

MERIDIAN SERVICE METROPOLITAN DISTRICT  
(MSMD)

May 7, 2025, Board Packet Supplement

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Need to add to Agenda

## PRE-INCLUSION INTERGOVERNMENTAL AGREEMENT

This Pre-Inclusion Intergovernmental Agreement (the “**Agreement**”) is entered into by and between the Meridian Service Metropolitan District (“**Meridian Service**”), a Title 32 special district and political subdivision of the State of Colorado, and the Meridian Ranch Metropolitan District (“**Meridian Ranch**”), a Title 32 special district and political subdivision of the State of Colorado (individually, a “**District**” and collectively, the “**Districts**” or the “**Parties**”).

### RECITALS

**WHEREAS**, the Districts are both metropolitan districts organized and operating pursuant to Title 32 of the Colorado Revised Statutes (“**Title 32**”); and

**WHEREAS**, pursuant to the authority granted under Title 32, the Districts carry out financing and provision of public improvements and public utility services as well as other activities permitted under Title 32; and

**WHEREAS**, Article XIV, § 18(2)(a) of the Colorado Constitution and § 29-1-203, C.R.S. permit and encourage political subdivisions of the state to make efficient and effective use of their powers and responsibilities by cooperating and contracting with each other; and

**WHEREAS**, the Districts, were developed jointly through a collaborative working relationship to more efficiently and effectively carry out their individual responsibilities under Title 32; and

**WHEREAS**, pursuant to § 32-1-1101(1)(f), C.R.S. the Meridian Ranch 2018 Subdistrict (the “**Subdistrict**”), was created and exists as a Title 32 subdistrict of Meridian Ranch. References herein to Meridian Ranch include the Subdistrict where appropriate; and

**WHEREAS**, the Meridian Ranch and Meridian Service Boards of Directors now agree that it is appropriate to take steps as set forth herein to move toward fully and finally combining all assets, personnel, and functions of the two Districts into one combined entity, to promote operational and organizational efficiencies; and

**WHEREAS**, based upon their existing relationship, the Districts have determined that it is in the best interest of the health, safety, and public welfare of their respective citizens to begin a process, subject to the steps set forth herein, to integrate the Districts’ services as provided in this Agreement, so that there is a functional merger into a single metropolitan district, regarding all aspects of their operations, administration, and services, as permitted under Title 32 (as described in more detail herein, the “**District Merger**”); and

**WHEREAS**, the primary purpose of this Agreement is to set forth the actions that will occur as a predicate to presentation of ballot questions to the voters of Meridian Ranch for the inclusion, as defined under Colorado law, of the property currently within Meridian Ranch into the boundaries of Meridian Service (as more particularly defined below, the “**Inclusion**”), and the coordinated dissolution, as defined under Colorado law (as more particularly defined below, the “**Dissolution**”), of Meridian Ranch to effectuate the District Merger; and

**WHEREAS**, it is the intent of this Agreement to ensure, in the ultimate event of voter approval of the Inclusion and Dissolution described in more detail herein, that, as a result of the District Merger, the duties, functions, assets, rights and liabilities of Meridian Ranch may be transferred to Meridian Service in a manner that assures the continuation of equivalent service and

responsible administration and maintenance of facilities through Meridian Service; and

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

## **AGREEMENT**

**1. EFFECTIVE DATE.** The Parties have determined that this Agreement, along with all of its terms and conditions, shall go into effect as of the date that this Agreement has been fully executed by both Districts (the "**Effective Date**").

**2. FEASIBILITY DILIGENCE ACTIVITIES.** Promptly following the Effective Date, the Districts shall cooperate to complete the following activities as part of their investigation of the feasibility of the District Merger (collectively the "**Feasibility Diligence Activities**"):

2.1. Notice to County. As of the Effective Date, Meridian Service and Meridian Ranch operate and provide services under their respective service plans, as approved by El Paso County (each, a "**Service Plan**," and collectively, the "**Service Plans**"). While there will be no change in services nor expansion of territory outside El Paso County, the Districts agree that notification to the County of the intended District Merger is appropriate under § 32-1-207(2)(a), C.R.S. Accordingly, the Districts shall jointly provide notice to the El Paso County Commissioners (the "**BOCC**"), through a mutually agreed upon letter addressed to the BOCC and County Clerk, of the intended merger, including, pursuant to § 32-1-1101(1)(f), C.R.S., advising the County of the possibility of creation of a subdistrict within Meridian Service (the boundaries of which would correspond to the boundaries of the existing Subdistrict), and requesting a determination of the County as to whether the proposed District Merger constitutes a "material modification" of either District's respective Service Plan. The letter shall request a response by the deadline of the 45-day Notice (hereinafter defined). Meridian Service and Meridian Ranch shall publish notice of their intended merger pursuant to § 32-1-207(3)(b), C.R.S. (the "**45-day Notice**"). If the BOCC either expressly responds stating it has no objection or does not believe the District Merger constitutes a material modification, or fails to respond within the time allowed pursuant to the 45-day Notice, the District Merger may proceed. If the BOCC determines that the proposed District Merger does constitute a "material modification", then the Districts shall not proceed further with either the Inclusion or the Dissolution until they have obtained approval from the BOCC of such material modification. In such event, the Districts shall cooperate in good faith to respond to the BOCC, as may be appropriate, based on the nature of the issues raised by the BOCC.

