



CliftonLarsonAllen LLP
111 S. Tejon Street, Suite 705
Colorado Springs, CO 80903
719-635-0330 | fax 719-473-3630
CLAconnect.com

October 30, 2018

Board of Directors
Silver Hawk Metropolitan District
El Paso County, Colorado

Re: **Silver Hawk Metropolitan District - Developer Reimbursement**

This report summarizes the results of procedures performed related to the Silver Hawk Metropolitan District (“the District”) Developer Reimbursement. Specifically, we read invoices to determine if amounts expended supported the assertion that the costs are eligible district costs.

We did not evaluate quantity and quality measurements, which would be covered by an Engineer’s report.

We were not engaged to, and did not, conduct an examination in accordance with generally accepted auditing standards, the objective of which would be the expression of an opinion on the financial statements of the Silver Hawk Metropolitan District. Accordingly, we do not express such an opinion. We performed our engagement as a consulting service under the AICPA Statement of Standards for Consulting Services. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

Developer Reimbursement

The District engaged CliftonLarsonAllen LLP to read invoices that support infrastructure costs paid by Eagle Development Corp (“Developer”) and to determine which costs are eligible for reimbursement by the Developer.

The Developer submitted documentation for \$1,733,389.28 of expenses incurred for the period January 1, 2016 through September 30, 2017. Of the total submitted, \$1,428,871.37 was considered eligible and related to soft costs and capital outlay infrastructure improvements.

Following the electoral authorization these expenditures can be categorized as follows -

Streets	\$582,823.89
Water	216,191.56
Sewer and storm drainage	333,323.65
Parks and Recreation	<u>296,532.28</u>

Total	<u>\$1,428,871.37</u>
-------	-----------------------

For additional detail on the costs incurred by the Developer, please refer to Exhibit A.

We are not independent with respect to the Silver Hawk Metropolitan District.

This report is intended solely for your use and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Clifton Larson Allen LLP". The signature is written in a cursive, flowing style.

