

October 2, 2018

Board of Directors  
Silver Hawk Metropolitan District  
212 N. Wahsatch Avenue, Suite 301  
Colorado Springs, CO 80903

Re: Recommended Reimbursement for Public Improvements Costs  
Silver Hawk Subdivision

Dear Board of Directors:

We have been provided documentation by Alan Vancil with The Landhuis Company, the Developer's representative for the Silver Hawk Subdivision covering costs incurred in connection with construction of public improvements. The documentation was provided for our evaluation pursuant to obtaining reimbursement by the Silver Hawk Metropolitan District as public improvements costs.

Included in the documents that were provided for our review were: construction plans of District infrastructure improvements; construction contract / agreements with breakdowns of quantities / unit prices of the construction elements; copies of invoices and checks and other evidence of payment for construction for services completed; and spreadsheet summaries of contractor's billings and other pertinent elements.

It is possible that our recommendations for reimbursement may upon subsequent review by District legal counsel, bonding counsel, and / or District accountants, be revised or amended. The recommendations herein, address costs for infrastructure construction / or services by various contractors and various other vendors and professional service providers, the names of which have been included on the spreadsheet, attached hereto.

As a basis for preparing this letter, we have reviewed the District's Service Plan, construction plans; made a site visit to confirm that the construction has been completed commensurately with the costs for which reimbursement is being requested, reviewed change orders, and corresponded via email with representatives of The Landhuis Company (Alan Vancil and Jeff Mark).

**District Service Plan**

Infrastructure facilities included in the District's Service Plan are provided for as reimbursable costs for those facilities generally identified as follows:

- Street and Safety Protection
- Water
- Sanitation
- Common Area Landscaping and Detention Pond Landscaping

The elements actually constructed in the completed project were confirmed to be in compliance with the above-listed District's Service Plan categories.

## **Review Methodology**

The methodology that was used in reaching conclusions as to our recommendations for reimbursement, generally followed the outline below:

- Review Service Plan for included infrastructure
- Review construction contracts for consistency with prevailing costs in the Colorado Springs area
- Review bidder selection process with Developer's Project Manager
- Review spreadsheet summary of invoices from all vendors; indicate amounts recommended for reimbursement and if appropriate, note any invoices that are not District reimbursable or are only partially reimbursable
- Make site visit
- Review spreadsheet summary, including therein amounts recommended for reimbursement (copy of spreadsheet is attached)

## **Relevant Project Information**

Silver Hawk at Soaring Eagles Filing No. 1 is a 14.75 acre, 70 lot residential subdivision located in the Southern part of the City of Colorado Springs, Colorado. The district service plan indicated that approximately 175 people will live within this subdivision at build-out.

Construction plans and the final plat for this project were developed by M & S Civil Consultants. The associated plans are Sewer/Water (June 7, 2016), Streets (May 13, 2016), Grading (April 29, 2016), Plat (July 7, 2016). The Eagle Development Corp. developed the land including improvements per the construction drawings.

Bids were solicited by Eagle Development Corp. based on the approved construction documents prepared by M&S Civil Consultants. After evaluating the bids, numerous contractors were selected for the construction work. Instead of selecting one overall general contractor it was decided bid pricing would be lower if the construction work was divided into several parts and having contractors bid on work they specialized in. The work was separated into bid packages including grading, utilities, curb/gutter, streets/safety, landscaping, materials testing engineering, construction staking, and erosion control.

## **Reduction for Lot Grading**

The District does not reimburse costs associated with the private development portions of the project to include dry utilities, grading outside street rights-of-way, etc. A breakdown of earthwork quantities was not developed for the project. However, our experience over the years has resulted in an estimation that the percentage of grading costs is proportioned at 40 percent to streets (public portion) and 60 percent to lots (private portion). Therefore, the total cost of grading has been reduced to account for the grading work that was associated with the private portion of the project. Hence, our spreadsheet includes a calculation that shows a reduction for the private grading component.

## **Recommendations**

To the best of our knowledge, the services rendered for the costs as listed on the attached spreadsheet, are appropriate as District expenses and are consistent with those specified in the

Service Plan. In our opinion, the costs are competitive with current pricing for similar services in the Colorado Springs area. Accordingly, we recommend that the Board of Directors of the Silver Hawk Metropolitan District consistent with its rules and regulations, reimburse Eagle Development Corporation the amount of \$ 1,428,871.37 for the construction / services as itemized on the attached spreadsheet.

We are available to answer any questions that might arise in connection with these reimbursement recommendations.

Sincerely,  
Core Engineering Group, LLC



Richard L. Schindler, P.E.