2.2. Meridian Ranch Debt Obligations. Meridian Ranch and the Subdistrict maintain ongoing debt obligations. Meridian Ranch is party to that certain Loan Agreement between Meridian Ranch and Key Government Finance, Inc., dated December 14, 2022 for a principal amount of \$57,195,000.00 ("**2022 Loan**"). In addition, the Subdistrict has issued General Obligation Limited Tax Bonds, Series 2022 in the maximum principal amount of \$25,000,000.00 ("**Subdistrict Bonds**") (collectively with the 2022 Loan, the "**Debt Obligations**"). All of the property currently within the boundaries of Meridian Ranch boundaries is obligated to repay the 2022 Loan ("**Loan Properties**") and only those properties within the boundaries of the Subdistrict are obligated to repay the Subdistrict Bonds ("**Bond Properties**"). The Parties contemplate that, in connection with the implementation of the District Merger, Meridian Ranch and the Subdistrict would assign to Meridian Service (and potentially a newly created Meridian Service Subdistrict if

necessary), and Meridian Service would assume, all of Meridian Ranch's and the Subdistrict's rights, duties, and obligations under the Debt Obligations, including being substituted as the obligor for Meridian Ranch and the Subdistrict, as the case may be; provided however, that the principal of and interest on the 2022 Loan shall continue to be paid solely through the levy and collection of a debt mill levy on the Loan Properties, and that the principal of and interest on the Subdistrict Bonds shall continue to be paid solely through the levy and collection of a debt mill levy on the Bond Properties. The Parties do not intend or desire that any property existing within Meridian Service's boundaries as of the Effective Date shall be responsible to pay any portion of the Debt Obligations. Meridian Ranch has engaged qualified consultants to evaluate and provide a formal opinion on the process, including but not limited to any and all required approvals/consent of the lender and/or bond holders, as well as the legality under applicable law and under the loan/bond documents, the cost of Meridian Ranch's and the Subdistrict's proposed assignment to Meridian Service, and Meridian Service's assumption of the Debt Obligations, as described herein, and any steps that must be completed to effect the assignment (the "**Meridian Ranch Debt Opinion**"). Meridian Ranch shall provide Meridian Service with a copy of the Meridian Ranch Debt Opinion as soon as it is completed. Upon receipt, Meridian Service shall have a reasonable period of time to have its own qualified consultants review the Meridian Ranch Debt Opinion and the underlying issues addressed in the Meridian Ranch Debt Opinion, and to prepare an opinion on such issues for Meridian Service (the "**Meridian Service Debt Opinion**"). Meridian Service shall provide Meridian Ranch with a copy of the Meridian Service Debt Opinion as soon as it is completed. As part of the evaluation of the Meridian Ranch Debt Opinion and the Meridian Service Debt Opinion, the Districts shall consider whether, if it is not practical or feasible to assign the Debt Obligations to Meridian Service as part of District Merger, that Meridian Ranch and the Subdistrict shall remain in existence for the sole purpose of retiring the Debt Obligations pursuant to § 32-1-702(3)(c), C.R.S. If the Parties agree that Meridian Ranch and the Subdistrict will remain in existence to retire the Debt Obligations, Meridian Ranch shall request that the court order contemplated as part of the below-described dissolution process provide that all then-existing directors of Meridian Ranch remain in office for the sole purpose of certifying mill levies necessary to retire the Debt Obligations pursuant to § 32-1-707(2)(a), C.R.S.

2.3. Disclosure. Within fourteen (14) days of the Effective Date, Meridian Ranch and the Subdistrict shall provide to Meridian Service a listing of all of their respective assets, contracts and liabilities, as well as copies of all underlying documentation reflecting such assets, contracts and liabilities.

2.4. Community Outreach. If, after completion of the processes outlined in Sections 2.1 through 2.3, above, each of the Districts believes that the District Merger appears feasible and desirable, the Parties shall work in good faith to jointly develop and hold a reasonable number of community events and to distribute communications to provide information on the proposed District Merger process, including but not limited to the expected ballot measures on the Inclusion and the Dissolution and impacts of the merger process. The Parties agree that there should at least be one (1) community-wide event and one (1) mailed and/or emailed informational communication sent to the eligible electors of Meridian Ranch, in addition to any statutorily required notices or public hearings necessary to complete the merger process.

**3. IMPLEMENTATION.** After completion of the Feasibility Diligence Activities outlined in Section 2, above, the Districts shall discuss the results of the process and consider in good faith

whether any amendments to this Agreement are necessary. Provided that each of the Districts believes that the District Merger appears feasible and desirable, the Parties shall work in good faith to jointly complete the following steps to implement the District Merger:

3.1. Inclusion. As soon as is reasonably practical, the Board of Directors of Meridian Service shall commence the process to provide notice and promptly hold a hearing on a resolution for inclusion of all of the property within the boundaries of Meridian Ranch, including the Subdistrict, into Meridian Service (the “**Inclusion Resolution**”). Any Inclusion Resolution shall provide that the Inclusion is contingent on approval of the Dissolution. Promptly following approval of the Inclusion Resolution, Meridian Service shall present an order to the El Paso County District Court requesting that the Court call for an election of the eligible electors within the current boundaries of Meridian Ranch to occur at the next possible election, on the question of such inclusion (hereinafter this process carried to its completion shall be referred to as “**Inclusion**”). The election measure shall be substantially in the form as reflected in the attached **Exhibit A**. All of the steps set forth herein shall be completed in accordance with the requirements of Part 4, Article 1, Title 32, C.R.S.

3.2. Dissolution. As soon as is reasonably practical, the Board of Directors of Meridian Ranch shall commence the process to approve the dissolution of Meridian Ranch, including the Meridian Ranch 2018 Subdistrict, and to hold a vote of the Board of Directors of Meridian Ranch on a resolution for dissolution (the “**Dissolution Resolution**”). Any Dissolution Resolution shall provide that the Dissolution is contingent on approval of the Inclusion. Any Dissolution Resolution shall also include appropriate terms concerning how the Debt Obligations will be addressed. Promptly following approval of the Dissolution Resolution, Meridian Ranch shall present a petition to the El Paso County District Court requesting a hearing and that the Court call for an election of the eligible electors within the current boundaries of Meridian Ranch to occur at the next possible election, on the question of such dissolution (hereinafter this process carried to its completion shall be referred to as “**Dissolution**”). The election measure shall be substantially in the form as reflected in the attached **Exhibit B**. All of the steps set forth herein shall be completed in accordance with the requirements of Part 7, Article 1, Title 32, C.R.S. Meridian Service shall reasonably cooperate in the Dissolution process, including, without limitation, entering an appearance as required pursuant to § 32-1-704(1), C.R.S.

