

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

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

NOTICE OF A SPECIAL MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Scott Sarbaugh	President	2022/May 2022
Neil Almy	Treasurer	2022/May 2022
Jennifer Davis	Assistant Secretary	2023/May 2023
Richard McCabe	Assistant Secretary	2022/May 2022
Kathy Sidney	Assistant Secretary	2023/May 2023
Matt Cohrs, Manager	Secretary	

DATE: **September 15, 2021**

TIME: **5:00 P.M.**

LOCATION: **1180 Little Branch Lane**
Berthoud, Co 80513

THERE WILL BE AT LEAST ONE PERSON PRESENT AT THE ABOVE-REFERENCED PHYSICAL LOCATION.

DUE TO CONCERNS REGARDING THE SPREAD OF THE CORONAVIRUS (COVID-19) AND THE BENEFITS TO THE CONTROL OF THE SPREAD OF THE VIRUS BY LIMITING IN-PERSON CONTACT, THIS MEETING WILL ALSO BE HELD BY VIDEO/TELEPHONIC MEANS:

Join Zoom Meeting
<https://us02web.zoom.us/j/85286831221?pwd=TnpzdVNvYThZNVVzZ2doOGZPZjhOQT09>
Meeting ID: 852 8683 1221
Passcode: 001543
Dial in: 1-253-215-8782

I. ADMINISTRATIVE MATTERS

A. Confirm Quorum and Present Disclosures and Potential Conflicts of Interest.

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

II. PUBLIC COMMENT

Note to reader: Pursuant to the Joint Resolution between District Nos. 1 and 2 regarding adoption of Policies and Procedures Governing the Enforcement of the Protective Covenants of PrairieStar; District No. 1 is the Operating District and District No. 2 is the Taxing District. It is the intent that District No. 2 provide covenant enforcement services and that District No. 1 provide all improvements and perform all operational services on behalf of the Districts.

- A. Public Comment.
-

III. FINANCIAL MATTERS

- A. Review and ratify approval of payment of claims (to be distributed).
-

- B. Review and consider approval of the payment of claims through the period ending _____, as follows (to be distributed):

General Fund:	\$	
Debt Service Fund:		-0-
Capital Projects Fund:		-0-
Total:	\$	<u> </u>

- C. Review and accept unaudited financial statements, if necessary (to be distributed).
-

- D. Conduct Public Hearing on proposed 2021 Budget Amendment and consider adoption of Resolution No. 2021-09-__ Amending 2021 Budget (to be distributed).
-

IV. LEGAL MATTERS

- A. Review and consider approval of the Termination of Multiple-Year Operation Funding Agreement between PrairieStar Metropolitan District No. 1 and PrairieStar, Inc., coincident with the issuance of PrairieStar Metropolitan District No. 2's 2021 Bonds ("District No. 2 2021 Bonds") and distribution of reimbursement to PrairieStar, Inc. (enclosure).
-

- B. Review and consider approval of the Termination of Facilities Funding and Acquisition Agreement between PrairieStar Metropolitan District No. 1 and PrairieStar, Inc., coincident with the issuance of the District No. 2 2021 Bonds and distribution of reimbursement to PrairieStar, Inc. (enclosure).

- C. Review and consider approval of the Termination of Facilities Funding, Construction and Operations Agreement by and among PrairieStar Metropolitan District Nos. 1, 2 and 3, coincident with the issuance of the District No. 2 2021 Bonds and distribution of reimbursement to PrairieStar, Inc. (enclosure).

- D. Acknowledge fulfillment of obligations under that certain Inclusion Agreement by and among PrairieStar Metropolitan District Nos. 1 and 2 and PrairieStar, Inc., as amended, coincident with the issuance of the District No. 2 2021 Bonds and distribution of reimbursement to PrairieStar, Inc.

- E. Discuss dissolution of PrairieStar Metropolitan District No. 1:
 - i. Discuss and consider approval of the Termination and/or Assignment and Assumption of that certain Service Agreement for Trash and Recycling Services between PrairieStar Metropolitan District No. 1 and United Waste Systems (to be distributed).