CLIFTONLARSONALLEN LLP
Colorado Springs, Colorado

Vendor	Date	Invoice	Check #	Amount	Description	Non-District	District	Streets	Water	Sanitation & Storm Sewer	Traffic & Safety Protection	Parks & Rec	Engineering and soft costs	Site Work & Demo	Earthwork & Overlot grading @ 40%	Retainage	Total	Test	
Art Hardware	6/9/2016	16-0274	1628	65.29	reprographic		65.29						65.29				65.29	TRUE	
CDPHE	8/17/2016	WC17102856	1736	350.00	Permit COR03P314		350.00			350.00							350.00	TRUE	
City of Colorado Springs	6/6/2016	email	1576	248.00	Fire Department - review fee		248.00						248.00				248.00	TRUE	
City of Colorado Springs	8/8/2016	email	1650	3,500.00	Metro District fee		3,500.00						3,500.00				3,500.00	TRUE	
City of Colorado Springs	6/14/2016	email	1704	174,816.94	filing 1 fees		174,816.94						174,816.94				174,816.94	TRUE	
City of Colorado Springs	12/7/2016	email	1817	500.00	landscape and irrigation review		500.00					500.00					500.00	TRUE	
City of Colorado Springs	12/20/2016	email	1838	14,080.50	subdivision inspection fees/per lot	14,080.50	-										-	TRUE	Subdivision fees
Colorado Springs Utilities	8/3/2016	3013265-05	1649	32,007.59	relocate electric vaults and transformer		32,007.59	32,007.59									32,007.59	TRUE	
Colorado Springs Utilities	10/4/2016	3013265-03	1729	64,646.88	electric and gas/streetlights water development charge -	48,386.46	16,260.42	16,260.42									16,260.42	TRUE	electric and gas
Colorado Springs Utilities	2/13/2017	21317	1892	15,567.00	irrigation meter	-	15,567.00					15,567.00					15,567.00	TRUE	
Dwire Earthmoving LLC	5/25/2016	16060-1	1627	96,845.60	earthwork	58,107.36	38,738.24								38,738.24		38,738.24	TRUE	
Dwire Earthmoving LLC	9/30/2016	16060-2	1755	14,820.00	earthwork	8,892.00	5,928.00								5,928.00		5,928.00	TRUE	
K.R. Swerdfeger Construction	5/10/2017	16068101	2044	6,742.56	irrigation service		6,742.56					6,742.56					6,742.56	TRUE	
M&S Civil	4/25/2016	2181	1561	16,033.60	various engineering plans		16,033.60	4,000.00	1,500.00	5,000.00			5,533.60				16,033.60	TRUE	
M&S Civil	5/25/2016	2209	1593	4,020.40	various engineering plans		4,020.40	500.00	500.00	1,000.00			2,020.40				4,020.40	TRUE	
M&S Civil	6/22/2016	2259	1628	4,564.40	rush plan approvals		4,564.40						4,564.40				4,564.40	TRUE	
M&S Civil	6/22/2016	2267	1628	5,775.00	Const. stake	1,050.00	4,725.00			3,850.00			875.00				4,725.00	TRUE	Utility services - assumed dry utilities
M&S Civil	7/25/2016	2290	1675	7,500.00	survey control/temp lot corners/water main/utility services	3,150.00	4,350.00		3,850.00				500.00				4,350.00	TRUE	Utility services - assumed dry utilities and lot corners
M&S Civil	8/25/2016	2335	1711	2,372.50	storm sewer/curb & gutter/stake water/lot corners	437.50	1,935.00	200.00	1,125.00	610.00							1,935.00	TRUE	lot corners
M&S Civil	9/26/2016	2349	1768	6,952.50	Storm sewer/curb & gutter/sleeves/final plat update		6,952.50	5,000.00		1,702.50			250.00				6,952.50	TRUE	
M&S Civil	10/27/2016	2398	1809	5,055.00	curb & gutter/blue top stake/re-stake temp lot corners	2,150.00	2,905.00	2,905.00									2,905.00	TRUE	temp lot corners
M&S Civil	11/18/2016	2422	1846	1,892.50	WQ ponds/landscape/detention pond/re-stake temp lot corners	500.00	1,392.50			1,392.50							1,392.50	TRUE	temp lot corners
M&S Civil	11/29/2016	2432	1846	1,539.00	WQ pond		1,539.00			1,539.00							1,539.00	TRUE	
M&S Civil	12/22/2016	2461	1875	429.50	landscape and irrigation tap coordination		429.50					429.50					429.50	TRUE	
M&S Civil	12/23/2016	2475	1875	1,872.50	re-stake temp rear corners/pond as-builts/drainage pond/irrigation tap coordination	406.25	1,466.25			1,108.75		357.50					1,466.25	TRUE	restake temp rear corners
M&S Civil	1/27/2017	2512	1909	4,615.00	perm lot corners/detention pond asbuilts/WQ pond/coordination	2,800.00	1,815.00			1,815.00							1,815.00	TRUE	permanent lot corners
M&S Civil	2/24/2017	2563	1935	2,780.00	manhole cert/perimeter wall, fence/stake pond area/restake sleeves/coordination on sidewalk and WQ pond		2,780.00			2,665.00		115.00					2,780.00	TRUE	
M&S Civil	4/25/2017	2689	2019	880.00	re-staking missed corner lots/irrigaion plans	825.00	55.00					55.00					55.00	TRUE	restake missed lot corners

