreement to such PHI, and shall limit further use of such PHI to those purposes that make the return or destruction of such PHI infeasible.

6. Injunctive Relief

Covered Entity and Business Associate agree that irreparable damage would occur in the event Business Associate or any of its Subcontractors or agents use or disclosure of PHI in violation of this Agreement, the HIPAA Rules or any applicable law. Covered Entity and Business Associate further agree that money damages would not provide an adequate remedy for such Breach. Accordingly, Covered Entity and Business Associate agree that Covered Entity shall be entitled to injunctive relief, specific performance, and other equitable relief to prevent or restrain any Breach or threatened Breach of and to enforce specifically the terms and provisions of this Agreement.

7. Limitation of Liability

Any provision in the Contract limiting Contractor's liability shall not apply to Business Associate's liability under this Agreement, which shall not be limited.

8. Disclaimer

Covered Entity makes no warranty or representation that compliance by Business Associate with this Agreement or the HIPAA Rules will be adequate or satisfactory for Business Associate's own purposes. Business Associate is solely responsible for all decisions made and actions taken by Business Associate regarding the safeguarding of PHI.

9. Certification

Covered Entity has a legal obligation under HIPAA Rules to certify as to Business Associate's Information Security practices. Covered Entity or its authorized agent or contractor shall have the right to examine Business Associate's facilities, systems, procedures, and records, at Covered Entity's expense, if Covered Entity determines that examination is necessary to certify that Business Associate's Information Security safeguards comply with the HIPAA Rules or this Agreement.

10. Amendment

- a. Amendment to Comply with Law. The Parties acknowledge that state and federal laws and regulations relating to data security and privacy are rapidly evolving and that amendment of this Agreement may be required to provide procedures to ensure compliance with such developments.
 - i. In the event of any change to state or federal laws and regulations relating to data security and privacy affecting this Agreement, the Parties shall take such action as is necessary to implement the changes to the standards and requirements of HIPAA, the HIPAA Rules and other applicable rules relating to the confidentiality, integrity, availability and security of PHI with respect to this Agreement.
 - ii. Business Associate shall provide to Covered Entity written assurance satisfactory to Covered Entity that Business Associate shall adequately safeguard all PHI, and obtain written assurance satisfactory to Covered Entity from Business Associate's Subcontractors and agents that they shall adequately safeguard all PHI.

- iii. Upon the request of either Party, the other Party promptly shall negotiate in good faith the terms of an amendment to the Contract embodying written assurances consistent with the standards and requirements of HIPAA, the HIPAA Rules, or other applicable rules.
- iv. Covered Entity may terminate this Agreement upon 30 days' prior written notice in the event that:
 - A. Business Associate does not promptly enter into negotiations to amend the Contract and this Agreement when requested by Covered Entity pursuant to this Section; or

Business Associate does not enter into an amendment to the Contract and this Agreement, which provides assurances regarding the safeguarding of PHI sufficient, in Covered Entity's sole discretion, to satisfy the standards and requirements of the HIPAA, the HIPAA Rules and applicable law.
 - b. Amendment of Appendix. The Appendix to this Agreement may be modified or amended by the mutual written agreement of the Parties, without amendment of this Agreement. Any modified or amended Appendix agreed to in writing by the Parties shall supersede and replace any prior version of the Appendix.

11. Assistance in Litigation or Administrative Proceedings

Covered Entity shall provide written notice to Business Associate if litigation or administrative proceeding is commenced against Covered Entity, its directors, officers, or employees, based on a claimed violation by Business Associate of HIPAA, the HIPAA Rules or other laws relating to security and privacy or PHI. Upon receipt of such notice and to the extent requested by Covered Entity, Business Associate shall, and shall cause its employees, Subcontractors, or agents assisting Business Associate in the performance of its obligations under the Contract to, assist Covered Entity in the defense of such litigation or proceedings. Business Associate shall, and shall cause its employees, Subcontractor's and agents to, provide assistance, to Covered Entity, which may include testifying as a witness at such proceedings. Business Associate or any of its employees, Subcontractors or agents shall not be required to provide such assistance if Business Associate is a named adverse party.

12. Interpretation and Order of Precedence

Any ambiguity in this Agreement shall be resolved in favor of a meaning that complies and is consistent with the HIPAA Rules. In the event of an inconsistency between the Contract and this Agreement, this Agreement shall control. This Agreement supersedes and replaces any previous, separately executed HIPAA business associate agreement between the Parties.

13. Survival

Provisions of this Agreement requiring continued performance, compliance, or effect after termination shall survive termination of this contract or this Agreement and shall be enforceable by Covered Entity.

Appendix to HIPAA Business Associate Agreement

This Appendix (“Appendix”) to the HIPAA Business Associate Agreement (“Agreement”) is an appendix to the Contract and the Agreement. For the purposes of this Appendix, defined terms shall have the meanings ascribed to them in the Agreement and the Contract.

Unless the context clearly requires a distinction between the Contract, the Agreement, and this Appendix, all references to “Contract” or “Agreement” shall include this Appendix.

1. Purpose

This Appendix sets forth additional terms to the Agreement. Any sub-section of this Appendix marked as “Reserved” shall be construed as setting forth no additional terms.

2. Additional Terms

- a. **Additional Permitted Uses.** In addition to those purposes set forth in the Agreement, Business Associate may use PHI for the following additional purposes:
 - i. Reserved.
- b. **Additional Permitted Disclosures.** In addition to those purposes set forth in the Agreement, Business Associate may disclose PHI for the following additional purposes:
 - i. Reserved.
- c. **Approved Subcontractors.** Covered Entity agrees that the following Subcontractors or agents of Business Associate may receive PHI under the Agreement:
 - i. Reserved.
- d. **Definition of Receipt of PHI.** Business Associate’s receipt of PHI under this Contract shall be deemed to occur, and Business Associate’s obligations under the Agreement shall commence, as follows:
 - i. Reserved.

e. Additional Restrictions on Business Associate. Business Associate agrees to comply with the following additional restrictions on Business Associate's use and disclosure of PHI under the Contract:

i. Reserved.

f. Additional Terms. Business Associate agrees to comply with the following additional terms under the Agreement:

ii. Reserved.



CHEROKEE METROPOLITAN DISTRICT

6250 Palmer Park Blvd, Colorado Springs, CO 80915-1721
Telephone: (719) 597-5080 FAX: (719) 597-5145

Signature Authority Letter

Cherokee Metropolitan District, is a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), operating as a special district by virtue of organization under Title 32, Article 1, C.R.S. The Board of Directors of the District (the “Board”) is empowered with the management, control, and supervision of all of the business and affairs of the District, pursuant to § 32-1-1001(1)(h), C.R.S. The District’s General Manager, Kevin Brown, serves under the supervision of the Board and is responsible for implementation of District policies and the efficient operation of all facets of the District.

The District’s Board President, Danial Wall, is hereby authorized to execute the Intergovernmental Grant Agreement related to the District’s Emerging Contaminants in Small or Disadvantaged Communities, Tier 1 Grant for the District’s PFAS Water Treatment Facility Project, identified as PWSID #CO0121125.

The District’s General Manager, Kevin Brown, is hereby authorized to execute and deliver any and all other agreements or documents related to the District’s Emerging Contaminants in Small or Disadvantaged Communities, Tier 1 Grant for the District’s PFAS Water Treatment Facility Project, identified as PWSID #CO0121125.

Approved and effective as of this 20th day of May, 2026.

CHEROKEE METROPOLITAN DISTRICT

By: _____
Danial Wall, President

Attest:

Jeff Bandy, Secretary

Company Information

Cherokee Metropolitan District
6250 Palmer Park Blvd
Colorado Springs, CO 80915-1721
United States

Executive Contact

Connie Hughes
Primary
chughes@cherokeemetro.org
(719) 597-5080

INVESTMENT SUMMARY

Employees

85

Implementation

\$0.00

Total Annual

\$19,684.65

Total Savings

-\$17,911.20

Saving during the promotional
period.

Expiration

5/21/2026

** The Implementation Costs and Total Annual Investment listed out on this Investment Summary are estimates based on the services, frequencies, recurring rates and pay counts outlined on the sales order and are shown for illustrative purposes only. These numbers are not binding amounts and shall not become incorporated into or made a part of any sales order or services agreement governing the services contemplated therein.

“

Easy to onboard new staff and very user-friendly for new and current staff to navigate and use. The App makes it even easier to have all your information in one easy spot. Making employees more responsible for their own information - saves time on HR and payroll departments to make simple changes employees can manage on their own.”

—Teresa Stivala, SHRM-CP

VP of Human Resources, In Flight, Inc.

ADP Sales Associate

Cassie Nedeljko
MAS VAR DM
cassie.nedeljko@adp.com
5135046933





GLOBAL MASTER SERVICES AGREEMENT

Effective Date: _____, 20__

As between:

ADP, INC.
(Referred to in this agreement as “ADP”)
One ADP Boulevard
Roseland, NJ 07068

-and-

Cherokee Metropolitan District
(Referred to in this agreement as “Client”)
6250 Palmer Park Blvd
Colorado Springs, CO 80915-1721

ADP and Client agree that ADP shall provide Client with the following services in accordance with the terms set forth in this Global Master Services Agreement and the applicable Sales Order (as defined herein):

- ADP Payroll Services – delivered via ADP Workforce Now
- ADP Document Cloud
- ADP Marketplace
- ADP Time & Attendance Services
- ADP Workforce Now IT Management, Powered by Electric
- Employment Verification Services
- ESS & MSS Technology
- History Conversion Services
- Human Resources Administration Services – delivered via ADP Workforce Now

ADP, INC.

Cherokee Metropolitan District

Signature of Authorized Representative

Signature of Authorized Representative

Name - Please Print

Name - Please Print

Title

Title

Notwithstanding any Investment Summary that may precede this Global Master Services Agreement and the page numbering below, this signature page is the first page of the Global Master Services Agreement and the Investment Summary that precedes it is for illustration purposes only and shall not become part of the Global Master Services Agreement.

Appendices

- Sales Order

Global Master Terms and Conditions

1 Definitions

- 1.1 ADP HCM Services.** Only those Services, as defined below, that have been purchased by Client (as listed on the cover page, a Sales Order or otherwise) will be applicable.
- 1.1.1 ADP Connect.** Solution that enables Users to (i) view Client news, broadcasts and surveys through a feed set up by Client, (ii) receive notifications, and (iii) receive and award recognitions, points and rewards that may be purchased through a third-party online store.
- 1.1.2 ADP Document Cloud.** Integrated solution to support maintenance and retrieval of employee-specific documents via cloud-based technology.
- 1.1.3 ADP Marketplace.** Enable Client to build applications and/or purchase available applications via online store. Provide access to certain Client data stored in ADP systems via industry-standard Application Programming Interfaces (APIs).
- 1.1.4 ADP Payroll Services.** Administration and processing of payroll including performing gross-to-net calculations and generating and/or transmitting of payment instructions, and also including:
- 1.1.4.1 ADP Employment Tax Services.** Coordination of payroll-related tax and/or regulatory agency deposits, filings and reconciliations on behalf of employers.
- 1.1.4.2 ADP Wage Garnishment Payment Services.** Garnishment payment processing and disbursement of payments to appropriate Payees as directed by Client.
- 1.1.4.3 ADP Wage Payment Services.** Payment of wages, commissions, consulting fees, or similar compensation or work-related expenses in the employment context to employees and independent contractors via direct deposit, check or payroll debit cards, in each case only to the extent applicable.
- 1.1.4.4 Print and Online Statement Services.** Print and distribution of payroll checks, pay statements, and/or year-end statements, as well as online posting of pay statements and/or year-end statements.
- 1.1.4.5 State Unemployment Insurance (SUI) Management Services.** ADP becomes the unemployment insurance address of record. ADP requests the state to send unemployment insurance claims, charges, tax rates and related information to ADP and Client receives a quarterly summary of all claims.
- 1.1.5 ADP Time & Attendance Services.** Support of time-related services, including time data collection, employee scheduling, timecard reviews and approvals, and consistent application of time-related policies.
- 1.1.6 ADP Workforce Now.** ADP's web-based portal which provides a single point of access to ADP online solutions and employee-facing websites and resources related to payroll, HR, benefits, talent, and time and attendance.
- 1.1.7 ESS & MSS Technology.** Employee self-service (ESS) and Manager self-service (MSS) functionality provides all Client Users (practitioners, managers and employees) 24x7 online access to ADP Application Programs.
- 1.1.8 History Conversion Services.** Solution to (i) upload Client employees' and independent contractors' historical pay statements, Forms W-2, Forms 1099, payroll registers and company tax filings, (ii) convert and upload certain Client employees' and independent contractors' data, including positions, pay rates and employment status, into ADP Workforce Now and (iii) enable Client practitioner access to such historical payroll documents and data in ADP Workforce Now.
- 1.1.9 Human Resources Administration Services.** Administration of human resource functions using a unified system to process and audit employee lifecycle events, provide compliance tracking and reporting, including new hire reporting, and automate notification and approval processes via self-service/direct access, and also including:
- 1.1.9.1 WFN EI-9 Services.** Electronic I-9 administration and onboarding services to help facilitate and manage I-9 and related employment eligibility verification processes.
- 1.1.9.2 ADP Workforce Now IT Management, Powered by Electric.** Access to a solution provided by Electric AI, Inc. that enables Client practitioners to, among other things, procure and manage hardware for Client employees and independent contractors.
- 1.2 General.**
- 1.2.1** "ADP" has the meaning set forth on the cover page.
- 1.2.2** "ADP Application Programs" means the computer software programs and related Documentation, including any updates, modifications or enhancements thereto, that are either delivered or made accessible to Client through a hosted environment by ADP in connection with the Services.
- 1.2.3** "ADPCheck" means checks printed and distributed by ADP to Payees pursuant to Client's direction.
- 1.2.4** "ADPCheck Services" refers to ADP's payment of Client's Payees for Permitted Payments through ADPCheck.