 - ii. Discuss and authorize Notice of Termination of Engagement with Altitude Community Law P.C. (f/k/a HindmanSanchez P.C.) for Legal Services.

 - iii. Discuss authorize Notice of Termination of Engagement with Special District Management Services, Inc. for District Management Services, effective coincident with dissolution (enclosure).

 - iv. Discuss and authorize Notice of Termination of Service Agreement for Independent Engineering and Cost Certification Services with Ranger Engineering, LLC.

 - v. Discuss and authorize Notice of Termination of Engagement with Simmons & Wheeler, P.C. for Accounting Services, effective coincident with dissolution.

- vi. Discuss and consider approval of the Termination of Intergovernmental Agreement between PrairieStar Metropolitan District No. 1 and the Town of Berthoud, Colorado, effective coincident with dissolution, and authorize execution of same.

- vii. Review and consider adoption of Resolution No. 2021-09-__ Regarding Dissolution (to be distributed).

- viii. Review and consider approval of Petition for Dissolution and consider authorizing District’s Legal Counsel and Accountant to take all necessary steps to file for and effectuate Dissolution of PrairieStar Metropolitan District No. 1 (to be distributed)

- ix. Recognize the Resolution of PrairieStar Metropolitan District Nos. 2 and 3 Acknowledging Dissolution of PrairieStar Metropolitan District No. 1 (to be distributed).

V. OTHER BUSINESS

A. _____

VI. ADJOURNMENT

THE NEXT SPECIAL MEETING IS SCHEDULED FOR NOVEMBER 18, 2021 AT 5:00 P.M.

TERMINATION OF MULTIPLE-YEAR OPERATION FUNDING AGREEMENT

This **TERMINATION OF MULTIPLE-YEAR OPERATION FUNDING AGREEMENT** (the “**Termination Agreement**”) is made and entered into this ___ day of _____, 2021 by and among **PRAIRIESTAR METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District No. 1**”), and **PRAIRIESTAR, INC.**, a Colorado corporation (the “**Developer**”), (each a “**Party**,” and collectively, the “**Parties**”).

RECITALS

WHEREAS, District No. 1 is a quasi-municipal corporation duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado;

WHEREAS, District No. 1 was organized pursuant to the Service Plan approved by the Town of Berthoud, Colorado, on July 27, 2010 (the “**Service Plan**”) pursuant to Sections 32-1-201, *et. seq.* C.R.S., for the benefit of properties within an area located in the Town of Berthoud, Larimer County, Colorado, commonly known as PrairieStar (the “**Property**”);

WHEREAS, the Developer is the developer of the Property;

WHEREAS, the Parties previously entered into a certain Facilities Funding and Acquisition Agreement dated December 14, 2010, with an effective date of December 8, 2010, as amended by that certain First Amendment to the Facilities Funding and Acquisition Agreement dated August 3, 2016 (collectively the “**FFAA**”), pursuant to which the Developer agreed to fund certain Organization Expenses, Construction Related Expenses, and Verified Costs (as defined therein) of District No. 1, and District No. 1 agreed to reimburse the Developer for such expenses;

WHEREAS, the Developer represents and warrants that the amounts due and owing under the FFAA are the only costs due and owing to the Developer related to Organization Expenses, Construction Related Expenses, and Verified Costs, and the Developer has no claim to any other amounts of a capital nature;

WHEREAS, the Parties previously entered into a certain Multiple-Year Operation Funding Agreement dated August 3, 2016 (the “**MYOFA**”), pursuant to which the Developer agreed to fund that certain Shortfall Amount (as defined therein) of District No. 1, and District No. 1 agreed to reimburse the Developer for such expenses;

WHEREAS, the Developer represents and warrants that the amounts due and owing under the MYOFA are the only costs due and owing to the Developer related to the Shortfall Amount, and the Developer has no claim to any other amounts of an operations and maintenance nature;

