

**RESOLUTION
OF THE BOARD OF DIRECTORS OF THE
FIRELIGHT IRRIGATION METROPOLITAN DISTRICT**

REGARDING ACCEPTANCE OF DISTRICT ELIGIBLE COSTS

WHEREAS, Firelight Irrigation Metropolitan District, Town of Firestone, Weld County, State of Colorado (“**District**”), is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, the District was formed, inter alia, for the purpose of designing, acquiring, constructing, installing, operating, maintaining and financing street improvements, parks and recreational facilities, storm sewer improvements, water improvements, traffic and safety controls, transportation improvements, mosquito control, television relay and translator facilities, fire protection improvements, and sanitary sewer improvements (collectively, the “**Public Improvements**”) within and without the boundaries of the District; subject to any limitations contained in the Service Plan for the District; and

WHEREAS, in accordance with § 32-1-1001(1)(f), C.R.S., the District has the power to acquire real and personal property, including rights and interests in property and easements necessary to its functions or operations; and

WHEREAS, the District has entered into a Public Improvements Acquisition and Reimbursement Agreement, dated March 21, 2023 (the “**Acquisition Agreement**”), by and between the District and Firelight Development, Inc. (the “**FDI**”) that sets forth the procedure for documenting, certifying, and reimbursing FDI for certain costs related to Public Improvements that may be lawfully funded by the District; and

WHEREAS, FDI has funded certain costs related to the Public Improvements for the benefit of the District; and

WHEREAS, pursuant to the Acquisition Agreement, the District has agreed to reimburse FDI for “**District Eligible Costs**,” subject to the satisfaction of certain terms and conditions as set forth in the Acquisition Agreement; and

WHEREAS, the Acquisition Agreement requires that FDI furnish copies of all invoices, statements and evidence of payment equal to the proposed District Eligible Costs, including lien waivers from suppliers and subcontractors, as applicable, to the District related to the costs funded by FDI related to the Public Improvements (collectively, the “**Payment Information**”) in order to, inter alia, allow the District to substantiate the amount of District Eligible Costs; and

WHEREAS, FDI has furnished the Payment Information and all other requested information to the District; and

WHEREAS, the Board of Directors of the District (the “**Board**”) engaged Independent District Engineering Services, LLC (the “**District Engineer**”), an independent engineer who has reviewed the Payment Information to substantiate the amount of District Eligible Costs, and the District Engineer has advised the Board that certain of the costs submitted by FDI are reasonable and appropriate and related to the Public Improvements authorized and contemplated under the terms of the Service Plan and Acquisition Agreement and are therefore eligible for reimbursement by the District; and

WHEREAS, the Board engaged Schilling & Company, Inc. (the “**District Accountant**”), who has also reviewed the Payment Information to substantiate the amount of District Eligible Costs, and the District Accountant has advised the Board that certain of the costs submitted by FDI are reasonable and appropriate and related to the Public Improvements authorized and contemplated under the terms of the Service Plan and Acquisition Agreement and are therefore eligible for reimbursement by the District; and

WHEREAS, the Board has reviewed the information submitted by the District Engineer and District Accountant and other information as appropriate and has determined that the best interests of the District, its residents, users, and property owners would be served by the District’s recognition and acceptance of the District Eligible Costs, and, as applicable, acquisition of the Public Improvements from FDI, and the District should expend funds for such purposes; and

WHEREAS, the Board desires to recognize and reimburse FDI for the District Eligible Costs, subject to the availability of District funds for such purpose.

NOW, THEREFORE, be it resolved by the Board of the District as follows:

1. District Eligible Costs. FDI has represented that it has funded or caused to be funded District Eligible Costs at its sole cost and expense, which District Eligible Costs are directly related to the Public Improvements, and has provided the Payment Information to the District.
2. Cost Certification. As required under Section 5 of the Acquisition Agreement, the District Engineer and District Accountant have each reviewed the Payment Information, and have issued “Cost Certifications,” attached as **Exhibit A** and **Exhibit B** respectively, certifying the amount of District Eligible Costs to be reimbursed to FDI.

3. Acceptance of District Eligible Costs. The Board, having reviewed the certifications and recommendations of the District Engineer and District Accountant, finds and determines that the total amount of District Eligible Costs to be reimbursed to FDI is Seven Hundred Sixty-One Thousand Three Hundred Thirteen Dollars and Fifty-Six Cents (\$761,313.56). The Board further finds that the applicable requirements set forth in the Acquisition Agreement have been met, and that the District Eligible Costs are hereby accepted and approved for reimbursement by the District. To the extent required by the Acquisition Agreement, this Resolution shall be deemed the “**Acceptance Letter**” to be issued by the District.