Vendor	Date	Invoice	Check #	Amount	Description	Non-District	District	Streets	Water	Sanitation & Storm Sewer	Traffic & Safety Protection	Parks & Rec	Engineering and soft costs	Site Work & Demo	Earthwork & Overlot grading @ 40%	Retainage	Total	Test
M&S Civil	9/21/2017	2911	2208	925.00	final pond certification		925.00			925.00							925.00	TRUE
Pyramid Paving Inc.	11/8/2016	1	1801	274,979.21	paving		274,979.21	305,532.46								(30,553.25)	274,979.21	TRUE
Pyramid Paving Inc.	12/31/2016	Retainage	1877	30,553.25	paving - retainage		30,553.25									30,553.25	30,553.25	TRUE
Regional Building Department	9/22/2016	92216	1719	710.00	enumerations fee	700.00	10.00						10.00				10.00	TRUE
RDM	9/23/2016	103-64	1764	65,049.85	curb and gutter		65,049.85	65,049.85									65,049.85	TRUE
RDM	10/24/2016	103-73	1802	1,531.00	curb and gutter		1,531.00	1,531.00									1,531.00	TRUE
RDM	11/28/2016	103-81	1847	14,680.50	curb and gutter		14,680.50	14,680.50									14,680.50	TRUE
RDM	12/21/2016	CO #1	1878	12,652.50	curb and gutter		12,652.50	12,652.50									12,652.50	TRUE
RDM	4/25/2017	103-107	2028	6,000.00	curb opening		6,000.00	6,000.00									6,000.00	TRUE
RMG	6/30/2016	152519-1	1637	2,937.50	engineering		2,937.50						2,937.50				2,937.50	TRUE
RMG	7/31/2016	152519-2	1677	3,128.50	engineering		3,128.50						3,128.50				3,128.50	TRUE
RMG	8/31/2016	152519-3	1713	2,350.00	engineering		2,350.00						2,350.00				2,350.00	TRUE
RMG	9/14/2016	152519-4	1749	4,500.00	pavement engineering		4,500.00	4,500.00									4,500.00	TRUE
RMG	9/30/2016	152519-5	1777	4,465.50	engineering		4,465.50						4,465.50				4,465.50	TRUE
RMG	10/31/2016	152519-6	1803	2,684.50	engineering		2,684.50						2,684.50				2,684.50	TRUE
RMG	11/30/2016	152519-7	1879	4,265.50	engineering		4,265.50						4,265.50				4,265.50	TRUE
RMG	12/31/2016	152519-8	1911	4,477.00	engineering		4,477.00						4,477.00				4,477.00	TRUE
RMG	1/31/2017	152519-9	1937	2,173.50	engineering		2,173.50						2,173.50				2,173.50	TRUE
Seifert Enterprises LLC	6/30/2016	1	1639	99,100.35	Sanitary sewer and mobilization	24,754.55	74,345.80			74,345.80							74,345.80	TRUE
Seifert Enterprises LLC	7/31/2016	2	1678	237,083.22	water, sewer and storm	74,182.24	162,900.98		162,677.86	223.12							162,900.98	TRUE
Seifert Enterprises LLC	8/31/2016	3	1740	104,275.36	water, sewer and storm	29,642.05	74,633.31		287.50	74,345.81							74,633.31	TRUE
Seifert Enterprises LLC	9/30/2016	3a	1765	78,795.68	water, sewer and storm	2,932.50	75,863.18		6,073.15	69,790.03							75,863.18	TRUE
Seifert Enterprises LLC	10/20/2016	32659	1787	5,689.85	CO#1 asphalt/storm		5,689.85	3,689.85		2,000.00							5,689.85	TRUE
Thomas & Thomas	5/1/2016	2016-61	1565	1,157.30	development plan		1,157.30							1,157.30			1,157.30	TRUE
Thomas & Thomas	6/30/2016	2016-103	1641	426.10	development plan		426.10							426.10			426.10	TRUE
Thomas & Thomas	5/31/2016	2016-76	1715	432.87	development plan		432.87							432.87			432.87	TRUE
Thomas & Thomas	2/1/2017	2017-042	1996	862.03	landscape design		862.03					862.03					862.03	TRUE
Thomas & Thomas	1/31/2017	2017-018	1996	3,041.62	landscape and irrigation design		3,041.62					3,041.62					3,041.62	TRUE
Thomas & Thomas	3/31/2017	2017-066	2023	232.93	landscape design		232.93					232.93					232.93	TRUE
Thomas & Thomas	6/30/2017	2017-152	2132	685.54	landscape design		685.54					685.54					685.54	TRUE
TNT Landscaping	5/16/2016	6278 CC		4,390.00	erosion control		4,390.00			4,390.00							4,390.00	TRUE
TNT Landscaping	6/1/2016	6337 CC		5,080.10	erosion control		5,080.10			5,080.10							5,080.10	TRUE
TNT Landscaping	8/15/2016	6468 CC		1,561.50	erosion control		1,561.50			1,561.50							1,561.50	TRUE
TNT Landscaping	9/19/2016	6518 CC		852.05	erosion control		852.05			852.05							852.05	TRUE
TNT Landscaping		CC		1,304.50	Need invoice copy	1,304.50	-										-	TRUE
TNT Landscaping	11/4/2016	6619 CC		642.00	erosion control		642.00			642.00							642.00	TRUE
TNT Landscaping	12/1/2016	6684 CC		2,812.50	excavation of pond		2,812.50			2,812.50							2,812.50	TRUE
TNT Landscaping	12/1/2016	6685 CC		3,818.58	erosion control		3,818.58			3,818.58							3,818.58	TRUE
TNT Landscaping	1/13/2017	6793 CC		1,248.90	erosion control		1,248.90			1,248.90							1,248.90	TRUE
TNT Landscaping	2/2/2017	6843 CC		40,250.00	concrete fencing		40,250.00					40,250.00					40,250.00	TRUE
TNT Landscaping	2/21/2017	6854 CC		59,308.00	zone installs/rock/etc	-	59,308.00					59,308.00					59,308.00	TRUE
TNT Landscaping	4/14/2017	6978 CC		90,389.75	landscape		90,389.75					90,389.75					90,389.75	TRUE
TNT Landscaping	5/29/2017	7113 CC		22,886.90	fence/rock/stone veneer		22,886.90					22,886.90					22,886.90	TRUE
TNT Landscaping	8/23/2017	7320 CC		7,071.65	storm drainage		7,071.65			7,071.65							7,071.65	TRUE
UPS Corp	1/5/2017	5051	1951	25,220.00	trenching for CATV	25,220.00	-										-	TRUE
U.S. Mail Supply	12/12/2016	39353 CC		4,922.00	Mailboxes	4,922.00	-										-	TRUE
Van Dyke Cleaning & Maintenance	6/30/2016	63016 CC		300.00	SWMP inspection		300.00			300.00							300.00	TRUE
Van Dyke Cleaning & Maintenance	7/31/2016	73116 CC		243.12	SWMP inspection		243.12			243.12							243.12	TRUE
Van Dyke Cleaning & Maintenance	8/31/2016	83116 CC		330.00	SWMP inspection		330.00			330.00							330.00	TRUE
Van Dyke Cleaning & Maintenance	9/30/2016	93016 CC		124.31	SWMP inspection		124.31			124.31							124.31	TRUE
Van Dyke Cleaning & Maintenance	10/31/2016	103116 CC		120.00	SWMP inspection		120.00			120.00							120.00	TRUE
Van Dyke Cleaning & Maintenance	11/30/2016	113016 CC		120.00	SWMP inspection		120.00			120.00							120.00	TRUE
Van Dyke Cleaning & Maintenance	12/31/2016	123116 CC		75.00	mailbox install	75.00	-										-	TRUE
Grand Total				\$ 1,733,389.28		304,517.91	1,428,871.37	474,509.17	176,013.51	271,377.22	-	241,423.33	218,865.63	2,016.27	44,666.24	-	\$ 1,428,871.37	TRUE