WHEREAS, District No. 1 and PrairieStar Metropolitan District No. 2, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District No. 2**”), previously entered into a certain Facilities Funding, Construction, and Operations Agreement dated December

9, 2014, and effective as of March 28, 2018, as amended by the Amended and Restated Facilities Funding, Construction, and Operations Agreement dated and effective as of August 3, 2016. District No. 1 and District No. 2 subsequently entered into the Second Amended and Restated Facilities Funding, Construction, and Operations Agreement with PrairieStar Metropolitan District No. 3, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District No. 3**”, together with District No. 1 and District No. 2, the “**Districts**”), dated and effective as of March 28, 2018 (collectively, the “**FFCOA**”).

WHEREAS, pursuant to the FFCOA, District No. 1 agreed to serve as the Operating District (as defined therein), whereby District No. 1 would own, operate, maintain, and construct certain of the Public Improvements (as defined therein), and that District Nos. 2 and 3 would finance and contribute to the costs of construction, operation, management and maintenance of such Public Improvements;

WHEREAS, District No. 2 anticipates issuing Limited Tax General Obligation Refunding and Improvement Bonds, Series 2021A (the “**2021A Bonds**”) and Subordinate Limited Tax General Obligation Bonds, Series 2021B (the “**2021B Bonds**”), the proceeds of which will be used to repay in full all amounts due from District No. 1 to the Developer under the FFAA to pay for accrued capital improvements, which District 2 has agreed to finance in the FFCOA;

WHEREAS, upon closing on the 2021A Bonds and 2021B Bonds, District No. 2 intends to remit payment of the net proceeds of the 2021A Bonds and 2021B Bonds to the Developer as payment in full of District No. 2’s obligations under the FFCOA;

WHEREAS, the Service Plan permits District No. 1 to dissolve upon an independent determination of the respective District’s Board of Trustees (as defined therein) that the purposes for which the District was created have been accomplished, and that the respective District has provided for the payment or discharge of all its outstanding indebtedness and other financial obligations as required pursuant to Colorado statutes;

WHEREAS, upon District No. 2’s remittance of payment of the net proceeds of the 2021A Bonds and 2021B Bonds to the Developer, District No. 1 and the Developer intend to terminate the FFAA and the MYOFA;

WHEREAS, upon the termination of the FFAA and the MYOFA, the Districts intend to terminate the FFCOA;

WHEREAS, upon termination of the FFCOA, it is the intent of District No. 1 to dissolve;

WHEREAS, upon termination of the FFCOA, the FFAA, and the MYOFA, District Nos. 2 and 3 intend to enter into separate Facilities Funding and Acquisition Agreements and Operation Funding Agreements with the Developer; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter set forth, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. Incorporation of Recitals. The forgoing recitals are hereby incorporated and made material terms hereof as if set forth in full.

2. Terms. All terms which are not defined herein shall have the same meaning as set forth in the MYOFA.

3. Acknowledgement of Termination. The Parties acknowledge that the MYOFA is hereby terminated as of the date of this Termination Agreement and is of no further force or effect as of the date of this Termination Agreement, that the Developer has no further obligations to District No. 1 under the MYOFA, and that District No. 1 has no further obligations to the Developer under the MYOFA.

4. Waiver and Release. The Developer hereby waives any and all rights under the MYOFA, including, but not limited to, the right to any outstanding balances inclusive of any fees or interest thereon. The Parties hereby release one another from any and all liabilities, obligations or duties that may have arisen or have been contemplated by the MYOFA. Each Party agrees not to make any claim against the other Party with respect to the MYOFA or the performance or non-performance of any covenant or condition contained within or contemplated by the MYOFA.

5. Representations. Each Party represents that it has not transferred, assigned or granted to any other party any rights or obligations under any of the MYOFA.

6. Binding Effect. This Termination Agreement shall be binding upon the Parties and their respective successors and assigns.