3.3. Contingencies. A number of things must occur for the District Merger to be completed following the completion of the Feasibility Diligence Activities. Accordingly:

3.3.1. The Parties shall stay all further efforts to pursue the District Merger in the event any of the following occurs, at which time, the Parties shall meet to determine any necessary amendments to this Agreement to achieve the District Merger or to determine if this Agreement should be mutually terminated:

3.3.1.1. Meridian Service fails to approve the Inclusion Resolution in a form reasonably agreed to by Meridian Ranch;

3.3.1.2. The El Paso County District Court declines to order an inclusion election consistent with the Inclusion Resolution;

3.3.1.3. The eligible electors of Meridian Ranch fail to approve the Inclusion at the same election at which the Dissolution is approved;

- 3.3.1.4. Meridian Ranch fails to approve the Dissolution Resolution in a form reasonably agreed to by Meridian Service;
- 3.3.1.5. The El Paso County District Court declines to order a dissolution inclusion election consistent with the Dissolution Resolution; or
- 3.3.1.6. The eligible electors of Meridian Ranch fail to approve the Dissolution at the same election at which the Inclusion is approved;
- 3.3.2. The Parties shall stay all further efforts to pursue the District Merger in the event that any legal action is filed to challenge any component of the District Merger, including, without limitation, any action pursuant to § 32-1-207 to enjoin any component of the District Merger as a material modification of either of the Service Plans. The Parties shall reasonably cooperate with each other in connection with any such legal action. All District Merger efforts shall remain stayed until such legal action is fully and finally resolved, whether by settlement or exhaustion of all available appeals.

**4. COORDINATION AND COOPERATION IN DISTRICT MERGER EFFORTS.** Except as otherwise provided herein:

- 4.1. Documentation. Meridian Ranch, shall produce the documentation necessary or desirable in the opinion of Meridian Service for completion of the Inclusion and the Dissolution, including agreements, resolutions, notices, election materials (except to the extent prepared by the Clerk and Recorder), and property transfer documents.
- 4.2. Access to Records. Meridian Ranch shall provide to Meridian Service unlimited access to records, including but not limited to, all accounting records maintained either by Meridian Ranch or any of its consultants. Where necessary, Meridian Ranch, or appropriate representatives connected therewith, shall execute such documents, provide such authorizations, and take such actions as are required to allow the full and unrestricted access contemplated by this section. Any records required by Meridian Ranch for consideration of any of the components of this Agreement shall likewise be timely provided to Meridian Ranch by Meridian Service.
- 4.3. Costs. Meridian Ranch has agreed to bear the costs for efficiently completing the Inclusion and Dissolution. However, the Parties agree to cooperate in good faith in identifying efficiencies and cost-savings in this process, where possible.
- 4.4. Timetable. The Parties agree to the extent practicable to jointly cooperate to complete tasks as needed, to complete the District Merger in a reasonably timely manner. The goal is to complete the District Merger by January 1, 2026.

**5. IMPLEMENTATION OF DISTRICT MERGER.** Following certification of a successful Inclusion and Dissolution election as contemplated in Section 3, above, the Districts shall cooperate to implement the District Merger as follows:

- 5.1 Real Property. Meridian Ranch and the Subdistrict will promptly transfer and convey to Meridian Service, via bill of sale, all of their respective rights, title, and interest in assets or property owned by Meridian Ranch and/or the Subdistrict. Meridian Ranch

and the Subdistrict will execute and deliver to Meridian Service a Quit Claim deed conveying each of their respective rights, title and interests in and to any real property owned by Meridian Ranch or the Subdistrict, including but not limited to all real property owned in fee and all easements. All such real property shall be conveyed free and clear of liens, but without any warranty whatsoever as to title.

5.2 Motor Vehicles, Equipment, Furnishings and Tools. Meridian Ranch and the Subdistrict agree to execute documents of title and bills of sale to Meridian Service for all tangible personal property owned by Meridian Ranch, including but not limited to all motor vehicles, equipment, furnishings and tools. If any such property is subject to a lease-purchase agreement, Meridian Ranch or the Subdistrict, as the case may be, shall take the necessary steps to gain the lessor's permission to assign the lease-purchase agreement(s) to Meridian Service or to pay off the lease-purchase agreement(s) in full and transfer clear title to Meridian Service.

5.3 Funds. A portion of the cash which Meridian Ranch anticipates will be on hand as of the date of the entry of an Order of Inclusion will be necessary to pay then current liabilities. Upon entry of an Order of Inclusion, Meridian Ranch and the Subdistrict, shall set aside sufficient funds to pay all of their respective then-current liabilities through the end of the fiscal year in which the Inclusion and the Dissolution are completed. As of the end of that fiscal year, all remaining funds, if any, of Meridian Ranch and the Subdistrict, will be delivered to Meridian Service to be used as hereinafter provided.

5.4 Legal Proceedings. Meridian Service will enter its appearance and substitute itself as a party in all legal proceedings to which Meridian Ranch or the Subdistrict is currently a party .

5.5 Liabilities. Meridian Service will assume all of the liabilities of Meridian Ranch and the Subdistrict that do not constitute a multi-year financial obligation under Article X, Sec. 20 of the Colorado Constitution. The foregoing notwithstanding, Meridian Ranch and the Subdistrict agree to take reasonable steps to conclude all contractual obligations or similar liabilities prior to the end of the fiscal year in which the Inclusion and the Dissolution are completed.