- 1.2.5 **"ADP Direct Deposit Services"** means ADP's full service direct deposit services which includes ADP's payment of Client's Payees who have elected to receive Permitted Payments by direct deposit into an account at a financial institution of such Payee's selection.
- 1.2.6 **"Affiliate"** means, with respect to any entity, any other entity that controls, is controlled by or under control with such first entity. For purposes of this Agreement, "control" (or variants of it) means the ability, whether directly or indirectly, to direct the management and corporate policies and actions of an entity by means of ownership, contract or otherwise. Client's Affiliates do not include third parties for whom Client is a service provider or provides outsourcing services.
- 1.2.7 **"Agreement"** means this Global Master Services Agreement, consisting of the signature pages, the Global Master Terms and Conditions, all exhibits, annexes, appendices, addenda and schedules, and each Amendment, if any.
- 1.2.8 **"Amendment"** means a written amendment to this Agreement modifying, supplementing or amending the terms and conditions of this Agreement.
- 1.2.9 **"API"** means application programming interface.
- 1.2.10 **"Biometric Data"** includes the information collected by timeclocks and software that use finger and/or hand scan technology, which potentially may include Biometric Identifiers and Biometric Information.
- 1.2.11 **"Biometric Identifier"** means a retina or iris scan, fingerprint, voiceprint, or scan of hand or face geometry.
- 1.2.12 **"Biometric Information"** means any information, regardless of how it is captured, converted, stored, or shared, based on an individual's biometric identifier used to identify an individual.
- 1.2.13 **"Biometric Services"** means services provided by ADP to Client via the use of timeclocks and software in connection with ADP's provision of Time & Attendance Services, to the extent such timeclocks or software collect, store or use Biometric Data.
- 1.2.14 **"Biometric User"** means Client's employees or independent contractors who use Biometric Services to record their attendance, hours worked or other work-related data.
- 1.2.15 **"Business Day"** means any day, except a Saturday, Sunday or a day on which ADP's bank is not open for business in the applicable jurisdiction where services are provided by ADP.
- 1.2.16 **"Client"** has the meaning set forth on the cover page.
- 1.2.17 **"Client Content"** means all information and materials provided by Client, its agents or employees, regardless of form.
- 1.2.18 **"Client Group"** means Client and Client's Affiliates listed in the Sales Order who are authorized to receive the Services.
- 1.2.19 **"Client Infringement Event"** means (i) any change or enhancement in, or use of, the Services by Client or a third party on Client's behalf other than at the direction of, or as approved by, ADP or (ii) Client's failure to use the most current release or version of any computer software programs included in the ADP Application Programs or any corrections or enhancements provided by ADP thereto (to the extent ADP requires Client to use the most current release or version of any computer software programs, the implementation of such shall be at no charge to Client).
- 1.2.20 **"Confidential Information"** means all trade secrets, processes, proprietary data and documentation and any pricing and product information, Personal Data, the terms of this Agreement, and any other information that is confidential or proprietary provided by the disclosing party to the receiving party for use in connection with the Services or this Agreement, but does not include information that (i) the receiving party already knows prior to its disclosure by the disclosing party, (ii) becomes generally available to the public, except as a result of disclosure by the receiving party in violation of this Agreement or (iii) becomes known to the receiving party on a non-confidential basis from a source other than the disclosing party.
- 1.2.21 **"Data Security Breach"** means a security breach as defined by applicable law or any incident that compromises the confidentiality, integrity, or availability of Personal Data.
- 1.2.22 **"DHS"** means the U.S. Department of Homeland Security.
- 1.2.23 **"Documentation"** means all manuals, tutorials and related materials that may be provided or made available to Client by ADP in connection with the Services.
- 1.2.24 **"Effective Date"** has the meaning set forth on the cover page.
- 1.2.25 **"E-Verify"** means the DHS's employment eligibility verification program which allows participating employers to electronically verify the employment eligibility of each newly hired employee and/or employee assigned to a covered federal contract.
- 1.2.26 **"Form I-9"** means the employment eligibility verification form issued by the DHS.
- 1.2.27 **"FCRA"** means the Fair Credit Reporting Act, 15 U.S.C. § 1681 et seq.

- 1.2.28 **"Global Master Terms and Conditions"** means the terms and conditions contained in the main body of this document following the signature pages.
- 1.2.29 **"Go-Live Date"** means the date of commencement of the first live processing of any given Service.
- 1.2.30 **"I-9 Handbook"** means the current USCIS Handbook for Employers: Instructions for Completing Form I-9 (M-274).
- 1.2.31 **"Implementation Services"** means the Services to be performed in order to commence ongoing Services.
- 1.2.32 **"Improvements"** has the meaning set forth in Section 5.4.
- 1.2.33 **"Indemnitee"** has the meaning set forth in Section 6.3.
- 1.2.34 **"Indemnitor"** has the meaning set forth in Section 6.3.
- 1.2.35 **"Intellectual Property Rights"** means all rights, title and interest to or in patent, copyright, trademark, service mark, trade secret, business or trade name, know-how and rights of a similar or corresponding character.
- 1.2.36 **"Internal Business Purposes"** means the usage of the Services, including the ADP Application Programs, exclusively by the Client Group for its own internal business purposes, without the right to provide service bureau or other data processing services, or otherwise share or distribute the Services.
- 1.2.37 **"NACHA"** means the National Automated Clearing House Association.
- 1.2.38 **"Objectionable Content"** means any message, post, or other content that is (i) inappropriate or otherwise objectionable, (ii) potentially violates the privacy or publicity rights of a third-party, or (iii) advertises any other site or business content.
- 1.2.39 **"Payee"** means any intended recipient of payments under the Payment Services and may include Client's employees, taxing authorities, governmental agencies, suppliers, benefit carriers and/or other third parties; provided that in the case of ADP Wage Payment Services, Payee shall be limited to Client's employees and independent contractors.
- 1.2.40 **"Payment Services"** means Services that involve electronic or check payments being made by ADP to third parties on Client's behalf and at its direction.
- 1.2.41 **"Permitted Payment"** means the legal payment of wages, commissions, consulting fees or similar compensation or work-related expenses in the employment context.
- 1.2.42 **"Personal Data"** means any information relating to an identified or identifiable natural person. An identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to such person's physical, physiological, mental, economic, cultural or social identity.
- 1.2.43 **"Sales Order(s)"** means the document(s) between the parties that lists the specific Services purchased by Client Group from ADP.
- 1.2.44 **"Services"** means the services listed on the cover page of this Agreement (including Implementation Services related thereto and ADP Application Programs), and such other services as the parties may agree to be performed from time to time.
- 1.2.45 **"SOC 1 Reports"** has the meaning set forth in Section 9.1.
- 1.2.46 **"Term"** means the period beginning as of the Effective Date and ending upon termination of the Agreement.
- 1.2.47 **"Termination Event"** means with respect to any party, the occurrence of any of the following: (i) under the applicable bankruptcy laws or similar law regarding insolvency or relief for debtors, (A) a trustee, receiver, custodian or similar officer is appointed for a party's business or property, (B) a party seeks to liquidate, wind-up, dissolve, reorganize or otherwise obtain relief from its creditors, or (C) an involuntary proceeding is commenced against a party and the proceeding is not stayed, discharged or dismissed within thirty (30) days of its commencement, or (ii) a party's Standard and Poor's issuer credit rating falls to or below BB.
- 1.2.48 **"Time & Attendance Hardware"** means timeclocks and other time collection devices provided to Client by ADP in connection with the ADP Time & Attendance Services.
- 1.2.49 **"Unauthorized Third Party"** means any commercial third party or business that seeks to access or accesses ADP Application Programs using the account credentials (e.g., username and password) of a User even if such User has provided consent.
- 1.2.50 **"USCIS"** means U.S. Citizenship and Immigration Services.
- 1.2.51 **"User"** means any single natural person who, subject to the terms of this Agreement, is an employee or independent contractor of Client authorized by Client to use, access or receive the Services.
- 1.2.52 **"Verification Agent"** means ADP and its subcontractors through which Employment Verification Services are performed.

1.2.53 “**Verification Data**” means employment, job and income information and Personal Data.

1.2.54 “**Verifiers**” means commercial, private, non-profit and governmental entities and their agents.

2 Provision and Use of Services

- 2.1 **Provision of Services.** ADP, or one of its Affiliates, will provide the Services to Client Group in accordance with the terms of this Agreement. ADP will provide the Services in a good, diligent and professional manner in accordance with industry standards, utilizing personnel with a level of skill commensurate with the Services to be performed. ADP’s performance of the Services (including any applicable implementation activities) is dependent upon the timely completion of Client’s responsibilities and obligations under this Agreement.
- 2.2 **Cooperation.** Client will cooperate with ADP as reasonably necessary to implement and provide the Services. Client will, in a timely manner, execute and deliver all necessary documents, forms, or instruments (such as, to the extent applicable, reporting agent authorization, client account agreement, pre-authorized debit terms, limited powers of attorney, anti-money laundering/“Know Your Client” forms), provide ADP with all reasonable and necessary Client Content in the format requested by ADP, and otherwise assist ADP as required.
- 2.3 **Use of Services.** Client will use the Services in accordance with the terms of this Agreement and solely for its own Internal Business Purposes. Client will be responsible for the use of the Services by the Client Group and the Users in accordance with the terms of this Agreement. Client understands and agrees that only Users are permitted to access and use ADP Application Programs (and that access by Unauthorized Third Parties is not permitted) and will reasonably cooperate with ADP to limit access to such persons. Client is responsible for the accuracy and completeness of the Client Content provided to ADP. ADP Workforce Now is designed for the United States and Canada and enables the processing of HR data for global human capital management needs. Client may, at its discretion, enable ADP Workforce Now functionality in other jurisdictions, except when prohibited by applicable law. ADP makes no representation or warranty that such global use comports with any local laws, regulations or directives outside the United States and Canada. Furthermore, if Client during the implementation process or as part of the ongoing Services configures the ADP Application Programs to process additional data elements beyond those data elements that are required by ADP to perform the Services, Client will remain solely responsible for such configurations, including the processing of Personal Data pursuant to applicable law.
- 2.4 **Errors.** Client will promptly review all documents and reports produced by ADP and provided or made available to Client in connection with the Services and promptly notify ADP of any error, omission, or discrepancy with Client’s records. ADP will promptly correct such error, omission or discrepancy and, if such error, omission or discrepancy was caused by ADP, then such correction will be done at no additional charge to Client.
- 2.5 **Records.** Unless expressly included as a part of the Services, and without prejudice to ADP’s obligation to retain the data necessary for the provision of the Services, ADP does not serve as Client’s record keeper and Client will be responsible for retaining copies of all documentation received from or provided to ADP in connection with the Services to the extent required by law or Client’s internal policies.
- 2.6 **Third Party Services Available through or Integrated with the Services.** At times, ADP may make available to Client through the Services, or integrate the Services with, the services of a third party, either through a link, integration, or otherwise. ADP reserves the right to terminate such links, services or integrations at any time for any reason. If Client uses any third party services that are integrated with or linked to the Services which require the transmission, use, sharing, access or exchange of Client Content or any other payroll or other data or information provided to ADP or the third party by Client, Client is expressly agreeing to the transmission, use, sharing, access and exchange of such data between ADP and the third party. Client’s use of any third party services will be governed by any terms Client agrees to with the third party and in the event of any conflict between the terms of this Agreement and any third party terms, the terms of this Agreement will apply to the provision of the Services by ADP to Client.

3 Compliance

- 3.1 **Applicable Laws.** Each party will comply with laws and regulations that affect its business generally, including any applicable anti-bribery, export control, computer fraud and data protection laws.
- 3.2 **Design of the Services.** ADP will design the Services, including the functions and processes applicable to ADP’s performance of the Services, to assist the Client in complying with its legal and regulatory requirements applicable to the Services, and ADP will be responsible for the accuracy of such design. Client and not ADP will be responsible for (i) how it uses the Services to comply with its legal and regulatory requirements and (ii) the consequences of any instructions that it gives to ADP, including as part of the implementation of the Services, provided ADP follows such instructions. Services do not include any legal, financial, regulatory, benefits, accounting or tax advice.
- 3.3 **Online Statements.** If Client instructs ADP to provide online pay statements, Forms W2, Forms 1099, or Forms 1095-C without physical copies thereof, Client will be exclusively responsible for determining if and to what extent Client’s use of online pay statements, Forms W2, Forms 1099, or Forms 1095-C satisfies Client’s obligations under applicable laws and the consequences resulting from such determinations.
- 3.4 **Data Privacy Appendix.** ADP’s Data Privacy Appendix, located at <https://contracts.adp.com/#data-privacy>, is incorporated by reference into this Agreement.

4 Confidentiality

- 4.1 **General.** All Confidential Information disclosed under this Agreement will remain the exclusive and confidential property of the disclosing party. The receiving party will not disclose to any third party the Confidential Information of the disclosing party and will use

at least the same degree of care, discretion and diligence in protecting the Confidential Information of the disclosing party as it uses with respect to its own confidential information. The receiving party will limit access to Confidential Information to its employees and independent contractors with a need to know the Confidential Information and will instruct those employees and independent contractors to keep such information confidential. ADP may disclose Client's Confidential Information on a need to know basis to (i) ADP's subcontractors who are performing the Services, provided that ADP shall remain liable for any unauthorized disclosure of Client's Confidential Information by those subcontractors, (ii) employees of ADP's Affiliates, provided such employees are instructed to keep the information confidential as set forth in this Agreement and (iii) social security agencies, tax authorities and similar third parties, to the extent strictly necessary to perform the Services. ADP may use Client's and its employees' and other Services recipients' information in an aggregated, anonymized form, such that neither Client nor such person may be identified, and Client will have no ownership interest in such aggregated, anonymized data. Client authorizes ADP to release employee-related data, and such other data as required to perform the Services, to third party vendors of Client as designated by Client from time to time. Notwithstanding the foregoing, the receiving party may disclose Confidential Information (x) to the extent necessary to comply with any law, rule, regulation or ruling applicable to it, (y) as appropriate to respond to any summons or subpoena or in connection with any litigation and (z) to the extent necessary to enforce its rights under this Agreement.

- 4.2 Return or Destruction.** Upon the request of the disclosing party or upon the expiration or earlier termination of this Agreement, and to the extent feasible, the receiving party will return or destroy all Confidential Information of the disclosing party in the possession of the receiving party, provided that each party may maintain a copy if required to meet its legal or regulatory obligations and may maintain archival copies stored in accordance with regular computer back-up operations. To the extent that any portion of Confidential Information of a disclosing party remains in the possession of the receiving party following expiration or earlier termination of this Agreement, such Confidential Information shall remain subject to the generally applicable statutory requirements and the confidentiality protections contained in Section 4.1.

5 Intellectual Property

- 5.1 Client IP Rights.** Except for the rights expressly granted to ADP in this Agreement, all rights, title and interests in and to Client Content, including all Intellectual Property Rights inherent therein and pertaining thereto, are owned exclusively by Client or its licensors. Client hereby grants to ADP for the Term a non-exclusive, worldwide, non-transferable, royalty-free license to use, edit, modify, adapt, translate, exhibit, publish, reproduce, copy and display the Client Content for the sole purpose of performing the Services; provided Client has the right to pre-approve the use by ADP of any Client trademarks or service marks.
- 5.2 ADP IP Rights.** Except for the rights expressly granted to Client in this Agreement, all rights, title and interest in and to the Services, including all Intellectual Property Rights inherent therein and pertaining thereto, are owned exclusively by ADP or its licensors. ADP grants to Client for the Term a personal, non-exclusive, non-transferable, royalty-free license to use and access the ADP Application Programs solely for the Internal Business Purposes in the United States and Canada and solely up to the maximum number of Users (if any) indicated in the Sales Order. The ADP Application Programs do not include any Client-specific customizations unless otherwise agreed in writing by the parties. Client will not obscure, alter or remove any copyright, trademark, service mark or proprietary rights notices on any materials provided by ADP in connection with the Services, and will not copy, recompile, disassemble, reverse engineer, or make or distribute any other form of, or any derivative work from, such ADP materials.
- 5.3 Ownership of Reports.** Client will retain ownership of the content of reports and other materials that include Client Content produced and delivered by ADP as a part of the Services, provided that ADP will be the owner of the format of such reports. To the extent any such reports or other materials incorporate any ADP proprietary information, ADP (i) retains sole ownership of such proprietary information and (ii) provides the Client a fully paid up, irrevocable, perpetual, royalty-free license to access and use same for its Internal Business Purposes without the right to create derivative works (other than derivative works to be used solely for its Internal Business Purposes) or to further distribute any of the foregoing rights outside the Client Group.
- 5.4 Improvements.** ADP will make available to Client, at no additional cost, software improvements, enhancements, or updates to any ADP Application Programs that are included in the Services (collectively "**Improvements**") if and as they are made generally available by ADP at no additional cost to ADP's other clients using the same ADP Application Programs as Client and receiving the same Services as Client. All Improvements provided under this Section 5.4 shall be considered part of the ADP Application Programs. If Client fails to implement Improvements provided or made available to Client by ADP, ADP shall be relieved of any responsibility for errors or degradation in the Services and shall have no obligation to provide support for the ADP Application Programs.