7. Entire Agreement. This Termination Agreement constitutes the entire Termination Agreement between the Parties hereto, and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Termination Agreement are of no force and effect.

8. Execution in Counterparts. This Termination Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which counterparts, taken together, shall constitute but one and the same agreement.

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

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO TERMINATION OF MULTIPLE-YEAR OPERATION
FUNDING AGREEMENT]**

IN WITNESS WHEREOF, the parties have executed this Termination Agreement as of the date first set forth above.

**PRAIRIESTAR METROPOLITAN
DISTRICT NO. 1**

By: _____
President

Attest:

Secretary

PRAIRIESTAR, INC.

By: _____

Name: _____

Title: _____

TERMINATION OF FACILITIES FUNDING AND ACQUISITION AGREEMENT

This **TERMINATION OF FACILITIES FUNDING AND ACQUISITION AGREEMENT** (the “**Termination Agreement**”) is made and entered into this ___ day of _____, 2021, with an effective date of _____, 2021, by and among **PRAIRIESTAR METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District No. 1**”), and **PRAIRIESTAR, INC.**, a Colorado corporation (the “**Developer**”) (each a “**Party**,” and collectively, the “**Parties**”).

RECITALS

WHEREAS, District No. 1 is a quasi-municipal corporation duly organized and existing as a metropolitan district under the constitution and laws of the State of Colorado;

WHEREAS, District No. 1 was organized pursuant to the Service Plan approved by the Town of Berthoud, Colorado, on July 27, 2010 (the “**Service Plan**”) pursuant to Sections 32-1-201, *et. seq.* C.R.S., for the benefit of properties within an area located in the Town of Berthoud, Larimer County, Colorado, commonly known as PrairieStar (the “**Property**”);

WHEREAS, the Developer is the developer of the Property;

WHEREAS, the Parties previously entered into a certain Facilities Funding and Acquisition Agreement dated December 14, 2010, with an effective date of December 8, 2010, as amended by that certain First Amendment to the Facilities Funding and Acquisition Agreement dated August 3, 2016 (collectively the “**FFAA**”), pursuant to which the Developer agreed to fund certain Organization Expenses, Construction Related Expenses, and Verified Costs (as defined therein) of District No. 1, and District No. 1 agreed to reimburse the Developer for such expenses;

WHEREAS, the Developer represents and warrants that the amounts due and owing under the FFAA are the only costs due and owing to the Developer related to Organization Expenses, Construction Related Expenses, and Verified Costs, and the Developer has no claim to any other amounts of a capital nature;

WHEREAS, the Parties previously entered into a certain Multiple-Year Operation Funding Agreement dated August 3, 2016 (the “**MYOFA**”), pursuant to which the Developer agreed to fund that certain Shortfall Amount (as defined therein) of District No. 1, and District No. 1 agreed to reimburse the Developer for such expenses;

WHEREAS, the Developer represents and warrants that the amounts due and owing under the MYOFA are the only costs due and owing to the Developer related to the Shortfall Amount, and the Developer has no claim to any other amounts of an operations and maintenance nature;

WHEREAS, District No. 1 and PrairieStar Metropolitan District No. 2, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District No. 2**”), previously entered into a certain Facilities Funding, Construction, and Operations Agreement dated December

9, 2014, and effective as of March 28, 2018, as amended by the Amended and Restated Facilities Funding, Construction, and Operations Agreement dated and effective as of August 3, 2016. District No. 1 and District No. 2 subsequently entered into the Second Amended and Restated Facilities Funding, Construction, and Operations Agreement with PrairieStar Metropolitan District No. 3, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District No. 3**”, together with District No. 1 and District No. 2, the “**Districts**”), dated and effective as of March 28, 2018 (collectively, the “**FFCOA**”).