5.6 Financial Plan and Services. The Parties agree to take any further action necessary to finalize: (i) Meridian Service's assumption of the non-multiple fiscal year financial obligations and contractual obligations of Meridian Ranch and/or the Subdistrict that are not terminated as of the end of the then-current fiscal year, and (ii) Meridian Service's assumption of financial responsibility for the continuation of all services within Meridian Ranch's territorial boundaries. Meridian Service shall provide service to the included Meridian Ranch service area. Such service will be based on the asset and property transfers contained in this Agreement, as well as the continued collection of necessary mill levies on the Loan Properties for payment of the 2022 Loan and mill levies on the Bond Properties for payment of the Subdistrict Bonds to satisfy the Debt Obligations.

5.7 Board of Directors. The Meridian Service Board of Directors agrees that two then-current Meridian Service Directors will voluntarily resign, and that two then-current Meridian Ranch Directors will be appointed by the remaining Meridian Service Board members pursuant to § 32-1-905(2), C.R.S. As part of this Board adjustment, Meridian Service agrees that current Director Wayne Reorda shall be one of the three remaining

Meridian Service Board members.

**6. CONSENT AND JOINDER OF SUBDISTRICT.** The Subdistrict expressly consents to this Agreement and joins in it to the fullest extent applicable. The Parties and the Subdistrict acknowledge that the various steps set forth herein may be subject to necessary modification if it is determined that the creation of a Meridian Service Subdistrict is necessary for debt transfer, taxing or any other purpose.

**7. MISCELLANEOUS PROVISIONS.** This Agreement shall be subject to the following miscellaneous provisions.

7.1. Notices. Any notice required hereunder shall be in writing and shall be sufficient if deposited in the United States mail, postage prepaid to:

<u>Meridian Ranch:</u>	<u>Meridian Service:</u>
Meridian Ranch	Meridian Service
Metropolitan District	Metropolitan District
Attn: Board President	Attn: Board President
P.O. Box 130	P.O. Box 130
Meridian Service, CO	Meridian Service, CO
80543	80543

7.2. Consent. Whenever any provision of this Agreement requires consent or approval of the Parties, the same shall not be unreasonably withheld.

7.3. Amendments. This Agreement may only be amended in writing, as required, by the Parties in furtherance of the purposes of this Agreement.

7.4. Severability. In the event any provision of this Agreement is determined to be illegal or invalid for any reason, all other provisions of this Agreement shall remain in full force and effect unless and until otherwise determined. The illegality of any provision of this Agreement shall in no way affect the legality and enforceability of any other provision of the Agreement.

7.5. Successors. This Agreement shall be binding upon and shall inure to the benefit of the successors of the Parties.

7.6. Assignment and Delegation. No party shall assign any of the rights or delegate any of the duties created by this Agreement without the written consent of the Parties.

7.7. No Third-Party Beneficiaries. This Agreement is made for the exclusive benefit of the Parties hereto and shall not be construed to be an agreement for the benefit of any third party or parties and no third party shall have a right of action hereunder for any cause whatsoever.

7.8. Transfer Documentation. The Parties hereby agree to execute any and all leases, conveyances, amendments and any other documents necessary to effectuate the transfer of all assets and property.

[Signature Page Follows]



**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be signed on the date(s) indicated.

**MERIDIAN SERVICE METROPOLITAN DISTRICT**

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

**MERIDIAN RANCH METROPOLITAN DISTRICT**

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

**IN WITNESS WHEREOF**, the Subdistrict consents to and joins in this Agreement to the fullest extent applicable, and causes this Agreement to be signed on the date indicated.

**MERIDIAN RANCH 2018 SUBDISTRICT**

By: \_\_\_\_\_  
President

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Secretary

**EXHIBIT A**  
(Proposed Inclusion Measure)

Inclusion Measure for Meridian Ranch:

Meridian Service Metropolitan District Ballot Question \_\_\_  
(For Meridian Ranch Metropolitan District Voters)

If and only if voters approve the Meridian Ranch Metropolitan District Ballot Question \_\_\_ at the same election at which this Ballot Question is addressed, shall the following described area become a part of the Meridian Service Metropolitan District upon the following conditions?

Description of Area: All real property located within Meridian Ranch Metropolitan District's boundaries, including the Meridian Ranch 2018 Subdistrict.

Summary of Conditions:

1. The maximum total combined mill levy Meridian Service Metropolitan District and Meridian Ranch Metropolitan District may assess, as permitted by the current Service Plans of Meridian Service Metropolitan District and Meridian Ranch Metropolitan District, is 50 mills, adjusted to take into account legislative or constitutionally imposed adjustments in assessed values or the method of their calculation since the year 2000;
2. The proposed inclusion is subject to the terms and conditions of the Pre-Inclusion Intergovernmental Agreement between Meridian Service Metropolitan District and Meridian Ranch Metropolitan District effective \_\_\_\_\_, 2025; and
3. The proposed inclusion is expressly contingent on the approval by the registered electors of Meridian Ranch Metropolitan District of a ballot measure approving dissolution of the Meridian Ranch Metropolitan District, which approval must occur in the same election as the approval of the inclusion.

YES/FOR INCLUSION

NO/AGAINST INCLUSION

**EXHIBIT B**  
(Proposed Dissolution Measure)

Dissolution Measure for Meridian Ranch:

Meridian Ranch Metropolitan District Ballot Question \_\_

If and only if voters approve the Meridian Service Metropolitan District Ballot Question \_\_ at the same election at which this Ballot Question is addressed, shall the Meridian Ranch Metropolitan District (including the Meridian Ranch 2018 Subdistrict) be dissolved pursuant to the court approved Petition and Plan for Dissolution?