4. Subject to Annual Appropriations. Any payments due hereunder are subject to annual appropriation by the District and do not create a multiple-fiscal year obligation or debt whatsoever. Furthermore, any payments due hereunder are subject to any repayment terms and conditions as set forth in the Acquisition Agreement.

5. Definitions. Capitalized terms not defined herein shall have the meanings set forth in the Acquisition Agreement.

Signature page follows.

ADOPTED THIS 20TH DAY OF OCTOBER 2025.

**FIRELIGHT IRRIGATION METROPOLITAN
DISTRICT**

DocuSigned by:

Reginald Golden

71A828EE7E074B5

Officer of the District

DocuSigned by:

Dale Brun

2330926B9FD04B1

Secretary of the District

EXHIBIT A

Engineer's Cost Certification

Firelight Irrigation Metropolitan District Cost Certification



Report #3
October 2025



Independent District Engineering Services, LLC
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Firelight Irrigation Metropolitan District Cost Certification Report #3

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Cost Certification Report #3

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October 20, 2025

Firelight Irrigation Metropolitan District
c/o Robert Rogers
White Bear Ankele Tanaka & Waldron
2154 East Commons Avenue, Ste 2000
Centennial, Colorado 80122

FIRELIGHT IRRIGATION METROPOLITAN DISTRICT COST CERTIFICATION REPORT #3

INTRODUCTION

Independent District Engineering Services, LLC (the “Engineer”) was hired by the Firelight Irrigation Metropolitan District (the “District”) to review the materials presented by Firelight Development, Inc. (the “Developer”) and substantiate the costs related to the financing, construction, and installation of the public improvements (the “District Eligible Costs”). The District Eligible Costs reviewed were for the Firelight Park development located in the Town of Firestone, Colorado (the “Project”). This cost certification report summarizes the Engineer’s approach and declares the total amount of District Eligible Costs proposed for reimbursement.

The invoices reviewed were paid for by the Developer and were certified as District Eligible Costs in the amount of **\$761,313.56**.

This report generally covers costs associated with the offsite storm sewer outfall improvements.

REFERENCE DOCUMENTS

The following documents were used in determining recommendations for this report:

- Amended and Restated Consolidated Service Plan for Firelight Irrigation Metropolitan District, Firelight Commercial Metropolitan District, and Firelight Residential Metropolitan District, by White, Bear, Ankele, Tanaka, & Waldron, dated July 13, 2022.
- Public Improvements Acquisition and Reimbursement Agreement, between Firelight Irrigation Metropolitan District and Firelight Development, Inc., entered into as of March 21, 2023.

The Engineer used the above documents as a general guideline in certification of costs.

ASSUMPTIONS

The following assumptions were made for this report.

- No other entity will reimburse the developer for the District Eligible Costs included in this report.
- The Developer completed all storm water management practice inspections and requirements.
- The Developer obtained applicable civil engineering approvals and permits.
- Invoices presented do not represent the entire Project value, but rather the portion of the Project value provided for the Engineer’s review. Other expenditures for the project exist.
- All public improvement conveyances were the responsibility of the Developer.
- Public improvements included in this report have final, preliminary, or conditional acceptance.

DISCUSSION

Activities Conducted

For this report, the following activities were performed:

- The reference documents provided by the District and the Developer were reviewed.
- The invoices and other materials presented by the Developer were reviewed.
- A site visit was conducted. Project areas were photographed when possible.
- Contact was made with Developer to verify knowledge of the work and services performed.
- Select invoiced unit costs were compared to other projects constructed in Colorado. Not all unit costs were compared, only a representative sample to ensure that the expenditures were reasonable overall.
- Select billed quantities were compared to the provided drawings to confirm amounts were reasonable.

This report was prepared with a specific scope and an elaborate analysis was not performed. Daily construction observation was not performed. This was a realistic and reasonable analysis to verify the public expenditures for the invoices and information provided by the Developer. Additional information may result in adjustments to our cost certification.

Improvements

The reviewed improvement locations were generally represented in Attachment A. The improvements reviewed were for the lowering of a gas pipeline. The gas pipeline conflicted with the construction of the proposed storm sewer and lowering the gas pipeline was determined to be the best solution.

Review of Expenditures

Invoices provided by the Developer were considered District Eligible Costs or not eligible for District reimbursement ("Non-Eligible Costs"). Expenditures reviewed were invoiced to the Developer between November of 2024 and July of 2025. The Developer provided check copies were used to confirm payment. The Engineer did not collect lien waivers or contact vendors to verify payments. Attachment C contains a summary of the Engineers determination for the expenditures reviewed.