lots
 Invoice amount was \$25,022.21 - amount disputed

service taps
 service taps for water and sewer
 service taps for sewer
 service taps for sewer

Paid LIC check # 1891/transfer - CC reimbursement - back up st

CATV trenching
 mailboxes Paid LIC check # 1861 - CC reimbursement
 Paid LIC check # 1943 and 1971 - CC reimbursement
 Paid LIC check 2001 - CC reimbursement
 Paid LIC check 2065 - CC reimbursement
 Paid LIC check 2148 - CC reimbursement
 Paid LIC check # 1837 - CC reimbursement
 mailbox install Paid LIC check # 1862 - CC reimbursement

SILVER HAWK AS OF 8/12/18 - Reviewed Costs through 3/31/2018 - Final
 2017 Cost Reimbursement
 Developer: Eagle Development Corp

0.40

Vendor	Date	Invoice	Check #	Amount	Description	Non-District	District	Streets	Water	Sanitation & Storm Sewer	Traffic & Safety Protection	Parks & Rec	Engineering and soft costs	Site Work & Demo	Earthwork & Overlot grading @ 40%	Retainage	Total	Test
								40.79%	15.13%	23.33%	0.00%	20.75%						
					Allocate site work/demo/grading			108,314.72	40,178.05	61,946.43	-	55,108.95						
								<u>\$ 582,823.89</u>	<u>\$ 216,191.56</u>	<u>\$ 333,323.65</u>	<u>\$ -</u>	<u>\$ 296,532.28</u>				<u>\$ -</u>	<u>\$ 1,428,871.37</u>	TRUE
					Electoral Auth. Available			3,619,984.00	3,619,984.00	3,619,984.00	3,619,984.00	3,619,984.00						