Summary of Conditions:

1. The proposed dissolution is subject to the terms and conditions of the Pre-Inclusion Intergovernmental Agreement between Meridian Service Metropolitan District and Meridian Ranch Metropolitan District effective \_\_\_\_\_, 2025; and
2. The proposed dissolution is expressly contingent on the approval by the registered electors of Meridian Ranch Metropolitan District of a ballot measure approving inclusion of the property currently within the boundaries of the Meridian Ranch Metropolitan District into Meridian Service Metropolitan District, which approval must occur in the same election as the approval of the Dissolution.

YES/FOR DISSOLUTION

NO/AGAINST DISSOLUTION



**April 9, 2025**

Mr. Ryan Kozlowski  
Recreation Operations Manager  
Falcon Freedom Days  
Meridian Ranch Metro District  
11886 Stapleton Drive  
Falcon, CO 80831

**Dear Ryan,**

Thank you for taking the time to speak with me the other day—funny how we were discussing fireworks in the snow, and now it's 70 degrees out! As discussed, I've enclosed the proposed *Fireworks Production Contract* for your review. We appreciate your understanding regarding pricing adjustments due to increased costs from suppliers, insurance rate hikes, and new tariffs. Hopefully, these level out soon.

This contract includes:

- \$5,000,000 Fireworks Liability Insurance (certificate attached), naming all required additional insureds
- A certified pyrotechnic crew for load-in, firing, and load-out
- All necessary permits, including the \$500 application through your fire authority
- Delivery and coordination with fire and security personnel

Our operators are covered by Colorado workers' compensation insurance. We'll submit last year's documentation, along with the new permit application, to your fire authority and coordinate all logistics for safety and compliance. The show will remain a 15-minute performance, designed to maintain energy and intensity throughout. Cheryl Davis will send the insurance certificate shortly.

We're honored to produce fireworks for Falcon Freedom Days again this year. Our team is committed to delivering a show that is creative, unique, and tailored to your site. We will also produce a custom music arrangement around which I'll design the pyrotechnics. Please feel free to contact us with any questions.

Respectfully,

Jim Burnett  
**WESTERN ENTERPRISES, INC.**



**Western Enterprises, Inc.**

**Pyrotechnic Production Proposal**

**Meridian Ranch  
Falcon, Colorado  
June 28, 2025**

**Attn: Mr. Ryan Kozlowski  
MERIDIAN RANCH METROPOLITAN DISTRICT**

# **FIREWORKS PRODUCTION CONTRACT**

1. This Fireworks Production Contract (“Contract”) is entered into this \_\_\_ day of \_\_\_\_\_, 20\_\_\_ by and between **WESTERN ENTERPRISES, INC.**, designated herein as the “**SELLER**” and **MERIDIAN SERVICE METROPOLITAN DISTRICT** designated herein as the “**PURCHASER**” for a musically-choreographed fireworks display that will be held on **JUNE 28, 2025**.
2. **SELLER** will secure, prepare and deliver said fireworks display as outlined, or will make necessary substitutions of equal or greater value. **SELLER** will include the services of a certified Pyrotechnic Operator (“Operator”) to take charge of, set up and fire the display, along with such help as he deems necessary to perform the fireworks display safely (“Assistant(s)”), and in accordance with such Federal, State or Local laws that might be applicable.
3. **SELLER** shall submit a Fireworks Display Permit Application with the Falcon Fire Protection District within fourteen days of the execution of this Contract and will pay the applicable permit application fee.
4. **SELLER** shall be responsible for any damage caused to any person or property by virtue of the fireworks display. **SELLER** agrees to defend, indemnify and hold harmless **PURCHASER** from any and all claims arising from or in any way directly related to the fireworks display. In the event of any breach of this Contract, or any failure on behalf of the **SELLER** to defend, indemnify and hold harmless **PURCHASER**, **PURCHASER** shall be entitled to any and all legal and/or equitable remedies.
5. **SELLER** agrees to execute the Illegal Alien Workers Addendum attached hereto and incorporated herein.
6. **SELLER** agrees that the Operator and Assistant(s) are to check the display area after the presentation of the fireworks display for any “duds” or other material, which might not have ignited. Any such material, found by any person other than the Operator, shall be turned over to the Operator for safekeeping or disposal of said material.
7. **PURCHASER** will furnish the secured minimum safety distances established by the **SELLER** after an on-site inspection of the proposed firing location. **PURCHASER** will provide adequate police protection, Security (Monitors) around the firing line perimeter, and, and/or other adequate security to maintain these distances. **PURCHASER** also agrees to have a fire truck available on location during the display, provide sand for set-up, front-end loader for set-up, and security during time of set-up and show firing.
8. A Certificate of Insurance covering the fireworks display will be provided by the **SELLER** upon signing of the contract, for coverage in the amount of **FIVE MILLION DOLLARS (\$5,000,000.00)** broad form, bodily injury, property damage liability and comprehensive automobile liability Combined Single Limit. Pyrotechnic operators for **SELLER** are covered by statutory limits for Workers Compensation Coverage. Those entities/individuals listed on the certificate of insurance shall be deemed as additional insured per this contract.
9. It is agreed and understood that the **PURCHASER** will pay the **SELLER** the sum of **TWENTY-SIX THOUSAND TWO HUNDRED FIFTY DOLLARS & NO/100 (\$26,250.00)** to be paid as follows: **40% (\$10,500.00)** of the purchase price will be paid by **PURCHASER** at the time of signing this contract. The balance of the purchase price will be paid within fifteen (15) days after the date of the display. Unpaid accounts are subject to one percent (1%) interest charge per month after fifteen days.