Cc: Alan Vancil  
Jeff Mark

Vendor	Date	Invoice	Check #	Amount	Description	Non-District	District	Streets	Water	Sanitation & Storm Sewer	Traffic & Safety Protection	Parks & Rec	Engineering and Site Work & soft costs	Demo	Earthwork & Overlot grading @ 40%	Retainage	Total	Test
Art Hardware CDPHE	6/9/2016	16-0274	1628	65.29	reprographic	65.29							65.29				65.29	TRUE
	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	filling 1 fees landscape and irrigation		174,816.94						174,816.94				174,816.94	TRUE
City of Colorado Springs	12/7/2016	email	1817	500.00	review subdivision inspection		500.00					500.00					500.00	TRUE
City of Colorado Springs	12/20/2016	email	1838	14,080.50	fees/per lot relocate electric vaults and transformer	14,080.50											-	TRUE
Colorado Springs Utilities	8/3/2016	3013265-05	1649	32,007.59	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
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					15,567.00					38,738.24	TRUE
Dwire Earthmoving LLC	9/30/2016	16060-2	1755	14,820.00	earthwork	8,892.00											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		6,742.56	5,533.60				16,033.60	TRUE
M&S Civil	5/25/2016	2209	1993	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 survey control/temp lot corners/water/main/utility	1,050.00	4,725.00			3,850.00			875.00				4,725.00	TRUE
M&S Civil	7/25/2016	2290	1675	7,500.00	services storm sewer/curb & gutter/stake water/lot	3,150.00	4,350.00		3,850.00				500.00				4,350.00	TRUE
M&S Civil	8/25/2016	2335	1711	2,372.50	corners storm sewer/curb & gutter/sleeves/final plat	437.50	1,935.00	200.00		610.00							1,935.00	TRUE
M&S Civil	9/26/2016	2349	1768	6,952.50	update curb & gutter/blue top stake/re-stake temp lot		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	corners ponds/landscape/detention pond/re-stake temp lot	2,150.00	2,905.00	2,905.00									2,905.00	TRUE
M&S Civil	11/18/2016	2422	1846	1,892.50	corners ponds/landscape/detention pond/re-stake temp lot	500.00	1,392.50			1,392.50							1,392.50	TRUE
M&S Civil	11/29/2016	2432	1846	1,539.00	WQ pond landscape and irrigation tap		1,539.00			1,539.00							1,539.00	TRUE
M&S Civil	12/22/2016	2461	1875	429.50	coordination re-stake temp rear corners/pond as-builts/drainage pond/irrigation tap		429.50					429.50					429.50	TRUE
M&S Civil	12/23/2016	2475	1875	1,872.50	coordination pond/irrigation tap	406.25	1,466.25			1,108.75		357.50					1,466.25	TRUE
M&S Civil	1/27/2017	2512	1909	4,615.00	perm lot corners/detention pond asbilts/WQ manhole cert/perimeter wall, fence/stake pond area/restake	2,800.00	1,815.00			1,815.00							1,815.00	TRUE
M&S Civil	2/24/2017	2563	1935	2,780.00	coordination on sidewalk and WQ pond re-staking missed corner		2,780.00			2,665.00		115.00					2,780.00	TRUE
M&S Civil	4/25/2017	2689	2019	880.00	lots/irrigation plans	825.00	55.00					55.00					55.00	TRUE

Utility services - assumed dry utilities  
 Utility services - assumed dry utilities and lot corners  
 lot corners  
 temp lot corners  
 restake temp rear corners  
 permanent lot corners  
 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 Site Work & soft costs	Demo	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	1801	1801	274,979.21	paving		274,979.21	305,532.46							(30,553.25)	274,979.21	TRUE	
Regional Building Department	9/22/2016	92216	1877	30,553.25	paving - retainage		30,553.25								30,553.25	30,553.25	TRUE	
RDW	9/23/2016	103-64	1764	65,049.85	enumerations fee	700.00		65,049.85					10.00			65,049.85	TRUE	
RDW	10/24/2016	103-73	1802	1,531.00	curb and gutter		1,531.00									1,531.00	TRUE	
RDW	11/28/2016	103-81	1847	14,680.50	curb and gutter		14,680.50									14,680.50	TRUE	
RDW	12/21/2016	CO #1	1878	12,652.50	curb and gutter		12,652.50									12,652.50	TRUE	
RDW	4/25/2017	103-107	2028	6,000.00	curb opening		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	COH, 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	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	11/4/2016	6619 CC		642.00	erosion control	1,304.50	-			-						-	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	landscaping		90,389.75			90,389.75						90,389.75	TRUE	
TNT Landscaping	5/29/2017	7113 CC		22,886.90	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										25,220.00	TRUE
U.S. Mail Supply	12/12/2016	39353 CC		4,922.00	Mailboxes		4,922.00										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	63116 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				\$ 1,723,389.28		\$ 304,517.91	\$ 1,428,871.37	\$ 474,509.17	\$ 1,76,013.51	\$ 271,377.22	\$ -	\$ 241,423.33	\$ 2,18,865.63	\$ 2,016.27	\$ -	\$ 1,428,871.37	TRUE	

Invoice amount was \$25,022.21 - amount disputed

lots

service taps for water and sewer

service taps for sewer

service taps for sewer

Paid LIC check # 1579 - CC reimbursement

Paid LIC check # 1621 - CC reimbursement

Paid LIC check # 1698 - CC reimbursement

Paid LIC check # 1738 - CC reimbursement

Paid LIC check # 1780 - CC reimbursement

Paid LIC check # 1833 - CC reimbursement

Paid LIC check # 1861 - CC reimbursement

Paid LIC check # 1861 - CC reimbursement

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

Paid LIC check 1943 - 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

CATV trenching

mailboxes Paid LIC check # 1861 - CC reimbursement

Paid LIC check # 1631 - CC reimbursement

Paid LIC check # 1658 - CC reimbursement

Paid LIC check # 1717 - CC reimbursement

Paid LIC check # 1746 - CC reimbursement

Paid LIC check # 1775 - CC reimbursement

Paid LIC check # 1837 - CC reimbursement

mailbox install Paid LIC check # 1862 - CC reimbursement