WHEREAS, pursuant to the FFCOA, District No. 1 agreed to serve as the Operating District (as defined therein), whereby District No. 1 would own, operate, maintain, and construct certain of the Public Improvements (as defined therein), and that District Nos. 2 and 3 would finance and contribute to the costs of construction, operation, management and maintenance of such Public Improvements;

WHEREAS, District No. 2 anticipates issuing Limited Tax General Obligation Refunding and Improvement Bonds, Series 2021A (the “**2021A Bonds**”) and Subordinate Limited Tax General Obligation Bonds, Series 2021B (the “**2021B Bonds**”), the proceeds of which will be used to repay in full all amounts due from District No. 1 to the Developer under the FFAA to pay for accrued capital improvements, which District 2 has agreed to finance in the FFCOA;

WHEREAS, upon closing on the 2021A Bonds and 2021B Bonds, District No. 2 intends to remit payment of the net proceeds of the 2021A Bonds and 2021B Bonds to the Developer as payment in full of District No. 2’s obligations under the FFCOA;

WHEREAS, the Service Plan permits District No. 1 to dissolve upon an independent determination of the respective District’s Board of Trustees (as defined therein) that the purposes for which the District was created have been accomplished, and that the respective District has provided for the payment or discharge of all its outstanding indebtedness and other financial obligations as required pursuant to Colorado statutes;

WHEREAS, upon District No. 2’s remittance of payment of the net proceeds of the 2021A Bonds and 2021B Bonds to the Developer, District No. 1 and the Developer intend to terminate the FFAA and the MYOFA;

WHEREAS, upon the termination of the FFAA and the MYOFA, the Districts intend to terminate the FFCOA;

WHEREAS, upon termination of the FFCOA, it is the intent of District No. 1 to dissolve;

WHEREAS, upon termination of the FFCOA, the FFAA, and the MYOFA, District Nos. 2 and 3 intend to enter into separate Facilities Funding and Acquisition Agreements and Operation Funding Agreements with the Developer; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter set forth, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. Incorporation of Recitals. The forgoing recitals are hereby incorporated and made material terms hereof as if set forth in full.

2. Terms. All terms which are not defined herein shall have the same meaning as set forth in the FFAA.

3. Acknowledgement of Termination. The Parties acknowledge that the FFAA is hereby terminated as of the date of this Termination Agreement and is of no further force or effect as of the date of this Termination Agreement, that the Developer has no further obligations to District No. 1 under the FFAA, and that District No. 1 has no further obligations to the Developer under the FFAA.

4. Waiver and Release. The Developer hereby waives any and all rights under the FFAA, including, but not limited to, the right to any outstanding balances inclusive of any fees or interest thereon. The Parties hereby release one another from any and all liabilities, obligations or duties that may have arisen or have been contemplated by the FFAA. Each Party agrees not to make any claim against the other Party with respect to the FFAA or the performance or non-performance of any covenant or condition contained within or contemplated by the FFAA.

5. Representations. Each Party represents that it has not transferred, assigned or granted to any other party any rights or obligations under any of the FFAA.

6. Binding Effect. This Termination Agreement shall be binding upon the Parties and their respective successors and assigns.

7. Entire Agreement. This Termination Agreement constitutes the entire Termination Agreement between the Parties hereto, and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Termination Agreement are of no force and effect.

8. Execution in Counterparts. This Termination Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which counterparts, taken together, shall constitute but one and the same agreement.

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

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO TERMINATION OF FACILITIES FUNDING AND ACQUISITION AGREEMENT]

IN WITNESS WHEREOF, the parties have executed this Termination Agreement as of the date first set forth above.

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

By: _____
President

Attest:

Secretary

PRAIRIESTAR, INC.

By: _____

Name: _____

Title: _____

TERMINATION OF FACILITIES FUNDING, CONSTRUCTION AND OPERATIONS AGREEMENT

This **TERMINATION OF FACILITIES FUNDING, CONSTRUCTION AND OPERATIONS AGREEMENT** (the “**Termination Agreement**”) is made and entered into this ___ day of _____, 2021 by and among **PRAIRIESTAR METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District No. 1**,” also referred to herein as the “**Operating District**”), **PRAIRIESTAR METROPOLITAN DISTRICT NO. 2**, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District No. 2**”), and **PRAIRIESTAR METROPOLITAN DISTRICT NO. 3**, a quasi-municipal corporation and political subdivision of the State of Colorado (“**District No. 3**”, and together with District No. 1 and District No. 2, the “**Districts**”).