10. In the event of inclement weather or other adverse conditions, so as to cause postponement of the fireworks display it is agreed and understood that **PURCHASER** will notify **SELLER** regarding the postponement date, normally the following night, or at some future date within the calendar year. If the **PURCHASER** will not re-schedule the display within the calendar year, or completely cancels the fireworks display, the **PURCHASER** agrees that **SELLER** will retain the Forty percent (**40%**) payment described in paragraph #9 as full payment for cancellation of the fireworks display. It is understood and agreed that **SELLER** shall be solely responsible for failure of the performance of the fireworks display for any reason under **SELLERS** control and shall refund all monies previously paid by the **PURCHASER** in the event of any such failure.

11. This Contract constitutes the whole agreement between the parties and no additional or different oral representation, promise or agreement shall be binding on any of the parties hereto with respect to the subject matter of this Contract.

12. Except as otherwise provided herein, this Contract may be modified, altered, amended or terminated only by written agreement of all of the parties hereto.

13. In the event that legal action is instituted to enforce any of the provisions of this Contract, the prevailing party shall recover from the losing party its reasonable attorneys' fees and court costs.

14. The parties hereto understand and agree that the **PURCHASER** is relying on and does not waive or intend to waive by this Contract or any provision hereof, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. Section 24-10-101, et seq., as from time to time amended, or otherwise available to the **PURCHASER**.

15. Witness whereof, we have caused our signatures to be affixed to this Contract, on this \_\_\_ day of \_\_\_\_\_, 20\_\_.

**WESTERN ENTERPRISES, INC.**  
SELLER

**MERIDIAN SERVICE**  
**METROPOLITAN DISTRICT**  
PURCHASER

\_\_\_\_\_  
BY: \_\_\_\_\_  
ITS: \_\_\_\_\_

\_\_\_\_\_  
BY: \_\_\_\_\_  
ITS: President \_\_\_\_\_

**ADDENDUM**

Western Enterprises, Inc. ("Contractor"), a party to the contract entered into on \_\_\_\_\_, 20\_\_ with the Meridian Service Metropolitan District ("Contract") hereby agrees to comply with the requirements of this Addendum as a requirement of the Contract.

**Illegal Alien Workers.** The Contractor shall comply with any and all federal, state and local laws, rules and regulations regarding the hiring of employees and retention of subcontractors, including without limitation Section 8-17.5-101 *et seq.*, C.R.S. The Contractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract or contract with a sub-contractor who (a) knowingly employs or contracts with an illegal alien to perform work under the Contract, or (b) fails to certify to the Contractor that the subcontractor will not knowingly employ or contract with an illegal alien to perform work under the Contract.

The Contractor hereby certifies that it does not knowingly employ or contract with an illegal alien. The Contractor shall participate in either the E-Verify Employment Verification Program administered by the United States Department of Homeland Security ("E-Verify Program") or the State's Department Program established pursuant to C.R.S. 8-17.5-102(5)(c) to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the Contract. The Contractor shall not utilize the E-Verify Program or the Department Program procedures to independently undertake pre-employment screening of job applicants.

The Contractor shall require each subcontractor to certify that subcontractor will not knowingly employ or contract with an illegal alien to perform work under the Contract. If Contractor obtains actual knowledge that a subcontractor performing work under the Contract knowingly employs or contracts with an illegal alien, Contractor shall be required to: (a) notify the subcontractor and the Company within three (3) days that Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and (b) terminate the subcontract with the subcontractor if within three (3) days of receiving notice from Contractor, the subcontractor does not stop employing or contracting with the illegal alien; except that Contractor shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien. Contractor shall comply with any reasonable request by the Colorado Department of Labor and Employment ("Department") made in the course of an investigation by the Department pursuant to Section 8-17.5-102(5), C.R.S.

In addition to any other legal or equitable remedy Meridian Service Metropolitan District (the "District") may be entitled to for a breach of the Contract, if the District terminates the Contract, in whole or in part, due to the Contractor's breach of any of this Addendum, the Contractor shall be liable for actual and consequential damages of the District resulting from such termination, and the District shall report such violation by the Contractor to the Colorado Secretary of State as required by law.

Executed this \_\_\_ day of \_\_\_\_\_, 2025.

**WESTERN ENTERPRISES, INC.**  
SELLER

**MERIDIAN SERVICE**  
**METROPOLITAN DISTRICT**  
PURCHASER

\_\_\_\_\_  
  
BY: \_\_\_\_\_  
ITS: \_\_\_\_\_

\_\_\_\_\_  
  
BY: \_\_\_\_\_  
ITS: \_\_\_\_\_





April 10, 2025

**FALCON FREEDOM DAYS  
FALCON, COLORADO  
JUNE 28, 2025**

Mr. Ryan Kozlowski  
Recreation Operations Manager  
11886 Stapleton Drive  
Falcon, Colorado 80831  
Phone: 719-495-7119  
[ryan.k@meridanservice.org](mailto:ryan.k@meridanservice.org)

**\* \* \* *PYROTECHNIC PRODUCTION PROPOSAL* \* \* \***

*As a beginning declaration, the following program proposal details a combination of the very best pyrotechnic products available. All ideas, concepts and itemized product listing in this proposal are deemed confidential, intended solely for the client's review, and should not be disseminated to anyone other than the client.*

Western Enterprises, Inc. is honored to have the opportunity to submit this pyrotechnic production program for the “**2025 FALCON FREEDOM DAYS**” **Fireworks Spectacular on June 29<sup>th</sup>**. We understand the importance of this significant event to the **MERIDIAN RANCH AREA** and we can assure you that Western Enterprises, Inc. is committed to staging an evening of pyrotechnic "magic" for your audience.

Western Enterprises, Inc. is very proud of the fact that we are able to provide our clientele with the utmost highest quality pyrotechnic products in our entire industry. And with our ability to intersperse specialized products that are American-Made, we are able to showcase premier products that are quite unlike any others in the industry. We have had the privilege to premier our products in numerous **International Fireworks Competitions** and it will be a privilege for us to stage these products for your event.