6 Indemnities

- 6.1 ADP Indemnity.** Subject to the remainder of this Section 6.1, and Sections 6.3 and 7, ADP will defend Client against any third party claims and will indemnify and hold Client harmless from any resulting damage awards or settlement amounts in any cause of action to the extent such cause of action is based on a claim alleging that the Services or ADP Application Programs, as provided by ADP and used in accordance with the terms of this Agreement, infringe upon any Intellectual Property Rights of a third party in the United States. The foregoing infringement indemnity will not apply and ADP will not be liable for any damages assessed in any cause of action to the extent resulting from a Client Infringement Event or ADP's use of Client Content as contemplated by this Agreement. If any Service is held or believed to infringe on any third-party's Intellectual Property Rights, ADP may, in its sole discretion, (i) modify the Service to be non-infringing, (ii) obtain a license to continue using such Service, or (iii) if neither (i) nor (ii) are practical, terminate this Agreement as to the infringing Service and return to Client any unearned fees prepaid by Client to ADP.
- 6.2 Client Indemnity.** Subject to Sections 6.3 and 7, Client will defend ADP against any third party claims and will indemnify and hold ADP harmless from any resulting damage awards or settlement amounts in any cause of action to the extent such cause of action is based on the occurrence of a Client Infringement Event or ADP's use of Client Content as contemplated by this Agreement.
- 6.3 Indemnity Conditions.** The indemnities set forth in this Agreement are conditioned on the following: (i) the party claiming indemnification (the "**Indemnitee**") shall promptly notify the indemnifying party (the "**Indemnitor**") of any matters in respect of which it seeks to be indemnified, and shall give the Indemnitor full cooperation and opportunity to control the response thereto and the defense thereof, including without limitation any settlement thereof, (ii) the Indemnitor shall have no obligation for any claim under this

Agreement if the Indemnitee makes any admission, settlement or other communication regarding such claim without the prior written consent of the Indemnitor, which consent shall not be unreasonably withheld, and (iii) the Indemnitee's failure to promptly give notice to the Indemnitor shall affect the Indemnitor's obligation to indemnify the Indemnitee only to the extent the Indemnitor's rights are materially prejudiced by such failure. The Indemnitee may participate, at its own expense, in such defense and in any settlement discussions directly or through counsel of its choice.

7 Limit on Liability

- 7.1 Ordinary Cap.** Notwithstanding anything to the contrary in this Agreement and subject to the remainder of this Section 7, neither party's aggregate liability in any calendar year shall exceed an amount equal to six (6) times the average ongoing monthly Services fees paid or payable to ADP by Client during such calendar year for all Services (the "**Ordinary Cap**").
- 7.2 Extraordinary Cap.** As an exception to Section 7.1, if damages arise from a breach of Section 4 (Confidentiality), Section 9.3 (Data Security) or Section 9.4 (Unauthorized Third Party Access), the Ordinary Cap will be increased by an additional six (6) times the average ongoing monthly Services fees paid or payable to ADP by Client during such calendar year for all Services (the "**Extraordinary Cap**"). For the avoidance of doubt, in no case shall either party's aggregate liability in any calendar year under this Agreement exceed an amount equal to twelve (12) times the average monthly ongoing Services fees paid or payable to ADP by Client during such calendar year for all Services.
- 7.3 Matters not Subject to the Cap.** The foregoing limits on liability shall not apply to the following:
- 7.3.1** Client's funding obligations in connection with the Payment Services;
 - 7.3.2** Loss or misdirection of Client funds in possession or control of ADP due to ADP's error or omission;
 - 7.3.3** In connection with the ADP Employment Tax Services, (i) interest charges imposed by an applicable tax authority on Client for the failure by ADP to pay funds to the extent and for the period that such funds were held by ADP and (ii) all tax penalties resulting from ADP's error or omission in the performance of such Service. The provisions of this Section 7.3.3 shall only apply if (x) Client permits ADP to act on Client's behalf in any communications and negotiations with the applicable taxing authority that is seeking to impose any such penalties or interest and (y) Client assists ADP as reasonably required by ADP;
 - 7.3.4** Either party's gross negligence, or willful, criminal or fraudulent misconduct;
 - 7.3.5** The infringement indemnity set forth in Section 6.1 and 6.2;
 - 7.3.6** Client's biometrics indemnity set forth in Section 14;
 - 7.3.7** Client's obligations to pay the fees for Services; and
 - 7.3.8** ADP's obligations to provide credit monitoring as set forth in Section 10.2.
- 7.4 Mitigation of Damages.** ADP and Client will each use reasonable efforts to mitigate any potential damages or other adverse consequences arising from or related to the Services.
- 7.5 No Consequential Damages.** NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT AND ONLY TO THE EXTENT PERMITTED BY APPLICABLE LAW, NONE OF ADP, CLIENT OR ANY ISSUING BANK WILL BE RESPONSIBLE FOR SPECIAL, INDIRECT, INCIDENTAL, CONSEQUENTIAL OR OTHER SIMILAR DAMAGES (INCLUDING DAMAGES FOR LOSS OF BUSINESS OR PROFITS, BUSINESS INTERRUPTIONS OR HARM TO REPUTATION) THAT ANY OTHER PARTY OR ITS RESPECTIVE AFFILIATES MAY INCUR OR EXPERIENCE IN CONNECTION WITH THIS AGREEMENT OR THE SERVICES, HOWEVER CAUSED AND UNDER WHATEVER THEORY OF LIABILITY, EVEN IF SUCH PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. The foregoing exclusion shall not apply to claims for consequential damages arising from (i) ADP's or Client's gross negligence or willful, criminal or fraudulent misconduct, (ii) Client or Client's Users sharing or allowing access to a User's password, User ID, or other form of user authentication, or (iii) ADP's or Client's breach or breaches of Section 4.1 or Section 9.3 under this Agreement; provided however, that any consequential damages recovered by Client or ADP in a calendar year for claims pursuant to Sections 7.5(ii) and 7.5(iii) will be subject to the Extraordinary Cap set forth in Section 7.2 above.

8 Warranties and Disclaimer

- 8.1 Warranties.** Each party warrants that (i) it has full corporate power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby and (ii) this Agreement has been duly and validly executed and delivered and constitutes the valid and binding agreement of the parties, enforceable in accordance with its terms.
- 8.2 DISCLAIMER.** EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, ALL SERVICES, ADP APPLICATION PROGRAMS AND EQUIPMENT PROVIDED BY ADP OR ITS SUPPLIERS ARE PROVIDED "AS IS" AND ADP AND ITS LICENSORS AND SUPPLIERS EXPRESSLY DISCLAIM ANY WARRANTY, EITHER EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT, NON-INTERRUPTION OF USE, AND FREEDOM FROM PROGRAM ERRORS, VIRUSES OR ANY OTHER MALICIOUS CODE, WITH RESPECT TO THE SERVICES, THE ADP APPLICATION PROGRAMS, ANY CUSTOM PROGRAMS CREATED BY ADP OR ANY THIRD-PARTY SOFTWARE DELIVERED BY ADP AND RESULTS OBTAINED THROUGH THE USE THEREOF.

9 Security and Controls

- 9.1 Service Organization Control Reports.** Following completion of implementation of any applicable Services, ADP will, at Client's request and at no charge, provide Client with copies of any routine Service Organization Control 1 reports ("**SOC 1 Reports**") (or any successor reports thereto) that are both directly related to those Services provided hereunder for Client and already released to ADP by the public accounting firm producing the report. SOC 1 Reports are ADP Confidential Information and Client will not distribute or allow any third party (other than its independent auditors) to use any such report without the prior written consent of ADP. Client will instruct its independent auditors or other approved third parties to keep such report confidential and Client will remain liable for any unauthorized disclosure of such report by its independent auditors or other approved third parties.
- 9.2 Business Continuity; Disaster Recovery.** ADP maintains a commercially reasonable business continuity and disaster recovery plan and will follow such plan.
- 9.3 Data Security.** ADP has an established information security program containing appropriate administrative, technical and physical measures to protect Client data (including Personal Data) against accidental unlawful or unauthorized destruction, alteration, unauthorized disclosure or access consistent with applicable laws. In the event ADP suspects any unauthorized access to, or use of, the Services and ADP Application Programs, ADP may suspend access to the Services to the extent ADP deems necessary to preserve the security of ADP, Client or User data.
- 9.4 Unauthorized Third Party Access.** Client and its Users are responsible for maintaining the security and confidentiality of any password, User ID, or other form of user authentication involved in obtaining access to ADP Application Programs, and Client and its Users shall not disclose any confidential account access credentials or related information to Unauthorized Third Parties.

10 Data Security Breach

- 10.1 Notification.** If ADP becomes aware of a Data Security Breach of Client's Personal Data, ADP will take appropriate actions to contain, investigate and mitigate the Data Security Breach. ADP shall notify Client without undue delay after becoming aware that a Data Security Breach has occurred, unless otherwise required or instructed by law enforcement or regulatory authority. ADP will share information in its possession with Client for Client to determine any regulatory reporting obligations required by applicable law.
- 10.2 Other ADP Obligations.** In the event that a Data Security Breach is the result of the failure of ADP to comply with the terms of this Agreement, ADP shall, to the extent legally required or otherwise necessary to notify the individuals of potential harm, bear the actual, reasonable costs of notifying affected individuals. ADP and Client shall mutually agree on the content and timing of any such notifications, in good faith and as needed to meet applicable legal requirements. In addition, where notifications are required, and where such monitoring is practicable and customary, ADP shall also bear the cost of one year of credit monitoring to affected individuals in the applicable jurisdictions.

11 Payment Terms

- 11.1 Fees and Fee Adjustments.** Client shall pay to ADP the fees and other charges for the Services as set forth in the Sales Order. The recurring Services fees (excluding delivery, tax and banking (including reverse wire), jurisdiction, year-end and maintenance fees) will remain fixed during the first six (6) months following the Effective Date, and thereafter ADP may modify the fees on an annual basis upon thirty (30) days' prior written notice to Client. The fees presented in any Sales Order were calculated based upon particular assumptions relative to Client requirements (including funding requirements), specifications, volumes and quantities as reflected in the applicable Sales Order and related documentation, and if Client's actual requirements vary from what is stated, ADP may adjust the fees based on such changes. The fees do not include any customizations to any Service.
- 11.2 Additional Services and Charges.** Any Services provided to Client but not included in a Sales Order will be provided subject to the terms of this Agreement and charged at the applicable rates as they occur; and those services will be considered to be "Services" for purposes of this Agreement. Additional charges may be assessed to Client in relation to the performance of the Services in certain circumstances, including without limitation, late funding, an insufficient funds notification and emergency payment requests from Client.
- 11.3 Fees for Implementation Services.** Implementation fees are due and payable by Client upon the Go-Live Date for such Services. However, if (i) this Agreement or any Service is terminated after Implementation Services have started but before the applicable Go-Live Date or (ii) Client fails to reasonably cooperate with ADP in connection with the Implementation Services such that ADP is unable to complete such Implementation Services, then ADP may terminate this Agreement or any Service upon written notice to Client and, in each case, thirty percent (30%) of the total non-discounted implementation fees set forth in the Sales Order shall be immediately due and payable by Client.
- 11.4 Invoicing.** ADP will notify Client of all applicable Services fees payable by Client by way of invoice or other method (i.e. ADP's on-line reporting tool). Client will pay the amount on each invoice or such other similar document in full pursuant to the agreed upon method of payment set forth in the Sales Order. All amounts not paid when due are subject to a late payment charge of one and one-half percent (1.5%) per month (not to exceed the maximum allowed by applicable law) of the past due amount from the due date until the date paid.
- 11.5 Currency.** Client shall pay the fees in US dollars.
- 11.6 Taxes.** Unless Client provides ADP a valid tax exemption or direct pay certificate, Client will pay directly, or will pay to ADP, an amount equal to all applicable taxes or similar fees levied or based on the Agreement or the Services, exclusive of taxes based on ADP's net income.
- 11.7 Postage, Shipping, Travel and Out-of-Pocket Expenses.** ADP will invoice Client for postage charges, delivery charges, other third party charges, reasonable preapproved travel expenses, and travel-related out-of-pocket expenses, as necessary to provide the Services.

11.8 Funding Requirements and Disbursement Disclosures. With respect to Payment Services to be deducted by ACH or Pre-Authorized Debit, Client must have sufficient good funds for payment of the payroll obligations, tax filing obligations, wage garnishment deduction obligations, service fees (as applicable), expenses, and any other applicable charges, to be direct debited from Client's designated account no later than one (1) Business Day prior to the pay date for the applicable payroll (in the case of payroll processing services), or as otherwise agreed by the parties. For reverse wire clients, funds must be available (a) by 6:00 a.m. Pacific time on the Business Day immediately before the associated payroll check date (in the case of the ADP Employment Tax Services) and (b) by 6:00 a.m. Pacific time two (2) Business Days prior to the associated payroll check date for all other Payment Services. In consideration for the additional costs incurred by ADP in providing wire transfer service, Client agrees to pay a reasonable fee for each wire transfer. Notwithstanding the foregoing, ADP reserves the right to modify the aforementioned deadlines at any time and will communicate any such modifications to Client.

11.9 Change Control. In the event either party requests a change in the scope of Services (including implementation services) or any rework is required by ADP as a result of a delay by Client in implementation of any Services (each a "**Change Control Item**"), the parties shall address such change request, if possible via ADP's change control process. Change Control Items and the cost associated with such changes (if any) to the Services shall be mutually agreed to by the parties and shall be defined in a statement of work agreed to by the parties, with the exceptions of Change Control Items that are required to be made by law or regulation applicable to the Services or to the duration of implementation services, which ADP will notify Client of prior to making the change.

12 Term; Termination; Suspension

12.1 Term; Termination for Convenience. This Agreement will commence on the Effective Date and remain in effect until terminated by either party in accordance with the terms hereof. Either party may terminate this Agreement or any Service upon ninety (90) days' prior written notice to the other party (except as otherwise set forth in this Section 12).