RECITALS

WHEREAS, the Districts were organized pursuant to the Service Plans approved by the Town of Berthoud, Colorado, on July 27, 2010 (the “**Service Plans**”) pursuant to Sections 32-1-201, *et. seq.* C.R.S., for the benefit of properties within an area located in the Town of Berthoud, Larimer County, Colorado, commonly known as PrairieStar (the “**Property**”);

WHEREAS, District No. 1 previously entered into a certain Facilities Funding and Acquisition Agreement with PrairieStar, Inc., a Colorado corporation (the “**Developer**”), dated December 14, 2010 with an effective date of December 8, 2010, as amended by that certain First Amendment to the Facilities Funding and Acquisition Agreement dated August 3, 2016 (collectively the “**FFAA**”), pursuant to which the Developer agreed to fund certain Organization Expenses, Construction Related Expenses, and Verified Costs (as defined therein) of District No. 1, and District No. 1 agreed to reimburse the Developer for such expenses;

WHEREAS, District No. 1 previously entered into a certain Multiple-Year Operation Funding Agreement with the Developer dated August 3, 2016 (the “**MYOFA**”), pursuant to which the Developer agreed to fund that certain Shortfall Amount (as defined therein) of District No. 1, and District No. 1 agreed to reimburse the Developer for such expenses;

WHEREAS, District No. 1 and District No. 2 previously entered into a certain Facilities Funding, Construction, and Operations Agreement dated December 9, 2014 and effective as of March 28, 2018, as amended by the Amended and Restated Facilities Funding, Construction, and Operations Agreement dated and effective as of August 3, 2016. District No. 1 and District No. 2 subsequently entered into the Second Amended and Restated Facilities Funding, Construction, and Operations Agreement with District No. 3, dated and effective as of March 28, 2018 (collectively, the “**FFCOA**”).

WHEREAS, pursuant to the FFCOA, District No. 1 agreed to serve as the Operating District (as defined therein), whereby District No. 1 would own, operate, maintain, and construct certain of the Public Improvements (as defined therein), and that District Nos. 2 and 3 would

finance and contribute to the costs of construction, operation, management and maintenance of such Public Improvements;

WHEREAS, District No. 2 anticipates issuing Limited Tax General Obligation Refunding and Improvement Bonds, Series 2021A (the “**2021A Bonds**”) and Subordinate Limited Tax General Obligation Bonds, Series 2021B (the “**2021B Bonds**”), the proceeds of which will be used to repay in full all amounts due from District No. 1 to the Developer under the FFAA to pay for accrued capital improvements, which District 2 has agreed to finance in the FFCOA;

WHEREAS, upon closing on the 2021A Bonds and 2021B Bonds, District No. 2 intends to remit payment of the net proceeds of the 2021A Bonds and 2021B Bonds to the Developer as payment in full of District No. 2’s obligations under the FFCOA;

WHEREAS, the Service Plans permit each respective District to dissolve upon an independent determination of the respective District’s Board of Trustees (as defined therein) that the purposes for which the District was created have been accomplished, and that the respective District has provided for the payment or discharge of all its outstanding indebtedness and other financial obligations as required pursuant to Colorado statutes;

WHEREAS, upon District No. 2’s remittance of payment of the net proceeds of the 2021A Bonds and 2021B Bonds to the Developer, District No. 1 and the Developer intend to terminate the FFAA and the MYOFA;

WHEREAS, upon the termination of the FFAA and the MYOFA, the Districts intend to terminate the FFCOA;

WHEREAS, upon termination of the FFCOA, it is the intent of District No. 1 to dissolve;