**Having provided you with the above information, we need to confirm several elements that are important to your production.**

**TO: MR. RYAN KOZLOWSKI**  
**CLIENT: FALCON FREEDOM DAYS at MERIDAN RANCH**  
**DATE: JUNE 28, 2025**  
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**1. PLANNING CONSIDERATIONS.** The following factors must be considered to assure the success of this production.

- a. **Duration.** The duration of this display will be determined through an agreement between the client and Western Enterprises, but it is tentatively scheduled to be 15-minutes in duration.
- b.
- c. **Musical Accompaniment.** This performance is scheduled to be staged to a special musical arrangement, which Western Enterprises will produce a music medley for your event that you can coordinate a simulcast with a radio station and/or play over a social media platform in coordination during the fireworks display.
- c. **Permits.** All fireworks permits, clearances and other documentation regarding the pyrotechnics; whether federal, state or municipal, is the responsibility of Western Enterprises, Inc.
- d. **Preliminary Meetings.** Upon approval of the contract by the **SPONSOR**, our associate Mike Carlisle will meet with representatives of Meridian Ranch to discuss the safety parameters of the event as they pertain to ensuring the minimum safety distance factors from spectators and parking areas are adequately secured. It is the responsibility of the **SPONSOR** to provide adequate security personnel to maintain these distances to ensure the safety of spectators.
- e. **Labor.** Western Enterprises, Inc. will provide a crew of certified pyrotechnic operators to handle the “load-in, firing and load-out” of the fireworks.
- f. **Insurance.** All insurance requirements will be provided, including; \$5,000,000 Display coverage for Broad Form, Contractual, Bodily Injury and Property Damage, and \$5,000,000 liability coverage for all vehicles hauling explosives. Colorado State Worker's Compensation coverage on all Western Enterprises' technicians.

**2. MUSIC REQUIREMENTS.** This pyrotechnic performance will be designed, choreographed and fired to a special music arrangement. Western Enterprises, Inc. will produce a special music arrangement for your production at no additional charge. This music would be pre-approved by the Client. Our design choreographer will design and choreograph the pyrotechnics to the pre-recorded music and our music engineer, Steve Linn, will contact the Sound Contractor for the **CLIENT** to coordinate the timing and synchronization of the music.

**3. GENERAL OVERVIEW OF PERFORMANCE.** Your production requires a tremendous amount of time and artistic talent to make it distinctive and unique. Color combinations and effects are blended together to complement each other in the sky during the performance. Each and every shell is coordinated so that every aerial shell will actually break in the sky precisely at the intended moment. This performance will showcase a wide variety of pyrotechnic products from around the world. We are very excited about the new designer shells we will be staging in your production!

**Some of our designer aerial shells that will be showcased this year are:** *Crackling Flowers with Crossettes, Criss-Cross Rings, Orange Strobes, Multi-layer Pastel Umbrellas, Magic Peonies, Umbrella Brocades, Color Changing Crossettes, Whirling Flower Rings w/strobe pistils Brocade Butterflies w/jeweled tip wings, Brocade Diadem Rings w/Strobe Pistils, Crackling Coconut Palm Trees and Variegated Dancing Bees.*

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As in any performance, your "**GRAND AERIAL FINALE**" will provide the most dramatic portion of the display, because as in any production, "*you save your best until the last*"! Your signature "Grand Finale" will be fired in the following sequence beginning with a barrage of **Red Flower Shells**, followed by a barrage of **Silver Flower Shells**, followed by a barrage of **Blue Flower Shells**, followed by a barrage of luxurious cascading **Golden Brocade Kimuro Mums**, which is ultimately climaxed by a thunderous barrage of reverberating **heavy report bombs** which brings a thrilling conclusion to the "**2025 FALCON FREEDOM DAYS**" AT MERIDIAN RANCH *Fireworks Spectacular!*

*"The sky provides the pyrotechnician's canvas and our art-form is best expressed by how we portray ourselves in the stars"*

**TO: MR. RYAN KOZLOWSKI**  
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**DATE: JUNE 28, 2025**  
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## ***ITEMIZED PRODUCT LISTING***

### **GRAND AERIAL FINALE**

**50 – 3” RED FLOWER SHELLS (5 - 10/3” Red Flower Chains)**  
**50 – 3” SILVER FLOWER SHELLS (5 - 10/3” White Flower Chains)**  
**50 – 3” BLUE FLOWER SHELLS (5 - 10/3” Blue Flower Chains)**  
**50 – 3” GOLD FLOWER SHELLS (5 - 10/3” Gold Flower Chains)**  
**5 – 4” BLUE FLOWER SHELLS (1 – 5/4” Blue Flower Chains)**  
**5 – 4” GOLD FLOWER SHELLS (1 – 5/4” Gold Flower Chains)**  
**1 – 5” SILVER FLOWER SHELLS**  
**1 – 5” BLUE FLOWER SHELLS**  
**1 – 5” GOLD FLOWER SHELLS**

**40 – 2.5” HEAVY REPORT BOMBS (4 – 10/2.5” Salute Chains)**

### **THREE INCH SHELLS (300 Shells)**

**20 - AERIAL SALUTES (Heavy reporting bombs)**

**30 - FANCY STAR SHELLS (*Consisting of:* Ruby, Emerald, Pearl, Blue, Yellow & Purple with Titanium Twinklers & Aluminum Flitter Combinations)**

**75 - ORIENTAL FLOWER PATTERNS (*Consisting of:* Solid Color and Color Changing Chrysanthemums, Peonies & Dahlias)**

**35- PATTERN SHELLS (*Consisting of:* Rings, Double Rings, Willows, etc.)**

**35 – PASTEL COCONUT SHELLS (*Consisting of:* Pastel colors in Cyan, Orange, Pink, Violet, Magenta, Chartreuse, Peach, etc.)**