12.2 Termination for Cause. Either party may terminate this Agreement for the other's material breach of this Agreement if such breach is not cured within sixty (60) days following notice thereof or in the event either party is the subject of a Termination Event. In addition, ADP may terminate this Agreement in the event Client fails to timely pay fees for Services performed within ten (10) days following notice that such fees are past due. ADP may also terminate this Agreement or the Services immediately on written notice to Client if the provision of Service to Client causes or will cause ADP or its Affiliates to be in violation of any laws, rules or regulations applicable to it including any sanction laws applicable to ADP or any Affiliate.

12.3 Suspension. Without limiting the foregoing, the parties agree that Payment Services involve credit risk to ADP. Payment Services may be suspended by ADP (A) immediately following notice to Client (i) that Client has failed to remit sufficient, good and available funds within the deadline and via the method of delivery agreed upon as it relates to the applicable Payment Services, or (ii) if Client breaches any rules promulgated by the NACHA (or other similar local regulator) as it relates to ADP conducting ACH (or similar electronic payment) transactions on behalf of Client, and (B) with 24 hour notice if: (i) a bank notifies ADP that it is no longer willing to originate debits from Client's account(s) or credits for Client's behalf for any reason or (ii) the authorization to debit Client's account is terminated or ADP reasonably believes that there is or has been fraudulent activity on the account. If the Payment Services are terminated or suspended pursuant to Sections 12.2 or 12.3, Client acknowledges that ADP shall be entitled to allocate any funds in ADP's possession that have been previously remitted or otherwise made available by Client to ADP relative to the Payment Services in such priorities as ADP may determine appropriate, including reimbursing ADP for payments made by ADP on Client's behalf to a third party. If the Payment Services are terminated by ADP, Client understands that it will (x) immediately become solely responsible for all of Client's third party payment obligations covered by the Payment Services then or thereafter due (including, without limitation, for ADP Employment Tax Services, any and all penalties and interest accruing after the date of such termination, other than penalties and interest for which ADP is responsible under Section 7.3.3), and (y) reimburse ADP for all payments properly made by ADP on behalf of Client to any Payee, which has not been paid or reimbursed by Client. If the Payment Services remains suspended for 30 days, the affected Payment Service shall be deemed terminated on the 31st day following suspension.

12.4 Additional Termination Provisions.

12.4.1 Additional Termination Provisions for ADP Employment Tax Services. If the ADP Employment Tax Services in the United States are terminated, Client's access to ADP websites containing Client's data will expire 90 days from the effective date of the termination, and Client will be responsible for downloading all relevant data, including Statements of Deposit (SODs) prior to the expiration of such access.

12.4.2 Additional Termination Provisions for Employment Verification Services. ADP may, in its sole discretion, terminate the Employment Verification Services at any time upon 90 days prior written notice to Client should a Verification Agent notify ADP that it is no longer willing to provide the Employment Verification Services and ADP, after taking commercially reasonable steps, cannot engage a successor Verification Agent.

12.4.3 Additional Termination Provisions for ADP Time & Attendance Services. If ADP determines that Client has failed to comply with any potentially applicable laws and regulations applicable to the Biometric Services, ADP may, in its sole discretion and upon notice to Client, immediately suspend or terminate the Biometric Services.

12.4.4 Additional Termination Provision for ADP Workforce Now IT Management, Powered by Electric. Client's access to ADP Workforce Now IT Management, Powered by Electric may terminate if (i) Human Resources Administration Services are terminated, (ii) the agreement between ADP and Electric AI, Inc. terminates or otherwise expires or (iii) the agreement between Client and Electric AI, Inc. terminates or otherwise expires.

12.4.5 Additional Suspension Provision for ADP Connect Services. ADP may, in its sole discretion, immediately suspend access to ADP Connect Services without prior notice to Client in the event Client or Client's Users post or otherwise distribute any Objectionable Content. In the event Client or Client's Users continue to post or distribute such content after access to the ADP Connect Services is restored, ADP shall have the right to terminate ADP Connect Services.

13 Post Termination

- 13.1 Scope.** At any time prior to the termination of Client's access to the ADP Application Programs, Client may download Client's information or reports available to it in conjunction with all of the Services provided to Client by ADP. Under no circumstances will ADP be required to provide any third party with access to the ADP Application Programs, ADP's intellectual property or any Confidential Information of ADP.
- 13.2 Past Due Amounts.** If ADP has terminated this Agreement due to Client's failure to pay fees, ADP's obligations in Section 13.1 will be subject to Client's payment of all past due amounts and ADP may require Client to prepay for any services.

14 Additional Terms

- 14.1 ADP Employment Tax Services.** The following additional terms and conditions apply to the ADP Employment Tax Services:

14.1.1 Important Tax Information (IRS Disclosure) for U.S. Only. Notwithstanding Client's engagement of ADP to provide the ADP Employment Tax Services in the United States, please be aware that Client remains responsible for the timely filing of payroll tax returns and the timely payment of payroll taxes for its employees. The Internal Revenue Service recommends that employers enroll in the U.S. Treasury Department's Electronic Federal Tax Payment System (EFTPS) to monitor their accounts and ensure that timely tax payments are being made for them, and that online enrollment in EFTPS is available at www.eftps.gov; an enrollment form may also be obtained by calling (800) 555-4477; that state tax authorities generally offer similar means to verify tax payments; and that Client may contact appropriate state offices directly for details.

- 14.2 WFN EI-9 Services.** The following additional terms and conditions apply to the WFN EI-9 Services.

14.2.1 Use of Services. Client shall, and cause the members of the Client Group, receiving the WFN EI-9 Services to do the following:

14.2.1.1 Review the USCIS Form I-9, which is the employment eligibility verification form issued by the DHS, including instructions in the form and the guidelines in the current I-9 Handbook, each of which is available on the USCIS website, currently located at <http://www.uscis.gov/i-9central>. Client certifies that it has reviewed the current USCIS Form I-9 and the I-9 Handbook and that it agrees to comply with the applicable policy and procedures set forth therein, and any future new or amended policies or procedures, as required by law. Client will ensure availability of the most recent version of the USCIS Form I-9 and the I-9 Handbook to all employees authorized to complete the USCIS Form I-9 on behalf of Client and/or its Affiliates.

14.2.1.2 Client is responsible for reviewing reports available to Client on the WFN EI-9 Services and for resolving (or causing the applicable employee to take action to resolve) missing or incomplete Forms I-9. This includes communicating with the employee in question and the submission or resubmission of the missing or incomplete Form I-9.

14.2.1.3 ADP executed a Memorandum of Understanding with the DHS as the E-Verify employer agent. E-Verify is the DHS's employment eligibility verification program which allows participating employers to electronically verify the employment eligibility of each newly hired employee and/or employee assigned to a covered federal contract. The following is required as it relates to the use of E-Verify through ADP and will apply only to the extent Client is using E-Verify through ADP

14.2.1.3.1 Notify ADP of (i) the location(s) where Client elects to enroll; and (ii) whether the employer is a federal contractor or a federal, state or local government organization.

14.2.1.3.2 Execute a Memorandum of Understanding with the DHS and ADP (as its E-Verify employer agent), and comply with the terms and conditions set forth therein.

14.2.1.3.3 Review and comply with the policy and procedures contained in the E-Verify User Manual for Employers, and any superseding policy and procedures, available to Client on the WFN EI-9 Service.

14.2.1.3.4 To the extent the Client elects to have more than one company location participate in E-Verify, ensure all authorized users in each location have complied with all requirements of this Section.

14.2.1.3.5 Ensure all of Client's authorized users (i) complete the mandated E-Verify training course and any applicable update courses administered by ADP and (ii) pass a knowledge test with the required score.

14.2.1.3.6 Immediately notify ADP of any updates/changes to its E-Verify employer status (e.g., Client becomes a federal contractor or Client ceases being a federal contractor).

14.2.2 Form I-9 Retention. During the term of the Agreement, ADP will store electronic copies of Forms I-9 in the WFN EI-9 Services for a minimum of three years from the employee's hire date or until one year after the employee ceases to be employed by Client (or the applicable Affiliate), whichever is later (or as otherwise required by changes to federal regulations that come into effect hereafter). Upon termination or expiration of the Agreement, ADP shall use commercially reasonable methods to transfer all electronically stored Forms I-9 to Client in accordance with ADP's current security policies. Upon termination of the WFN EI-9 Services, Client shall be solely responsible for storage of copies of Forms I-9.

- 14.3 Payment Services.** The following additional terms and conditions apply to the Payment Services:

- 14.3.1 Client Credentialing.** Client understands and acknowledges that the implementation and ongoing provision of Payment Services are conditioned upon Client passing (and continuing to pass) a credentialing process that ADP may deem necessary in connection with the provision of Payment Services.
- 14.3.2 Additional Requirements.** Payment Services may be subject to the rules and standards of any applicable clearing house, payment and/or card networks or associations. Client and ADP each agree to comply with all such rules and standards applicable to it with respect to the Payment Services.
- 14.3.3 Funding Obligations.** Client acknowledges that ADP is not a lender. As such, as a condition to receiving services, Client will remit or otherwise make available to ADP sufficient, good and available funds within the agreed-to deadline and via the agreed-to method of delivery to satisfy all of Client's third-party payment obligations covered by the Agreement. ADP will apply such funds to satisfy such third-party payment obligations. ADP will not be required to provide Payment Services if ADP has not received all funds required to satisfy Client's third-party payment obligations. Client will immediately notify ADP if it knows or should know that it will not have sufficient funds to satisfy the amounts required in connection with the Payment Services. If Client has a material adverse change in its condition, ADP may modify the funding method or deadline by which funds must be made available to ADP for payment to Payees. Client agrees to pay to ADP upon demand any amounts that have been paid by ADP to satisfy Client's third party payment obligations prior to receiving such amounts from Client.
- 14.3.4 Investment Proceeds; Commingling of Client Funds.** IF ADP RECEIVES CLIENT'S FUNDS IN ADVANCE OF THE TIME ADP IS REQUIRED TO PAY SUCH FUNDS TO THIRD PARTIES, ALL AMOUNTS EARNED ON SUCH FUNDS, IF ANY, WHILE HELD BY ADP WILL BE FOR THE SOLE ACCOUNT OF ADP. ADP may commingle Client's funds with similar funds from other clients and with similar ADP and ADP-administered funds. ADP utilizes a funds control system that maintains general ledger entries by client and/or by jurisdiction.
- 14.3.5 Recovery of Funds; Stop Payment Requests.** Client agrees to cooperate with ADP and any other third parties to recover funds erroneously issued or transferred to any Payee or credited to any Payee's account. If Client desires to stop payment on any check or to recall or reverse any electronic payment, Client will provide ADP with a stop payment request in the form required by ADP. Client acknowledges that ADP's placement of a stop order request is not a guarantee that such stop payment will occur.
- 14.4 ADP Wage Payment Services.** The following additional terms and conditions apply to ADP Wage Payment Services:
- 14.4.1 ADPCheck; Direct Deposit.** Client agrees not to distribute any ADPChecks to Payees in a manner that would allow Payees to access the associated funds before pay date. Prior to the first credit to the account of any employee or other individual under ADP Direct Deposit Services, Client shall obtain and retain a signed authorization from such employee or individual authorizing the initiation of credits to such party's account and debits of such account to recover funds credited to such account in error.
- 14.5 ADP Time & Attendance Services.** The following additional terms and conditions apply to the ADP Time & Attendance Services:
- 14.5.1 Time & Attendance Hardware.**
- 14.5.1.1** If Client procures Time & Attendance Hardware, Client shall provide and maintain an installation environment (including all power, wiring and cabling required for installation) as specified in the manufacturer's product documentation and other written instructions provided to Client by ADP.
- 14.5.1.2** Regarding Time & Attendance Hardware provided on a subscription basis only, Client shall not make any alterations or attach any devices thereto that are not provided by ADP, nor shall Client remove same from the place of original installation without ADP's prior consent. All right and title in the Time & Attendance Hardware procured on a subscription basis is, and at all times shall remain, that of ADP and a separate item of personal property of ADP, notwithstanding its attachment to other items or real property, and promptly upon termination of the ADP Time & Attendance Services, for any reason whatsoever, Client shall, at its expense, return such Time & Attendance Hardware in good condition, in accordance with ADP's instructions, normal wear and tear excepted.
- 14.5.2 Biometric Services.** Biometric Services are optional. In certain jurisdictions, there are laws and regulations that govern the collection, use, and retention of biometric information, which potentially may apply to Client's use of Biometric Services. To the extent Client elects to use Biometric Services, Client agrees to comply with all such potentially applicable laws and regulations in accordance with this section. In the event Client is unwilling to comply with laws and regulations potentially applicable to Biometric Services, Client will be able to continue to use ADP Time & Attendance Services without Biometric Services. The following terms and conditions apply to Biometric Services to the extent Biometric Services are part of the scope of Services:
- 14.5.2.1 Requirements for Receipt of Biometric Services.** Before any Client or Biometric User is permitted to use any Biometric Services in a jurisdiction where laws and regulations potentially govern such use, Client will comply with the following requirements, in addition to any other requirements imposed by potentially applicable law (to the extent there is a conflict between the requirements below and the requirements of potentially applicable law, Client will comply with potentially applicable law):
- 14.5.2.1.1 Client Biometric Information Policy.** Client will implement, distribute and make available to the public, a written policy establishing Client's policy with respect to the use of Biometric Data. Such policy will include:
- 14.5.2.1.1.1** a retention schedule and guidelines for permanently destroying Biometric Data;

14.5.2.1.1.2 a commitment to destroy Biometric Data when the initial purpose for collecting or obtaining such Biometric Data has been satisfied or within 3 years of the individual's last interaction with Client, whichever occurs first; and

14.5.2.1.1.3 any additional requirements as required by potentially applicable law.

14.5.2.1.2 Biometric User Notice and Consent. Client will provide notice to and procure and retain appropriate consents or releases from Biometric Users in the manner and to extent the same are required by potentially applicable law, including:

14.5.2.1.2.1 notifying Biometric Users in writing that Client and/or its vendors are collecting, capturing, or otherwise obtaining Biometric Users' Biometric Data, and that Client is providing such Biometric Data to its vendors; such notice will specify the purpose and length of time for which Biometric User's Biometric Data is being collected, stored, and used;

14.5.2.1.2.2 obtaining a written release or consent from Biometric Users (or their legally authorized representative) authorizing Client and/or its vendors to collect, store, and use the individual's Biometric Data for the specific purpose disclosed by Client, and authorizing Client to provide such Biometric Data to its vendors; and

14.5.2.1.2.3 if requested by ADP, providing to ADP copies of the required consents or releases collected and retained by Client, and/or certifying to ADP that such consents or releases have been obtained.

14.5.2.1.3 Retention and Purging of Biometric Data. Client will work with ADP to ensure that Biometric Data is retained and purged in accordance with potentially applicable law. To the extent necessary for the purging or deletion of such Biometric Data, Client agrees to provide timely notification to ADP of the termination of the employment, or the satisfaction of the purpose for which Biometric Data was collected with respect to any given Biometric User. ADP is not responsible for Client's failure to provide timely notification of the termination of the employment, or the satisfaction of the purpose for which Biometric Data was collected with respect to any given Biometric User.