Vendors

All contractors, consultants, and vendors whose invoice information was submitted, were evaluated for their project participation and services performed, materials provided, or work completed. A summary of vendor participation was included as Attachment B.

Site Visit

A site visit was conducted in October of 2025. This report only covers subsurface improvements required to construct public infrastructure, so the site visit was to memorialize the current state of the Project. Overview photos were included as Attachment D.

SUMMARY OF EXPENDITURES BY CATEGORY

The table below provides a summary of expenditures by category as set forth in Exhibit B of the Public Improvements Acquisition and Reimbursement Agreement. Costs for the gas pipeline lowering were allocated to the improvement category in which it benefited.

Cost Certification Category		
Category	Public Amount	Percent
Street	\$ 0.00	0.00%
Parks and Recreation	\$ 0.00	0.00%
Water	\$ 0.00	0.00%
Sanitation/Storm Sewer	\$ 761,313.56	100.00%
Transportation	\$ 0.00	0.00%
Mosquito	\$ 0.00	0.00%
Safety Protection	\$ 0.00	0.00%
Fire Protection	\$ 0.00	0.00%
Television Relay and Translation	\$ 0.00	0.00%
Security	\$ 0.00	0.00%
Total	\$ 761,313.56	100.00%

RECOMMENDATION

In our professional opinion the District Eligible Costs included in this report were found to be reasonable and appropriate for the type of improvements. Based on the information provided and level of analysis completed, the Engineer certifies the total amount of District Eligible Costs associated with the public improvements proposed for reimbursement to be **\$761,313.56**.

This report was not an acceptance of improvements, but a certification of the costs associated with the public improvements proposed for reimbursement. The cost certification was only one of the requirements from the Public Improvements Acquisition and Reimbursement Agreement for the District to reimburse the Developer.

Should you have any questions or require further information please feel free to contact us.

Respectfully Submitted,

Brandon Collins, PE
 Independent District Engineering Services, LLC

Attachment A

Site Map

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LEGEND

 Approximate Storm Sewer Outfall

Note: Locations shown are for visual representation only. Actual lowering locations may vary.

FAIRVIEW ST

COUNTY ROAD 3 1/2

E KEN PRATT BLVD

LOT 1 LOT 2 LOT 3 LOT 4

Attachment B

Vendors

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Attachment B Vendors

The following is a summary of the contractors, consultants and vendors that performed work and services for the report.

WT Excavating, LLC Wet utility contractor responsible for the construction of the offsite storm sewer outfall system. Expenditures were considered District Eligible Costs. Expenditures and proof of payment for the retainage release for this work were not provided and not certified as part of this report.

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Attachment C Expenditure Data

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Attachment C
Firelight Irrigation Metropolitan District
Expenditure Data for Cost Certification Report #3

Invoice Number	Invoice Date	Check Number	Check Date	Description of Work	Invoiced Amount	District Eligible Costs	Non-Eligible Costs	Notes
WT Excavating, LLC								
Pay App #1	11/30/2024	1134	12/23/2024	Storm Outfall	\$ 172,775.47	\$ 172,775.47	\$ 0.00	
Pay App #2	2/26/2025	1153	3/11/2025	Storm Outfall	\$ 264,642.56	\$ 264,642.56	\$ 0.00	
Pay App #3	6/30/2025	1174	9/15/2025	Storm Outfall	\$ 146,415.71	\$ 146,415.71	\$ 0.00	
Pay App #4	7/31/2025	1174	9/15/2025	Storm Outfall	\$ 177,479.82	\$ 177,479.82	\$ 0.00	
Retainage Release	Need	Need	Need	Storm Outfall	\$ 40,069.13	\$ 0.00	\$ 40,069.13	Retainage Release and proof of payment not Provided
Subtotal WT Excavating, LLC					\$ 801,382.69	\$ 761,313.56	\$ 40,069.13	
Total					\$ 801,382.69	\$ 761,313.56	\$ 40,069.13	

These amounts do not include interest

Attachment D Project Photos

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Firelight Irrigation Metropolitan District Site Photos



Oil and Gas Facility



HWY 119 Ditch Outfall - East



HWY 119 Ditch Outfall - West



HWY 119 Ditch - East



Commercial Development and Detention Pond 1 - West



Commercial Development - Southeast



Commercial Development and Detention Pond 1 - East



Commercial Development facing East

EXHIBIT B

Accountant's Cost Certification