**35 - DESIGN EFFECT SHELLS (*Consisting of:* Color Crossettes, Brocade Falling Waterfalls, Silver Double Rings w/aqua pistils, Poinsettia Flowers, Hourglass w/core, Crackling Diadem Flowers, Silver Turbulence w/flying stars, Kimuro w/crossette core pistils, Double Crackling Time Flower.)**

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### **THREE INCH SHELLS (continued)**

**35 – PATRIOTIC DESIGNER SHELLS** (*Consisting of:* Red Bees, Blue Bees, Silver Bees, Red Strobes, Silver Strobes, Red w/silver strobes, Blue w/silver strobes, Half Red/Half Flower w/strobe pistils, Blue Crisscross, Red Crisscross, Ruby & Sapphire Meteors, Red Magnesium Crackling Meteors, Blue Magnesium Crackling meteors, etc.)

**35 – SPECIAL-MADE COMPETITION SHELLS** (*Consisting of:* Crossing Flower Rings, Lemon Strobes, Sizzling Comets, Magic Peonies, Umbrella Brocades, Color Changing Crossettes, Whirling Flower Rings w/strobe pistils Brocade Butterflies w/jeweled tip wings, Silver Kimuro Rings w/Pastel Color-Changing Pistils, Crackling Coconut Palm Trees and Variegated Dancing Bees)

### **FOUR INCH SHELLS (215 Shells)**

**20 - FANCY STAR SHELLS** (*Consisting of:* Ruby, Emerald, Pearl, Blue, Yellow & Purple with Titanium Twinklers & Aluminum Flitter Combinations)

**35 - ORIENTAL FLOWER PATTERNS** (*Consisting of:* Solid Color and Color Changing Chrysanthemums, Peonies & Dahlias)

**35 - PATTERN SHELLS** (*Consisting of:* Rings, Double Rings, Willows, etc.)

**35 – PASTEL COCONUT SHELLS** (*Consisting of:* Pastel colors in Cyan, Orange, Pink, Violet, Magenta, Chartreuse, Peach, etc.)

**30 - DESIGN EFFECT SHELLS** (*Consisting of:* Color Crossettes, Brocade Falling Waterfalls, Silver Double Rings w/aqua pistils, Poinsettia Flowers, Hourglass w/core, Crackling Diadem Flowers, Silver Turbulence w/flying stars, Kimuro w/crossette core pistils, Double Crackling Time Flower.)

**30 – PATRIOTIC DESIGNER SHELLS** (*Consisting of:* Red Bees, Blue Bees, Silver Bees, Red Strobes, Silver Strobes, Red w/silver strobes, Blue w/silver strobes, Half Red/Half Flower w/strobe pistils, Blue Crisscross, Red Crisscross, Ruby & Sapphire Meteors, Red Magnesium Crackling Meteors, Blue Magnesium Crackling meteors, etc.)

**30 – SPECIAL-MADE COMPETITION SHELLS** (*Consisting of:* Crossing Flower Rings, Lemon Strobes, Sizzling Comets, Magic Peonies, Umbrella Brocades, Color Changing Crossettes, Whirling Flower Rings w/strobe pistils Brocade Butterflies w/jeweled tip wings, Silver Kimuro Rings w/Pastel Color-Changing Pistils, Crackling Coconut Palm Trees and Variegated Dancing Bees)

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### **FIVE INCH SHELLS (130 Shells)**

**20 - FANCY STAR SHELLS** (*Consisting of:* Ruby, Emerald, Pearl, Blue, Yellow & Purple with Titanium Twinklers & Aluminum Flitter Combinations)

**20 - ORIENTAL FLOWER PATTERNS** (*Consisting of:* Solid Color and Color Changing Chrysanthemums, Peonies & Dahlias)

**20 - PATTERN SHELLS** (*Consisting of:* Rings, Double Rings, Willows, etc.)

**20 – PASTEL COCONUT SHELLS** (*Consisting of:* Pastel colors in Cyan, Orange, Pink, Violet, Magenta, Chartreuse, Peach, etc.)

**20 - DESIGN EFFECT SHELLS** (*Consisting of:* Color Crossettes, Brocade Falling Waterfalls, Silver Double Rings w/aqua pistils, Poinsettia Flowers, Hourglass w/core, Crackling Diadem Flowers, Silver Turbulence w/flying stars, Kimuro w/crossette core pistils, Double Crackling Time Flower.)

**20 – PATRIOTIC DESIGNER SHELLS** (*Consisting of:* Red Bees, Blue Bees, Silver Bees, Red Strobes, Silver Strobes, Red w/silver strobes, Blue w/silver strobes, Half Red/Half Flower w/strobe pistils, Blue Crisscross, Red Crisscross, Ruby & Sapphire Meteors, Red Magnesium Crackling Meteors, Blue Magnesium Crackling meteors, etc.)

**10 – SPECIAL-MADE COMPETITION SHELLS** (*Consisting of:* Crossing Flower Rings, Lemon Strobes, Sizzling Comets, Magic Peonies, Umbrella Brocades, Color Changing Crossettes, Whirling Flower Rings w/strobe pistils Brocade Butterflies w/jeweled tip wings, Silver Kimuro Rings w/Pastel Color-Changing Pistils, Crackling Coconut Palm Trees and Variegated Dancing Bees)

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**INSURANCE ON DISPLAY**

**\$5,000,000 Bodily Injury & Property Damage Insurance, Broad Form and Contractual Coverage.**

**Worker's Compensation coverage on all technicians**

**MISCELLANEOUS EQUIPMENT**

**All electronic firing equipment, mortars, racks and other necessary equipment that is necessary for Western Enterprises, Inc. to stage the fireworks display are supplied with this contract.**

***DELIVERED CONTRACT PRICE - \$26,250.00***