WHEREAS, upon termination of the FFCOA, the FFAA, and the MYOFA, District Nos. 2 and 3 intend to enter into separate Facilities Funding and Acquisition Agreements and Operation Funding Agreements with the Developer; and

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter set forth, the Districts agree as follows:

COVENANTS AND AGREEMENTS

1. Incorporation of Recitals. The forgoing recitals are hereby incorporated and made material terms hereof as if set forth in full.
2. Terms. All terms which are not defined herein shall have the same meaning as set forth in the FFCOA.
3. Acknowledgement of Termination. The Districts acknowledge that the FFCOA is hereby terminated as of the date of this Termination Agreement and is of no further force or effect as of the date of this Termination Agreement, and that that the Districts have no further obligations to each other under the FFCOA.

4. No Outstanding Reimbursable Amounts. The Districts agree that no amounts eligible for reimbursement remain under the FFCOA.

5. Release. Each of the Districts hereby release each other from any and all liabilities, obligations or duties that may have arisen or have been contemplated by the FFCOA. Each District agrees not to make any claim against any other District with respect to the FFCOA or the performance or non-performance of any covenant or condition contained within or contemplated by the FFCOA.

6. Representations. Each District represents that it has not transferred, assigned or granted to any other party any rights or obligations under any of the FFCOA.

7. Binding Effect. This Termination Agreement shall be binding upon the Districts and their respective successors and assigns.

8. Entire Agreement. This Termination Agreement constitutes the entire Termination Agreement between the Districts hereto, and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Termination Agreement are of no force and effect.

9. Execution in Counterparts. This Termination Agreement may be executed in counterparts, each of which when so executed and delivered shall be deemed to be an original, and all of which counterparts, taken together, shall constitute but one and the same agreement.

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

[SIGNATURE PAGE FOLLOWS]

**[SIGNATURE PAGE TO TERMINATION OF FACILITIES FUNDING,
CONSTRUCTION, AND OPERATIONS FUNDING AGREEMENT]**

IN WITNESS WHEREOF, the parties have executed this Termination Agreement as of the date first set forth above.

**PRAIRIESTAR METROPOLITAN
DISTRICT NO. 1**

By: _____
President

Attest:

Secretary

**PRAIRIESTAR METROPOLITAN
DISTRICT NO. 2**

By: _____
President

Attest:

Secretary

**PRAIRIESTAR METROPOLITAN
DISTRICT NO. 3**

By: _____
President

Attest:

Secretary

PRAIRIESTAR METROPOLITAN DISTRICT NO. 1

September __, 2021

VIA EMAIL

Special District Management Services, Inc.
c/o Deborah D. McCoy, President
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228

Re: Termination of Management Agreement

Dear Mr. Cohrs:

PrairieStar Metropolitan District No. 1 (the “**District**”) and Special District Management Services, Inc. (“**SDMS**”) entered into a Management Agreement, dated December 12, 2011 (the “**Agreement**”).

Article IV, Section 2(b) of the Agreement provides that: “The [District] Board may terminate this Agreement without cause upon 30 days written notice.”

Pursuant to Article IV, Section 2(b) of the Agreement, the District elects to terminate the Agreement, effective as of the last day of the month following the closing on the issuance of the 2021 PrairieStar Metropolitan District No. 2 Bonds (the “**Bonds**”) as it is the District’s intent to initiate its dissolution contemporaneously with the closing on the Bonds.

Upon payment of all monies owed to SDMS, SDMS will deliver all written data and information generated by or for SDMS in connection with the District or supplied to SDMS by the District or the District’s contractors, agents, and all drawings, plans, books, records, contracts, agreements, and all other documents and writing in SDMS’s possession relating to its services or the District. This termination is not intended to apply to and will not impact in any way the engagement of SDMS by PrairieStar Metropolitan District No. 2 or PrairieStar Metropolitan District No. 3.

Very truly yours,

PRAIRIESTAR METROPOLITAN DISTRICT
NO. 1

Scott Sarbaugh, President

cc: MaryAnn McGeady, Esq.