14.5.2.1.4 Storage of Biometric Data in Timeclocks. Client agrees that it shall use a reasonable standard of care consistent with potentially applicable law to store, transmit and protect from disclosure any Biometric Data. Such storage, transmission, and protection from disclosure shall be performed in a manner that is the same as or more protective than the manner in which Client stores, transmits and protects from disclosure other confidential and sensitive information, including personal information that can be used to uniquely identify an individual or an individual's account or property, such as genetic markers, genetic testing information, account numbers, PINs, driver's license numbers and social security numbers.

14.5.2.2 Biometrics Indemnity. Subject to Sections 6.3 and 7, Client will defend ADP against any third party claims (including claims made by or on behalf of Biometric Users) and will indemnify and hold ADP harmless from resulting damage awards or settlement amounts in any cause of action to the extent such cause of action is based on any performance or breach of Client's obligations in connection with the Biometric Services, including any failure by Client to obtain consent from Biometric Users in connection with the use of the Biometric Services.

14.6 Tax Registration Services. ADP shall provide tax registration services as further described in this Section (the "**Tax Registration Services**") in accordance with and subject to the terms of this Agreement. The Tax Registration Services provided hereunder relate solely to ADP obtaining jurisdiction account numbers for employment tax as requested by Client. In receiving the Tax Registration Services hereunder, Client acknowledges the following:

14.6.1 Client understands that ADP will not perform Tax Registration Services in connection with the following events: (i) mergers and acquisitions; (ii) name, address or entity (corporate form) changes; (iii) applications to a state's Secretary of State; and (iv) closing of accounts with a state taxing agency.

14.6.2 As a third-party service provider, ADP's Services hereunder are consultative in nature. ADP is not representing Client in any dealings before any tax agencies. ADP's provision of the Tax Registration Services should not be construed as legal, tax, or accounting advice. Client should consult its legal, tax, or accounting advisors for such advice.

14.6.3 All submissions to the taxing jurisdiction will be (i) reviewed by Client prior to submission, when provided and (ii) signed by Client where necessary or Client will instruct ADP to affix electronically the Client signature provided by Client. By signing the documents or requesting that ADP affix Client's electronic signature, Client is confirming that (i) Client has reviewed the documents and/or data being submitted to the taxing jurisdiction and (ii) the information contained therein is complete and accurate.

14.6.4 By utilizing the Tax Registration Services, Client authorizes ADP to act on its behalf in obtaining jurisdiction employment tax account numbers including, but not limited to, affixing the electronic signature provided by Client to registration forms and other documentation, submitting forms to tax agencies and directly communicating with such agencies as necessary.

14.6.5 Client understands that ADP's Services are based solely on the information provided by Client and/or otherwise available for ADP in connection with the Services about Client's business established within a particular jurisdiction and other written correspondence that is in reply to ADP's questions regarding the registration process or otherwise provided by Client. Client

authorizes ADP to rely upon such in providing the Tax Registration Services. ADP is not responsible for Tax Registration Services provided hereunder based on any inaccurate information supplied by Client or the failure by Client to provide ADP with information relating to the registration process.

- 14.6.6 Client understands that, for reasons beyond ADP's reasonable control, ADP may not be successful in securing an employment tax account number for Client in any particular jurisdiction.
- 14.6.7 ADP is not responsible for any penalties or interest incurred by Client as a result of ADP's failure to timely receive Client's identification numbers.

14.7 State Unemployment Insurance (SUI) Management Services. The following additional terms and conditions apply to the SUI Management Services:

- 14.7.1 **Provision and Transfer of Information.** Client will provide ADP with accurate, complete and timely information necessary for ADP to perform the SUI Management Services, including without limitations, the claimants' names, relevant dates, wage and separation information, state-specific required information, and other documentation to support responses to unemployment compensation agencies. Client will transfer this information via (i) on-line connection between ADP and Client's computer system or (ii) inbound data transmissions from Client to ADP, using mutually acceptable communications protocols and delivery methods. Client will promptly notify ADP in writing if Client wishes to modify the communication protocol or delivery method.
- 14.7.2 **Definition of Claim; Claim Cap.** For purposes of the SUI Management Services provided under this Agreement and billed to Client, a "claim" shall be defined as a claim notice generated by a state agency as a result of an individual filing for unemployment insurance benefits. In addition, Client acknowledges and agrees that (i) claim notices are typically generated for each state unemployment tax ID number under which an employee had worked and earned wages; (ii) state unemployment agencies generally issue multiple claim notices per individual as identified by a Social Security Number during the benefit eligibility period upon receiving a request for unemployment benefits; and (iii) all such claim notices require review ADP (e.g., including but not limited to, last employer claims, base period employer claims, periodic qualification claims, additional benefit claims, renewed claims and extended benefit claims). Client further acknowledges and agrees that an applicable claim cap applies to the fees for SUI Management Services and that the claim cap shall be stated on the Sales Order, and will be based on all claim notices processed by ADP as a result of an individual filing for unemployment benefits. The number of claims counted for billing purposes will be reported to Client by ADP as "Claims Processed" via on-line reports.

14.8 ADP Wage Garnishment Payment Services. The following additional terms and conditions apply to the ADP Wage Garnishment Payment Services:

- 14.8.1 **Description of Services.** ADP will act solely in the capacity of a third party service provider of payment processing.
- 14.8.2 **Client's Use of Services.** Client agrees not to distribute any ADP Checks to Payees in a manner that would allow Payees to access the associated funds before pay date.

14.9 Employment Verification Services; Employee Authorized Disclosure. The following additional terms and conditions apply to the Employment Verification Services and Employee Authorized Disclosure:

- 14.9.1 **Employment Verification Services.** Client authorizes Verification Agents to disclose, on Client's behalf, Verification Data to Verifiers, who wish to obtain or verify any of Client's employees' (former employees', and if included in Client's payroll data, independent contractors' and former independent contractors') Verification Data. Verification Data will be disclosed to Verifiers who certify they are entitled to receive such data (as described below) pursuant to FCRA, and, in the case of income information requests, who additionally certify they have a record of the individual's consent to such disclosure or who utilize a salary key ("Employment Verification Services"). In accordance with FCRA, Verification Data may be provided to Verifiers where (i) the individual has applied for a benefit (such as credit, other employment or social services assistance); (ii) the individual has obtained a benefit and the Verifier is seeking to (a) determine whether the individual is qualified to continue to receive the benefit; and/or (b) collect a debt or enforce other obligations undertaken by the individual in connection with the benefit; or (iii) the Verifier is otherwise entitled under FCRA to obtain the Verification Data. In certifying they have a record of the individual's consent, Verifiers generally rely on the individual's signature on the original application as authorization for the Verifier to access the individual's income data at the time of the application and throughout the life of the obligation. Client understands that Verifiers are charged for commercial verifications processed through ADP or its Verification Agents.
 - 14.9.1.1 **Data Quality.** If requested by ADP, Client agrees to work with ADP during implementation to produce a test file and validate Verification Data using validation reports made available by ADP or its Verification Agents. If Client uses ADP's hosted payroll processing services, ADP will update its system with the applicable Verification Data available in ADP's payroll processing system.
 - 14.9.1.2 **Notice to Furnishers of Information: Obligations of Furnishers of Information** ("Notice to Furnishers"). Client certifies that it has read the Notice to Furnishers provided to Client at the following URL: <https://www.consumerfinance.gov/rules-policy/regulations/1022/m/#imageM2>. Client understands its obligations as a data furnisher set forth in such notice and under FCRA which include duties regarding data accuracy and investigation of disputes, and certifies it will comply with all such obligations. Client further understands that if it does not comply with such obligations, ADP may correct incorrect Verification Data on behalf of Client or terminate the Employment Verification Services upon 90 days prior written notice to Client.

- 14.9.1.3 Archival Copies.** Notwithstanding anything to the contrary in the Global Master Terms and Conditions, Client agrees that, after the termination of the Employment Verification Services, ADP and its Verification Agents may maintain archival copies of the Verification Data as needed to show the discharge and fulfillment of obligations to Client's current and former employees and independent contractors and the provisions of Section 4 will continue to apply during the time that ADP and its Verification Agents maintain any such archival copies.
- 14.9.2 Employee Authorized Disclosure.** ADP may disclose or use Personal Data of a Client's current or former employee or independent contractor where such individual requests and consents to such use or disclosure for the individual's personal benefit (e.g., to verify an individual's identity in connection with a bank account application) ("Employee Authorized Disclosure").
- 14.9.3 Continuation of Services.** Client understands and agrees that Verification Data and/or Personal Data provided by Client or its vendors in connection with the Services may be used, subject to the terms and conditions of this Section, to provide Employment Verification Services and, at the individual's request, Employee Authorized Disclosures after this Agreement expires or is terminated.
- 14.10 ADP Marketplace and Use of ADP APIs.**
- 14.10.1 Access to ADP Marketplace and Disclaimer Regarding Third Party Services.** ADP may provide Client with access to the ADP Marketplace. Client acknowledges that any third party application or service purchased by Client through the ADP Marketplace is provided by a third party and not ADP and ADP makes no endorsements, representations or warranties (including any representations or warranties regarding compliance with laws) regarding such application or service. Client will enter into a relationship directly with the third party provider of such application or service. Any third party application or third party service purchased through the ADP Marketplace will be governed exclusively by the terms and conditions agreed to by Client and the third party provider and not by this Agreement. ADP will not provide any advice, service or support with respect to any third party application or service purchased on the ADP Marketplace.
- 14.10.2 Transmitting Information to Third Parties.** In the event that Client elects to use an API to provide any Client Content or employee or plan participant information to any third party, Client represents that it has acquired any consents or provided any notices required to transfer such content or information and that such transfer does not violate any applicable international, federal, state, or local laws and/or regulations. ADP is not responsible for any services or data provided by any such third party.
- 14.10.3 Use of ADP APIs.** Client will use the ADP APIs to access Client's information only. Client may not use any robot, spider, or other automated process to scrape, crawl, or index the ADP Marketplace or ADP Application Programs and will integrate Client's application with the ADP Marketplace and/or ADP Application Programs only through documented APIs made available by ADP. Client shall not: (i) use the ADP Marketplace, ADP Application Programs or any ADP API to transmit spam or other unsolicited email; (ii) take any action that may impose an unreasonable or disproportionately large load on the ADP infrastructure, as determined by ADP; or (iii) use the ADP APIs, ADP Application Programs or the ADP Marketplace in any way that threatens the integrity, performance or reliability of the ADP Marketplace, Services or ADP infrastructure. ADP may limit the number of requests that Client can make to the ADP API gateway to protect ADP's system or to enforce reasonable limits on Client's use of the ADP APIs. Specific throttling limits may be imposed and modified from time to time by ADP.
- 14.11 ESS & MSS Technology.** The following additional terms and conditions apply to the ESS & MSS Technology.
- 14.11.1** Client acknowledges that Client's employees or participants may input information into the self-service portions of the ADP Application Programs. ADP shall have no responsibility to verify, nor does ADP review the accuracy or completeness of the information provided by Client's employees or participants to ADP using any self-service features. ADP shall be entitled to rely upon such information in the performance of the Services under this Agreement as if such information was provided to ADP by Client directly.
- 14.12 ADP Connect Services.** The following additional terms and conditions apply to ADP Connect Services:
- 14.12.1 Additional Third-Party Terms.** During the Term of this Agreement, Client's use and access to ADP Connect may be subject to additional terms of services which will be included within ADP Connect. Prior to enabling ADP Connect or certain functionality therein, Client shall ensure that its Users of ADP Connect click through and accept such additional terms of service.
- 14.13 History Conversion Services.** The following additional terms and conditions apply to the History Conversion Services:
- 14.13.1 Client Obligations.** As a prerequisite to receiving the History Conversion Services (the "**Project**"), Client shall (i) allocate sufficient resources to the Project; (ii) provide ADP with a single point of contact and access in order to perform an extraction of historical payroll documents from a single vendor database of reports or registers (if multiple points of contact are required which necessitates additional data extraction work efforts and/or separate security access rights, additional fees may apply); and (iii) perform an inventory of converted historical data and review results in accordance with the timeline set forth below. In addition, if necessary, Client shall complete and validate any data mapping and be responsible for final review of data during the mapping process. If errors in the data mapping are discovered following Client's final validation, corrections to the historical data may be required. Any required data mapping must be completed within sixty (60) days of the date that Client is first able to commence the data mapping processing (the "**Data Mapping Completion Date**"). If Client fails to complete the data mapping by the Data Mapping Completion Date, then additional monthly storage charges shall apply.
- 14.13.2 Client Consent.** Client consents to the direct import of historical payroll documents and historical data into ADP Workforce Now.

14.13.3 Completion of History Conversion Services. Upon completion of the History Conversion Services, Client shall immediately notify ADP if the History Conversion Services and deliverables outlined in the Sales Order have not been satisfactorily delivered. The History Conversion Services will be deemed accepted by Client if no response has been received within five (5) days of the date of completion of such Services.

15 Miscellaneous

- 15.1 Amendment.** This Agreement may not be modified, supplemented or amended, except by a writing signed by the authorized representatives of ADP and Client.
- 15.2 Assignment.** Neither this Agreement, nor any of the rights or obligations under this Agreement, may be assigned by any party without the prior written consent of the other party, such consent not to be unreasonably withheld. However, Client may assign any or all of its rights and obligations to any other Client Group member and ADP may assign any or all of its rights and obligations to any Affiliate of ADP, provided that any such assignment shall not release the assigning party from its obligations under this Agreement. This Agreement is binding upon and inures to the benefit of the parties hereto and their respective successors and permitted assigns.
- 15.3 Subcontracting.** Notwithstanding Section 15.2, ADP reserves the right to subcontract any or all of the Services, provided that ADP remains fully responsible under this Agreement for the performance of any such subcontractor. For the avoidance of doubt, third parties used by ADP to provide delivery or courier services, including the postal service in any country or any third party courier service, and banking institutions, are not considered subcontractors of ADP.
- 15.4 Entire Agreement.** This Agreement constitutes the entire agreement and understanding between ADP and Client with respect to its subject matter and merges and supersedes all prior discussions, agreements and understandings of every kind and nature between the parties. No party will be bound by any representation, warranty, covenant, term or condition other than as expressly stated in this Agreement. Except where the parties expressly state otherwise in a relevant exhibit, annex, appendix or schedule, in case of conflict or inconsistency between these Global Master Terms and Conditions and any such exhibit, annex, appendix or schedule, the Global Master Terms and Conditions will prevail and control. Purchase orders or statements of work submitted to ADP by Client will be for Client's internal administrative purposes only and the terms and conditions contained in any purchase order or statements of work will have no force and effect and will not amend or modify this Agreement.
- 15.5 No Third Party Beneficiaries.** Except as expressly provided herein or in an applicable exhibit, annex, appendix or schedule, nothing in this Agreement creates, or will be deemed to create, third party beneficiaries of or under this Agreement. Client agrees that ADP's obligations in this Agreement are to Client only, and ADP has no obligation to any third party (including, without limitation, Client's personnel, directors, officers, employees, Users and any administrative authorities).
- 15.6 Force Majeure.** Any party to this Agreement will be excused from performance of its obligations under this Agreement, except for Client's obligation to pay the fees to ADP pursuant to Section 11, for any period of time that the party is prevented from performing its obligations under this Agreement due to an act of God, war, earthquake, civil disobedience, court order, labor disputes or disturbances, governmental regulations, communication or utility failures or other cause beyond the party's reasonable control. Such non-performance will not constitute grounds for breach.
- 15.7 Waiver.** The failure by any party to this Agreement to insist upon strict performance of any provision of this Agreement will not constitute a waiver of that provision. The waiver of any provision of this Agreement shall only be effective if made in writing signed by the authorized representatives of ADP and Client and shall not operate or be construed to waive any future omission or breach of, or compliance with, any other provision of this Agreement.
- 15.8 Headings.** The headings used in this Agreement are for reference only and do not define, limit, or otherwise affect the meaning of any provisions hereof.
- 15.9 Severability.** If any provision of this Agreement is finally determined to be invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality or enforceability of the remainder of this Agreement will not in any way be affected or impaired and such court shall have the authority to modify such invalid, illegal or unenforceable provision to the extent necessary to render such provision valid, legal or enforceable, preserving the intent of the parties to the furthest extent permissible.
- 15.10 Relationship of the Parties.** The performance by ADP of its duties and obligations under this Agreement will be that of an independent contractor and nothing contained in this Agreement will create, construe or imply an agency, joint venture, partnership or fiduciary relationship of any kind between ADP and Client. None of ADP's employees, agents or subcontractors will be considered employees, agents or subcontractors of Client. Unless expressly stated in this Agreement, none of ADP, its employees, agents or its subcontractors may enter into contracts on behalf of, bind, or otherwise obligate Client in any manner whatsoever.
- 15.11 Governing Law.** This Agreement is governed by the laws of the State of New York without giving effect to its conflict of law provisions.
- 15.12 Communications to U.S. Based Employees.** Client agrees that ADP may use Client's U.S.-based employee and/or participant name, email and mailing address to provide information about products and/or services offered by ADP directly such employees and/or participants. Client may elect for ADP to cease such communications upon 30 days' prior written notice. In addition, each communication sent by ADP will comply with applicable laws and will enable the recipient to opt-out of receiving additional similar communications from ADP.
- 15.13 Jurisdiction.** Any disputes that may arise between ADP and Client regarding the performance or interpretation of this Agreement shall be subject to the exclusive jurisdiction of the state and federal courts of New York, New York. The parties hereby irrevocably consent to the exclusive jurisdiction of the state and federal courts of New York, New York and waive any claim that any proceedings brought in such courts have been brought in an inconvenient forum. THE PARTIES HEREBY IRREVOCABLY WAIVE THEIR RIGHT TO TRIAL BY JURY.

- 15.14 Counterparts.** This Agreement may be signed in two or more counterparts by original, .pdf (or similar format for scanned copies of documents) or facsimile signature, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
- 15.15 Notices.** All notices required to be sent or given under this Agreement will be sent in writing and will be deemed duly given and effective (i) immediately if delivered in person, or (ii) upon confirmation of signature recording delivery, if sent via an internationally recognized overnight courier service with signature notification requested to Client at the address indicated on the signature page hereof or to ADP at 99 Jefferson Road, Parsippany, New Jersey 07054, Attention: Legal Department or to any other address a party may identify in writing from time to time. A copy (which shall not constitute notice) of all such notices shall be sent to ADP at One ADP Boulevard, MS 425, Roseland, New Jersey 07068, Attention: General Counsel and to Client at the address indicated on the signature page hereof.
- 15.16 Survival.** Those provisions which by their content are intended to, or by their nature would, survive the performance, termination, or expiration of this Agreement, shall survive termination or expiration of this Agreement.

Connie Hughes
Primary
 Cherokee Metropolitan District
 6250 Palmer Park Blvd
 Colorado
 Springs, CO 80915-1721
 United States

Sales Order

April 22 2026 | Quote #02-2026-261340

Recurring Fees and Considerations

Number of Employees: 85 on Cherokee Metropolitan District



Per Processing	Count	Min	Base	Rate	Bi-Weekly	Annual
Workforce Now Payroll Solutions	85		\$75.00	\$5.78	\$566.30	\$14,723.80
• Essential Plus Payroll						Included
• Enhanced HR						Included
• Essential Time						Included
Employment and Income Verification	85				\$0.00	\$0.00



Monthly Processing	Count	Min	Base	Rate	Monthly	Annual
State Jurisdiction Fee	1			\$8.25	\$8.25	\$99.00
Local Jurisdiction Fee	1			\$8.25	\$8.25	\$99.00
InTouch DX Bar Code Clock	3			\$120.00	\$360.00	\$4,320.00
Professional Services: Company and Payroll Historical Documents + Employee Data History	1			\$0.00	\$0.00	\$0.00
International Employees Rate (if applicable)					\$3.10/month	
Courier Delivery (if applicable)					\$20.00 per delivery	



Annual Processing	Count	Min	Base	Rate	Annual
Year End Forms, W2s or 1099s	85			\$5.21	\$442.85

Total Annual Investment

\$19,684.65

Estimated Value of Total Annual Concession; Already applied to values above:

\$9,547.10

Other Considerations

Hardware and Other Fees	Count	Rate	Total
• Professional Services: Company and Payroll Historical Documents + Employee Data History	1	\$0.00	\$0.00

Other Considerations

Implementation	Total



Total Setup

\$8,200.00

Discount Value

(\$8,200.00)

Total Net Setup

\$0.00

Important Project and Billing Information

Billing for Payroll Processing Services, HCM and any module bundled into the single per employee per processing fee for payroll, is billed immediately following the client's first payroll processing. The billing count is based on the number of pays submitted during each processing period, therefore total billing may fluctuate.

Unemployment Claims in excess of the 10% claims cap will be billed at \$36.00 per claim. The fee for optional hearing representation is \$155.00 per appearance. Attorney representation required in certain states and is subject to change (currently: AZ, DE, KY, MO, NC, SC, SD, and WV). Representation fee not to exceed actual attorney fees. Optional service available through non-ADP affiliated attorneys. Attorneys will be retained on behalf of client for limited purpose of representing Client at the hearing. No referral fee applies. No attorney-client relationship exists or will be formed between ADP and Client.

Client intends to use Direct Deposit and Paycard and be fully paperless for Employee Pay Statements using ADP Self Service and/or ADP Mobile App to view all Pay and W2 information. By doing so, ADP will not charge a delivery fee unless something is in fact delivered.

Promotion

Client will receive 12 months free spread over 2 years, applying to months 2-10 and 13-15 from each product/controls billing start date (also referred to as the Promotional Period). The Promo excludes delivery, reverse wire, jurisdiction, maintenance, implementation, professional Services and year-end fees. The monthly Promo value may vary. Services added after the date hereof are excluded from the Promo.

Other

ADP's Fees for Service will be debited directly out of client's bank account of their choosing seven (7) days from invoice date. ADP will send all invoices to chughes@cherokeemetro.org
Expiration Date: 5/21/2026

Important Professional Services Information

History conversion: History Conversion Services include up to seven years of historical data from a single database source. Additional fees may apply for (i) conversion of historical data from more than one database or (ii) more than seven years of historical data.

Summary

Estimated Annual Net Investment:	\$19,684.65	Total Net Implementation:	\$0.00
Estimated Annual Concession (already applied):	\$9,547.10		

The ADP Services Listed on this Sales Order are provided at the prices set forth herein and in accordance with the ADP Master Services Agreement (or other similar agreement governing ADP's services), which shall include any appendix, exhibit, addendum, schedule or other similar document attached thereto or accompanying this Sales Order. By signing below you are acknowledging and agreeing to such terms and conditions and to the listed prices.

ADP, Inc.

Client: Cherokee Metropolitan District

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

Included Services

Essential Plus Payroll

- Tax Filing Service
- Payment Services
- Employee Discount Program
- New Hire Reporting
- General Ledger Solution
- Conversational Virtual Assistant

Enhanced HR

- Employee Development Tracking
- Paid Time Off Accruals Engine
- Multiple Languages & Currencies
- Country Specific Workflows & Processes
- Country Specific Formatting & Custom Fields
- Secure Online Document Storage with Role Based Security, Search & Audit Functionality
- Communication Broadcasts

IT Management Core

- Buy, ship, manage and reassign employee hardware

Essential Time

- Time Collection
- Scheduling
- Mobile Access
- Paid Time Off Accruals

Employment and Income Verification

- Commercial Employment and Income Verifications
- Social Services Verifications
- Workers Compensation Verifications

- Employee and Manager Self Service
- Access to Mobile Apps
- Wage Garnishment Processing
- Group Term Life Auto Calculation
- Intelligent Insights for Employee Issue Resolution
- Online Reports and Pay Statements

- New Hire Onboarding / I-9 Workflow
- Compliance Reporting
- Organization Charting
- Policy Acknowledgement
- Total Rewards Statements
- Employee Feedback and Sentiment Surveys

- ADP Connect News Feed and Recognition Tools

- Easily retrieve laptops when offboarding employees

- Rule Based Calculations
- Request & Approval Workflows
- ADP Portal with Customized Content

- Client access to Electronic Reports and Tools
- Immigration Verifications

Thank you for your consideration



CHEROKEE METROPOLITAN DISTRICT

6250 Palmer Park Blvd., Colorado Springs, CO 80915-1721

Telephone: (719) 597-5080 Fax: (719) 597-5145

General Manager’s Report

May 15, 2026

Prepared for the CMD May 20, 2026 Board Meeting

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General Manager’s Note

Late April and early May brought a reprieve from high temperatures and low precipitation of previous months. Water demand was higher than average but didn’t break any monthly or weekly records, suggesting that most CMD citizens understand that in Colorado the last freeze of the year can happen anytime. The parks team waited until after the hard freeze at the beginning of the month before fully pressurizing the parks’ irrigation systems and apply spring fertilizer and herbicide.

The finance department and CLA have been busy for the past few weeks working with the auditors after they received all information last month. So far the process has been smooth and there have been no concerns raised about meeting the July 21st board meeting.

Other than the projects listed below, the past four weeks continued to be dominated by interviews for open positions. The water and wastewater teams both filled their open positions after interviewing over two dozen candidates. The initial interview followed by a second practical skills interview is time-consuming but has given the team a much better idea of who looks great on paper and who has the right skills to do the work in the field. We also hired a new safety coordinator after two rounds of interviews with some very well-qualified candidates. We look forward to them moving Cherokee’s safety program forward.

Parks Projects

The two parks capital projects budgeted at the beginning of 2026 are complete. The Plower Court project finished mostly on schedule and a photo from the top of the slope is below. The seeding is taking well and the retaining wall underdrain appears to have been installed correctly. Lecil inspected a few times during construction and didn't have any concerns. At first I was concerned about the intentional swale built on the northern side of the project since it wasn't in the original design. However, this swale protects the property to the north from flow down the northern third of the slope. We'll need to keep an eye on that spot to ensure it doesn't erode further but it is a good addition to the design.



Figure 1: View from bottom of completed Plower Court erosion control project

After a two week delay, the Eastridge ballfields project is nearly complete. The only work remaining is to set the base anchors at the regulation locations and the team have flagged these spots and are anticipating finishing this step next week along with final grading on the pitcher's mounds. Even in their current state, the fields are an improvement over the previous condition and will be playable from May 15 onward.



Figure 2: Eastridge ballfields.

Rate Study

This month I spoke with three rate study consultants to accomplish the rate study budgeted for this year. The scope and cost of a rate study depends on whether the Board wants to make small adjustments or favors large changes. In any event, the consultants advise running a cost of service analysis to ensure that rates are equitable based on costs to deliver water and capital plan. I will have quotes for this stage of the project for the next Board meeting and based on the results we can discuss how to approach the rest of the rate study. All consultants are familiar with the Colorado’s Special District tap fee legislation enacted last year and would ensure that any analysis satisfy those requirements.

It would be unrealistic to complete the cost of service analysis then develop and debate major rate structure shakeup in time for implementation on January 1st, 2027. Rather if a rate increase is warranted for 2027, we should aim for a small adjustment based on the

results and save any larger changes for 2028. By the end of this year, we'll also have a better idea of how much of the capital plan may be funded by grants and whether the Sundance sale is realistic.

PFAS Treatment Facility Grants

Since the notice of Tier 1 grant award, Cherokee has been working with CDPHE to complete all the paperwork associated with participating in this grant program. The regulatory requirements have been significant and the CDPHE staff has made it clear that we should wait to sign any construction contracts until the grant contract is signed. As a result, we are delaying the notice of award to the PFAS Treatment Plant CMAR contractors to the June meeting or a single issue special meeting ahead of time if that is advantageous. The contract approval has been pushed back to the June meeting. As described in greater detail under the major projects section, we had seven well-qualified contractors bid the project and it has been tough to choose one for the project.

Fleet

Cherokee's five new fleet vehicles were originally slated for delivery in April but this date has been pushed back to July with indications the schedule may slip again. There were some pricey repairs on older vehicles over the last few months and I look forward to moving the highest mileage ones out of the fleet.

There are three vehicles slated for sale ahead of the new ones being delivered. Two do not run and one of these has been sold for parts. We've had a hard time finding buyers for the second one but are hopeful we can move it off the lot in the next month or so. The final vehicle, the utility truck, runs but is a unique model and we haven't been able to find a broker willing to buy it. Instead, it's been recommended that we either auction the truck or place it on a specialized consignment yard. We're exploring both options and I will keep the Board up to date on this over the next two months.

Major External Meetings

Colorado Information Analysis Center & Emergency Response Center

Building on the meeting at Schriever last month, Andrew Jones and I met with Col. Banker of the Colorado National Guard and several members of the Colorado Division of

Homeland Security and Emergency Management at their headquarters and command center in south Denver. The meeting was highly productive and focused on two major initiatives: integrating CMD into statewide emergency notification and planning systems and improving infrastructure resilience for Schriever.

The first initiative will require coordination of GIS data and points of contact and will allow Cherokee to receive live updates on wildfires, power outages, cyberattacks, and other threats as they are issued by the state emergency command center. It will also allow Cherokee to contact the emergency command center in the event of disaster. For example, in the event of a severe blizzard, Cherokee could request that the National Guard deliver diesel fuel to generators at key sites to keep water flowing. The state's system is well-developed but historically has focused on power, telecommunications, and transportation and they're looking for water and wastewater utilities to join.

The second initiative will involve direct collaboration with the Department of Defense, the CO National Guard, and other agencies to explore ways to improve off-base water and sewer infrastructure. Getting buy in from all the parties and starting these projects up will take time and effort but some recent pushes from Washington have opened up funding for some of these projects.

Alongside these primary objectives, the State, FBI, and other government agencies operate cybersecurity programs that they have invited Cherokee to become more deeply involved in. These could include trainings, exercises, free support, and even funding for major cybersecurity upgrades.

Pikes Peak Area Council of Governments (PPACG) Grant Funding Workshop

On April 29th, the PPACG hosted a grant funding workshop for its members which was very well attended by both grant agencies and local communities. While much of the focus was on housing, transportation, and other programs, there are some interesting opportunities for water and sewer infrastructure. Most take the form of low interest loans but there are still some federal grants Cherokee could be eligible for on some larger projects. Our senators and local congressman sent staff to discuss congressionally directed spending which could be an avenue to pursue. These funding requests have a low success rate but the process seems to be less onerous than some grant programs Cherokee has applied for in the past.

Major Projects

PFAS Treatment Project

There haven't been any major milestones in the PFAS treatment project in the past month but there will be several in the coming weeks. The due diligence period expires on May 20th and the parties have found no problems which would prevent the sale from going through. The land purchase is on track for closing just after the June board meeting and the first formal County submittals are slated to begin just after that. The engineers are still aiming to hit 60% design in July in order to be eligible to apply for construction grant funds in 2027.

Tank 5

Site staging and erosion control are slated to begin next week with vertical construction scheduled to begin in August. The engineering team has worked hard to turn around review comments on the final drainage permit with 24 hours of receiving them and the threat of this permit delaying construction is lower than it was a few months ago. Final completion is tentatively scheduled for November which will allow Cherokee to budget for a comprehensive structural inspection on the existing tank on that site in 2027.

Replacement Plan Wells

The final legal cleanup for the replacement plan wells is nearly complete and it appears as though some water will be available for use in 2027 though not nearly the amount that will be available in 2028. In order to prepare for this, Cherokee is planning to issue the request for proposals for design services at the end of May. The CMD team has invited Meridian to send a representative for the evaluation committee.

Rapid Infiltration Basins (RIBS)

The WRF team has been able to maintain the infiltration capacity of the RIBs for the past few months but recently DWIRE started on the RIBS improvement capital project. So far they've thoroughly cleaned and smoothed two RIBs to improve infiltration rates. RIB 1 is almost dry enough for it to be cleaned for the first time since 2023. This was formerly the best performing RIB and the WRF team is optimistic that this intensive excavation and replacement of material can return it to previous performance.

Spheros Environmental is also almost done with their investigation into declining infiltration rates. Early results point to a combination of nutrients, algae growth, and soil cementation and staff is looking forward to reviewing their recommendations. DWIRE has also pulled some soil samples from various locations on the RIBs properties and property to the east and some areas appear to have very high permeability sands and gravels which could be excellent locations to borrow materials or expand the RIBs to meet full WRF buildout.

Bioreactor Covers

Construction approvals are complete and the supplier has started fabricating the new covers on schedule. An early debate about whether a small ventilation system was necessary has been resolved and the system will be part of the final design.

Major Policy Changes

Employee Handbook Updates

Following up on last meeting, the employee handbook has been updated with new vehicle safety language and updated time off language. The time off language hasn't yet been given final approval by Cherokee's employment counsel but a new version with these edits will be sent to the Board ahead of the meeting.



CHEROKEE METROPOLITAN DISTRICT

6250 Palmer Park Blvd., Colorado Springs, CO 80915-1721

Telephone: (719) 597-5080 Fax: (719) 597-5145

Finance Department Report – April 2026

CMD Regular Board Meeting – May 19, 2026

The Finance Department continues to handle a wide variety of daily and monthly tasks, along with special projects as needed. Below is a list of many of those activities accomplished in April.

Monthly tasks, processes, etc.

- Reviewed and processed 316 invoices and generated 261 vendor checks/electronic payments for Water/Wastewater, Parks, and General Funds expenditures.
- Reviewed and processed 137 invoices and generated 73 vendor checks/electronic payments for Golf Course expenditures.
- Processed monthly billings for IGA agreements, etc.
- Entered cash receipts, reconciled AR, and followed up on amounts due from customers.
- Completed and submitted monthly State sales tax report for Golf Course sales.
- Calculated 5%, 7%, and TDS Surcharge restricted amounts and processed transfers to appropriate ColoTrust escrow accounts.
- Reviewed and reconciled twelve checking and investment accounts.
- Performed monthly GL maintenance, entries, reconciliations, etc.
- Completed monthly financial statements for presentation to the Board; distributed to the General Manager and division supervisors.

Things to note:

- 2025 Audit Update
 - We plan to have the 2025 audit ready for presentation at the June Board meeting and filed with the State Auditor by July 31st, or earlier.



CHEROKEE METROPOLITAN DISTRICT
6250 Palmer Park Blvd., Colorado Springs, CO 80915-2842
Telephone: (719) 597-5080 Fax: (719) 597-5145

Water and Systems Specialists Report for May

May 14, 2026

As much as I dislike the word, it has been a fairly quiet month in the water department as we wait for the Tank 5 and PFAS contractors to gear up for the next several years of focused work. The calm before the storm is not inaccurate from our vantage point.

That said, I am pleased to report on the status of ongoing issues and outstanding projects being performed and monitored by the water department this month. The status of our outstanding projects is as follows:

Outstanding Water Projects

- **PFAS Design** – The project is on pace.
- **Well 22 Progress** – We are waiting for final work before we add it to our monitoring plan and can then begin production.
- **Valve Turning Preparation** – My Distribution teams are currently exercising street valves throughout the district, averaging 40-60 valves each day.
- **Valve Cluster Repair Preparation** – In anticipation of the cluster replacements, we've been focusing our operations on making sure we can isolate each intersection with minimal disruption to the community. We do not anticipate any operations-based delay in the timely completion of this project.

Line Breaks

- Since our last report, we've had no breaks requiring a District response. The ones we've received have all been in-house or customer-side repairs.

Thank you,

Matthew Mevis, CAPM, CWP
Water Supervisor and Operator in Responsible Charge



CHEROKEE METROPOLITAN DISTRICT

Water Reclamation Facility

19174 Drennan Rd., Colorado Springs, CO 80928
Telephone: (719) 259-1155

To: Board of Directors, Cherokee Metropolitan District
From: Joshua Watkins, Wastewater Manager

May 2026 Wastewater Monthly Report

April 2026 Effluent Results

	TSS	BOD	TIN (Total Inorganic Nitrogen)	Total Coliform
Permit Limit	30	30	10	Report
001A Effluent	0.24	2	6.025	0

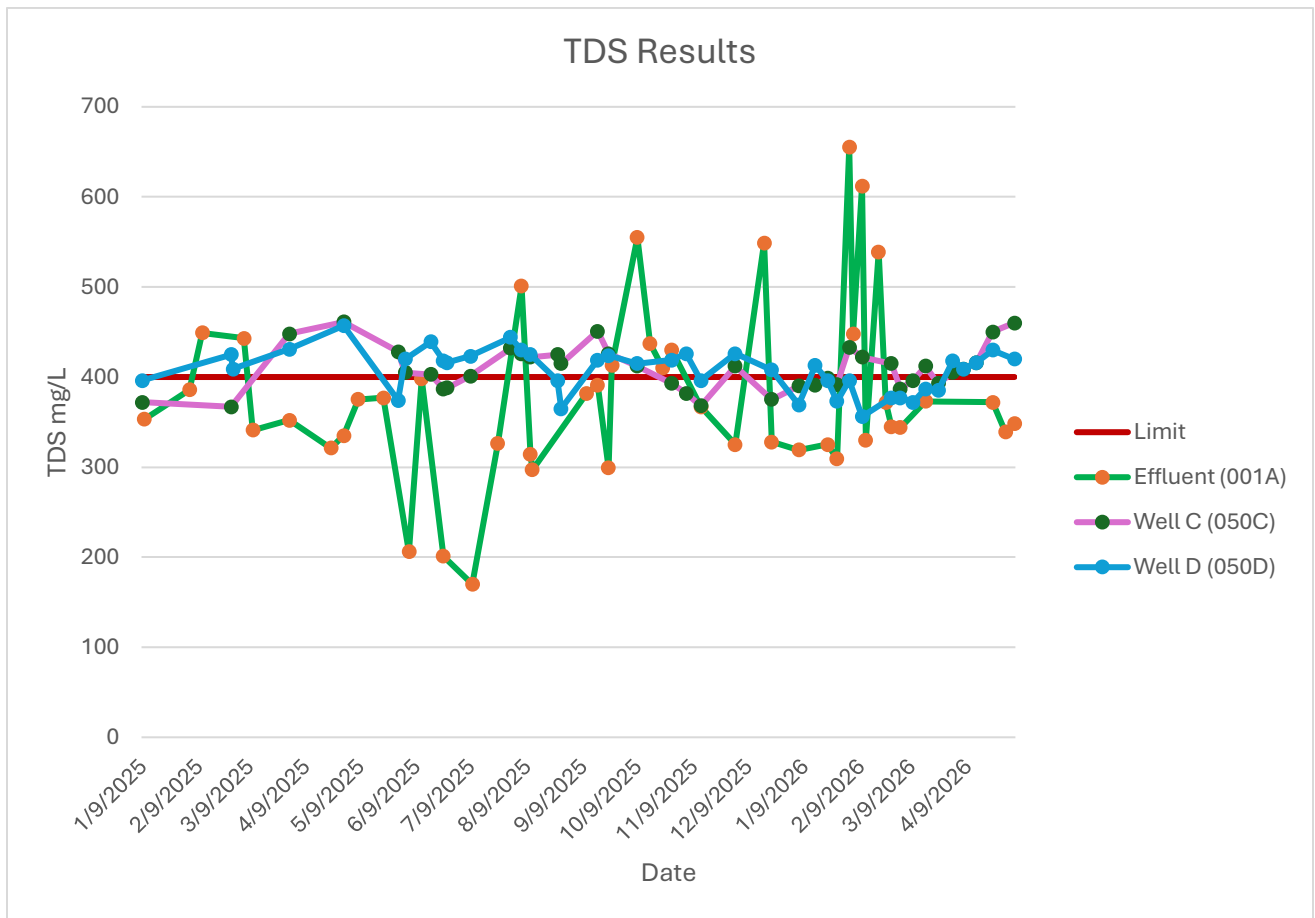
- By the numbers:
 - A total of 59.9 million gallons of wastewater treated.
 - On average, 1.997 MGD (million gallons per day)
 - 4634 lbs of BOD (Biochemical Oxygen Demand) treated throughout April.
- TDS Levels
 - Influent – 659 mg/L
 - Effluent – 355 mg/L
 - Well C – 420 mg/L
 - Well D – 418 mg/L
- Operations
 - As a team, we continue to grow and support each other. All operators have achieved a certification.
 - We conducted multiple interviews over the past month, concluding in us offering a position to a candidate that is new and eager to join the team and industry.
 - On the biosolids side, we are required to test for TENORM once a quarter. The first quarter samples just came back. The levels of TENORM are lower than expected, which is good.
- Process
 - MBR
 - The biological treatment process is doing good. We are getting some amazing nutrient removal throughout the process.
 - The bioreactor has foam on the surface. This type of process is known for having more foam than others. We are looking into ways to remove and minimize the foam.
 - Reverse Osmosis

- IDE recommended that we do a Silica CIP. We completed the Silica CIP at the end of January beginning of February. We are waiting for replacement membranes to arrive, allowing us to exchange all membranes from a pressure vessel. The membranes that we remove will be sent to Kurita for flow testing and two of them will get an autopsy. This information will provide valuable information informing Cherokee how often the RO membranes will need to be replaced.
 - We have received 5 of the 7 needed membranes.
- IDE conducted off-site research on different types of actuators for the brine system. These different actuators are electronic, giving Cherokee the possibility of removing the hydraulic ones that leak and cause issues.
 - The electronic actuators arrived on-site. The electric actuators were installed on the week of September 20th, 2025.
 - The electric actuators were installed on RO Train 2. After a couple of issues that needed to be fixed, the electric actuators are working well.
 - The electric actuators that IDE supplied are working well. We have had zero issues with these actuators.
 - When trial phase of the electric actuators is over, we will be looking into replacing the remaining hydraulic actuators.
- Brine System
 - The reevaluation of the Brine System has resulted in needing different pumps. The current pumps are unable to achieve the design flow rate to the furthest evaporation pond; a new type of pump was ordered that should be able to.
 - The first replacement brine pump has been installed. We are waiting for WTG (Water Technology Group) to come down and complete the startup process.
 - The new brine pump works. Some of the discharge piping needs to be upgraded to stainless steel due to how much pressure the new pump is pushing. It has broken SCH 80 unions.
 - Garney will be installing stainless-steel pipe and supports in the middle of June 2025.
 - Additional piping changes need to be made, otherwise the pump is an upgrade.
 - The 2nd brine pump was scheduled to be delivered in October 2025.
 - The 2nd new brine pump is being outfitted for seal water and then will be installed by Garney.
 - Garney has installed both new brine pumps. They are working better, allowing us to optimize the RO process. Additional discharge piping changes we be needed.
 - Scratch that – Brine pump 1 continues to have issues and had to be taken to WTG's shop for repair. WTG is replacing the seal.
 - We are looking into pressure issues on the discharge piping.
 - The brine system and pumps have been a hot topic recently:
 - We are looking at the following:
 - New discharge pressure gauges and transmitters – allowing data to be trended on SCADA.
 - Additional programming to optimize pump operation.
 - Discharge piping changes – which would give each pump its own discharge pipe.
 - Adding VFD's to the MCC panels – this allows the pumps to start slow and ramp up to the needed speed. Another benefit would be that the pumps can be throttled, reducing the wear of start and stops on the pumps.
 - WTG ended up providing a completely different pump. It is working for the time being. We are conducting additional tests.
 - Garney and Loenbro are looking into VFD's.

Other Project Updates

- **Solids Handling Improvements**
 - The Solids Handling Improvements project is almost completed. There are a couple of items on the warranty list that need to be finished.
 - Waiting to get the solids handling process on SCADA.
 - Change order 3 had some additional work for wiring of a pump control panel and some Huber programming.
 - All changes are scheduled to be completed prior to June.
- **Bioreactor Covers**
 - The project is moving forward.
 - All permits for the project have been approved.
 - Submittals are in the process of being approved.
 - Looking for completion in fall 2026.
- **Effluent Non-Pot Skid**
 - Non-pot water skid was installed and waiting for an IP address change and then an unfortunate event occurred, resulting in the Effluent building basement being flooded. WTG will be removing the pumps and baking them to remove the moisture. The control panel will be checked out, and any damaged parts will be replaced.
 - We are working with the insurance company on this issue.
 - Our insurance company has informed us that a majority of the project will be covered.
- **Rapid Infiltration Basins**
 - We are working on pumping RIB 1 out and utilizing the demonstration trenches. Once RIB 1 is empty, DWIRE will be back on-site to maintain it.
 - RIB 1 is the lowest it has been in 3 years. We are hoping DWIRE can get the maintenance done to it soon.
 - The gate on the east side of the property was installed. This gate allows us to access the east property from the current property. It will also allow us to move some dirt over there without tearing up any county road.
 - DWIRE has been able to maintain 4 RIBs recently.
 - We are working with LRE (Spheros) to review the RIBs. We are hoping to get additional insight from this study.
 - LRE (Spheros) is finally getting some results from the samples that we sent out. They are hoping to have their final report to us in June.
- **Industrial Pretreatment**
 - Renewing a couple of expiring permits for major industrial users which involves new permit questionnaires and thorough inspections.
 - Updating the dental program and doing renewed questionnaires and inspections.
 - Updating landlord information (strip malls where multiple businesses reside but only one bill is paid.) Determining better contact procedures for when new businesses come into the District.
 - Currently dealing with strip malls that have multiple food service establishments and the possibility of needing an increased grease containment apparatus.
 - Looking into some updated community outreach about what is flushable and how to properly dispose of grease. This is to include food trucks.
- **Collections**
 - 16,447 feet of sewer main have been inspected.
 - 35,196 feet of sewer main have been cleaned.

- The investigation into the liner that was an issue during the SSO (sanitary sewer overflow) in December will be cleaned and video inspected in the coming weeks. Due to the amount of flow through this line during the day, this work will be completed at night.
 - LS1B Update:
 - Rice Lake West is finishing the extra items that need to be addressed prior to final competition.
 - Working on pumping out the overflow pond and cleaning it.





May 2026 Engineer's Board Report

System Improvement Projects

Water Supply

- Water Treatment Facility (PFAS) Land acquisition –Survey, environmental, and other due diligence tasks in progress.
- PFAs Treatment Facility Design – Concept design received. The design is anticipated to be completed by the end of 2026 pending any schedule updates due to land acquisition delay. CMAR proposals reviewed. Waiting for signed CDPHE contract before proceeding with CMAR notifications.
- Pipeline Design for Connection to PFAS – RFP published. Representatives from 6 design firms attended the mandatory pre-submittal meeting. Proposals are due June 5.
- Water Softening –Data acquisition complete. Treatment Proposals are completed. Land acquisition and site design of WTF is facilitating a softening contingent to be added onto process in future if directed.
- Replacement Plan Wells – Test wells that will be used as monitoring wells have been drilled and capped off. They remain in place for future production wells 6, 7 & 8 under the replacement plan. Consultant has prepared the monitoring wells' drill profile and produced report for wells. Design request for proposal will go out to bid in May.
- Well 22, Albrecht –Punch list items completed. County inspections were passed. Final seeding and easement adjustments will now be scheduled to complete agreement with land owner.
- Poleson Well Purchase and On-boarding – Water decree approved. 72 AFY has brought into the system annual capacity. Export hearings are scheduled to allow new water usage throughout District. A new well will need to be constructed for this water right.

Water Distribution

- Ellicott 30" Pipeline- Phase 1 easement acquisition from landowners East of Marksheffel ended; landowners who have not replied or have declined to give an easement will have a Notice of Intent letter sent to them by the end of January. Phase two easement procurement focus will now be on land west of Marksheffel (in-town land). NOI letter is notification that Cherokee will be proceeding with condemnation. Phase 2 acquisition will complete end of April 2026 and condemnation will begin.
- Peterson Casing – Work complete. The City will send an invoice from PPRTA for the CMD casing and installation costs.
- Omaha Water Main – Design selection to be made with a completion date of end of August. Bid package will be produced by end of September. General contractor selection made by end of November to include proposed start date for construction in 2027.
- Tank 5 (2nd Tamlin tank) – Permitting process ongoing. Project awarded to Glacier Construction.
- N. Well Field PRV study– Data request completed and returned. Initial Hydraulic model currently in production. In-person field testing required to finish model and will take place March 24th. End state is to identify high stress points and needed appurtenances on the northern line.
- North Ellicott Hwy Pipeline: Project completed on 10March. Line has been pressure tested and held well.

May 2026 Engineer's Board Report

- Peterson/Galley Sewer and Water Relocation – El Paso County's culvert emplacement project. Benesch & CO (County's contractor) will acquire new easements and perform line relocation. No notice of progress from county from last month.
- Palmer Park Blvd Reconstruction Sewer and Water Relocation – HR Green has started design relocating storm drain to minimize conflicts with CMD infrastructure and resulting utility relocation costs. Design coordinating ongoing.

Wastewater Collections

- Lift Station 1 Additions (LS1B) - Contractor addressing Punch List items.
- Terminal Lift Station – Alternative Analysis work order sent to Kimley-Horn. Project kick off meeting and site walk occurring on March 13th.

Wastewater Treatment

- Water Reclamation Facility (WRF) Ultra Filtration/Reverse Osmosis (UF/RO) System Addition - Resolving remaining warranty issues and modification of original design of brine pump system. Holding final payment until revised pump system installed, tested, and O&M manuals received
- RIB maintenance to optimize infiltration rate – Evaluating proposals for basin analysis and suggestions to improve performance.
- WRF Screwpress for Solids handling – Startup completed.
- WRF Bioreactor cover – Covers and structural components being manufactured.

SCADA

- RIB Control Upgrade- Pilot of possible upgrades to RIB valve and basin control system to be installed in house. Controls needs to meet with Joshua Watkins to go over the scope of the project.
- Server Upgrade for SCADA – The new servers have been installed and have the ICONICS SCADA software running on them. They are running in parallel to the old servers. There are a few features which need to be set up still on the new servers. Waiting on response from Prime Controls on timing to complete the project.
- Exor Industrial Controller Integration for SCADA Historian – The cloud-based historian hardware and software has been received and is mostly installed. There is a networking conflict which is being worked out. Once the historian is fully operational, training will be given to the water operators.
- Safety Audit for Electrical Panels – The Controls Department has started the electrical safety audit to reduce electrical hazards in CMD's Industrial Control Panels. The Controls Department is starting with the wells and moving on to other electrical assets from there. An audit is being performed to identify issues with electrical assets that could be an electrical/fire hazard. Controls to fix electrical hazards as they are identified. Repairs are currently being made to wells. Controls is coordinating with the water ORC for downtime. This project has been mostly on hold for the last month in favor of other projects.
- Electrical Safety Policy – Controls have delayed the meeting to push forward the new electrical safety policy. Controls has been performing the audit and repairs and would like to use the experience with the process to refine the section of the policy related to equipment audits. This project has been mostly postponed due to higher priority projects.
- New VFD for AR1 – Equipment has been installed. Well runs in manual but needs some PLC work to function in auto and run from SCADA. The software license has been received and now Controls can complete the work on the PLC.
- Cybersecurity – Controls Department has been in contact with Schriever Space Force Base as well as the Department of Homeland Security Cybersecurity and Infrastructure Security



May 2026 Engineer's Board Report

Agency (CISA) to schedule a cybersecurity audit of the network. Graymatter has finished installing the Teneble software and will be back in a few weeks to finish tuning the system. A work order has been issued to have Graymatter come in and map the network. This network map will then be provided to the auditors during the upcoming cybersecurity audits.

- Schriever Space Force Base On Signal Project- Controls Department is in contact with the engineering team at SSFB as well as with Siemens, the Base's controls integrator. SSFB to provide the CMD PLC with an on signal when water is requested. This way no access will be required to the restricted area at SSFB.
- VFD & Electrical Rehab for Well 11/12 - Pending Open Work Order with Electric Service of Colorado. Work to be completed during the Fall due to scheduling issues.



CHEROKEE METROPOLITAN DISTRICT

MEMORANDUM

To: Cherokee Metropolitan District Board of Directors

From: Lecil Ross, Parks Supervisor & Gabriella Rivera, Parks Lead

Cc: Kevin Brown, General Manager

Re: Monthly Parks Report

Date: May 2026

Dear Board of Directors,
Parks activity for the month of April

Parks Personnel

Lecil Ross, Gabriella Rivera

- Portable restroom delivered to Eastridge parking lot by the playground for the summer season.
- Fertilized with weed and feed all parks and medians aside from Eastridge.
- Mowed parks and medians.
- Cleaned along concrete walkways from any sediment or landscape creeping over using edger at Pronghorn Park.
- Install and test backflows replacing worn gaskets or checks as needed, before starting sprinkler systems after the backflows pass tests. Eastridge parks' backflow had a crack therefore needing replacement, was ordered and installed.
- Save A Tree contractors ground down stump off Constitution and spring side.
- Rapace both tires on blue flatbed trailer.
- Picked up first order of signs from the sign shop and did a final check on the draft of the second order.



CHEROKEE METROPOLITAN DISTRICT

6250 Palmer Park Blvd, Colorado Springs, CO 80915-1721
Telephone: (719) 597-5080 FAX: (719) 597-5145

April Billing and Customer Service

New customers:

Owners: 65

Renters: 42

Vacant: 17

Total: 124

Collected Fees:

Connection Fees: \$375

NSF Fees: \$680

Reconnect Fees: \$1,450

Trip Fees: \$350

Late Fees: \$6,705

Net Fees Collected: \$9,560

Leak Credits Given:

Total: \$1,523.66

InvoiceCloud Update:

Paperless Customers: 4,735

AutoPay Customers: 2,932

Heather Goldsberry
Billing Supervisor



Greetings Team!

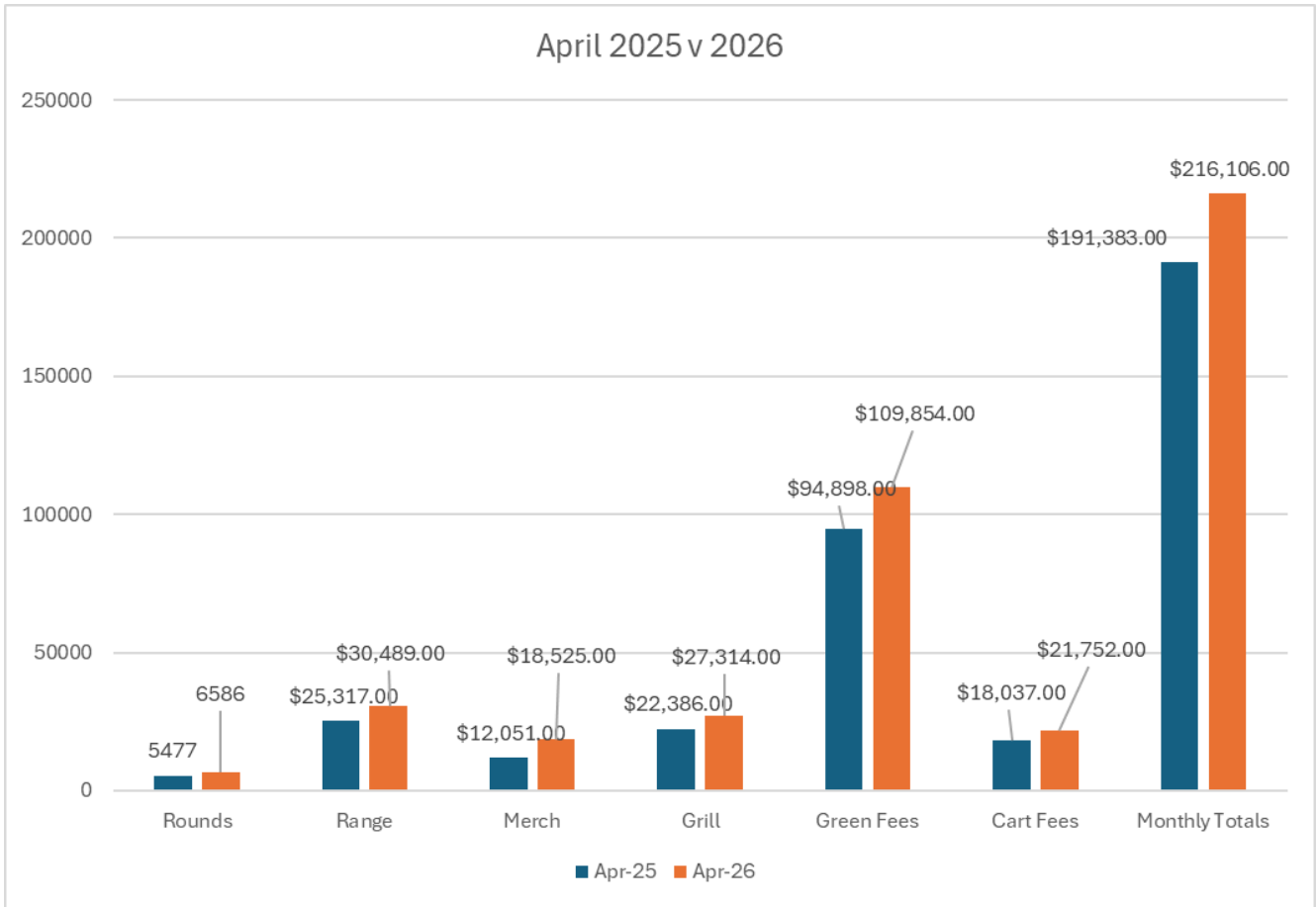
Below are the monthly totals for the month of April. Overall we had yet another strong month. We were up in all categories for the month of April, and \$24,723 above last April. All categories are increasing at a steady rate, which shows we are continually showing improvement across the board for all areas of Cherokee Ridge Golf Course. Year to date, we are currently \$129,881 over last year.

We also had another sold out tournament with the 4 Man Scramble this past weekend, and we are currently 3/3 for sold out tournaments this year! We are also on track to sell out our next tournament on 5/23. This is something that I have never seen before, and definitely something to be proud of. Our memberships and passes have also surpassed the year to date totals from last year as well.

Let's keep up the great work and make this year another record breaking one! Thank you everyone for all of your hard work!

□

	Apr-25	Apr-26	Monthly Comparison
Rounds	5477	6586	1109
Range	\$ 25,317.00	\$ 30,489.00	\$ 5,172.00
Merch	\$ 12,051.00	\$ 18,525.00	\$ 6,474.00
Grill	\$ 22,386.00	\$ 27,314.00	\$ 4,928.00
Green Fees	\$ 94,898.00	\$ 109,854.00	\$ 14,956.00
Cart Fees	\$ 18,037.00	\$ 21,752.00	\$ 3,715.00
Monthly Totals	\$ 191,383.00	\$ 216,106.00	\$ 24,723.00



	YTD April 2025	YTD April 2026	YTD Annual Comparison
Rounds	11457	16543	5086
Range	\$ 78,791.00	\$ 104,568.00	\$ 25,777.00
Merch	\$ 30,170.00	\$ 45,637.00	\$ 15,467.00
Grill	\$ 42,000.00	\$ 59,925.00	\$ 17,925.00
Green Fees	\$ 227,309.00	\$ 303,480.00	\$ 76,171.00
Cart Fees	\$ 28,256.00	\$ 30,505.00	\$ 2,249.00
Monthly Totals	\$ 447,313.00	\$ 577,194.00	\$ 129,881.00

Annual Passes and Discount Cards

	YTD April 2025	YTD April 2026	YTD Annual Comparison
Player Discount	26	33	7
Resident Pass	11	18	7
Senior Discount	61	73	12
Unlimited	16	10	-6
Range Pass	225	225	0
Monthly Totals	339	359	20
Monthly Totals	\$ 73,758.00	\$ 84,521.00	\$ 10,763.00

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 Head Golf Professional
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