

TO: BOARD OF COUNTY COMMISSIONERS OF EL PASO COUNTY, STATE OF COLORADO

DATE: December 14, 2021

SUBJECT: Preliminary Release of Subdivision Guaranteed Funds.

NAME OF SUBDIVISION: Forest Lakes Fil No 5  
FILE REFERENCE: EGP-19-004

NAME OF DEVELOPER: Classic Companies  
6385 Corporate Dr, Suite 200  
Colorado Springs, CO 80919

ISSUING AGENT: Philadelphia Insurance Companies  
251 S. Lake Avenue, Suite 360  
Pasadena, CA 91105

TYPE OF SECURITY: Subdivision Bond No. PB03010406520

ORIGINAL AMOUNT: \$689,823.65

RELEASE REQUEST AMT: \$557,690.65

COMMISSIONERS:

Release of subdivision guaranteed funds has been requested as above noted. Work embraced by the request has been inspected, and a release of funds in the amount of \$ 557,690.65 is hereby recommended. Contingent upon N/A. Supporting data attached hereto.

APPROVED  
Engineering Department  
11/22/21 10:49 AM  
EPC Planning & Community  
Development Department

Jennifer Irvine, P.E.  
County Engineer

Upon approval, please sign as provided below and authorize the release to the proper audit channel.

RELEASE APPROVED IN THE AMOUNT OF: \$ 557,690.65

DATE: 12/14/21

*Carri B*  
VICE CHAIR OF THE  
BOARD OF COUNTY COMMISSIONERS  
ATTEST: *Charles R. Broerman*  
COUNTY CLERK AND RECORDER

COPIES: TREASURER ✓ FINANCE ✓ DEVELOPMENT SERVICES (2) ✓ DEVELOPER

Supporting Data for Release of Guaranteed Funds

Subdivision: Forest Lakes Fil No 5 File Number: EGP-19-004

Original Amount \$689,823.65

| Date       | Release Type / Reason for Release | Release Amount |
|------------|-----------------------------------|----------------|
| 12/14/2021 | Preliminary Release               | \$557,690.65   |

Released to Date \$557,690.65  
Remaining Balance \$132,133.00

***The release of funds does not imply acceptance. The Developer is responsible to provide a warranty period for the public improvements from the date of the BoCC Preliminary Acceptance.***



# PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

## SUBDIVISION BOND

**Bond No.: PB03010406520**  
**Premium: \$4,311 / One (1) Year**

**Principal Amount: \$689,823.65**

KNOW ALL MEN BY THESE PRESENTS, that we Elite Properties of America, Inc. dba Classic Companies, 6385 Corporate Drive, Suite 200, Colorado Springs, CO 80919 as Principal, and Philadelphia Indemnity Insurance Company, 251 S. Lake Avenue, Suite 360, Pasadena, California, 91105 a Pennsylvania Corporation authorized to transact surety business in the State of Colorado, as Surety, are held and firmly bound unto the Board of County Commissioners of El Paso County, Colorado, 2880 International Circle, Suite 110, Colorado Springs, CO 80910, as Obligee, in the penal sum of Six Hundred Eighty-Nine Thousand Eight Hundred Twenty-Three and 65/100 dollars (\$689,823.65), lawful money of the United States of America, for the payment of which well and truly to be made, we bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, we Elite Properties of America, Inc., dba Classic Companies, 6385 Corporate Drive, Suite 200, Colorado Springs, CO 80919 has agreed to construct in Forest Lakes Subdivision, Filing No. 5, in El Paso County, Colorado, the following improvements: Grading and Erosion Control as outlined on the attached Financial Assurance Form for Forest Lakes Subdivision, Filing No. 5.

NOW, THEREFORE, THE CONDITION OF THIS OBLIGATION IS SUCH, that if the said Principal shall construct, or have constructed, the improvements herein described, and shall save the Obligee harmless from any loss, cost or damage by reason of its failure to complete said work, then this obligation shall be null and void, otherwise to remain in full force and effect, and the Surety, upon receipt of a resolution of the Board of County Commissioners of El Paso County indicating that the improvements have not been installed or completed, will complete the improvements or pay to El Paso County such amount up to the Principal amount of this Bond which will allow El Paso County to complete the improvements.

Upon approval by the Board of County Commissioners of El Paso County, this instrument may be proportionately reduced as the public improvements are completed.

In the event of any legal proceeding under this Subdivision Bond, this Subdivision Bond shall be governed by, and interpreted in accordance with, the laws of the State of Colorado. Jurisdiction and venue shall be in the District Court in and for El Paso County, Colorado.

PROVIDED FURTHER, that the said Surety hereby stipulates and agrees that no change, extension of time, alteration or addition to the terms of the Financial Assurance Form, or the work to be performed thereunder, or the Specifications and Plans accompanying the same or incorporated by reference into such Financial Assurance Form, shall in anywise affect its obligation on this Bond and it does hereby waive notice of any change, extension of time, alteration or addition to the terms of the Financial Assurance Form, or to the work, or to the Specifications and Plans.

EPCDSD File # \_\_\_\_\_



# PHILADELPHIA INSURANCE COMPANIES

A Member of the Tokio Marine Group

Bond No. PB03010406520  
Page Two (2)

Signed, sealed and dated this 4th day of December, 2019.

Elite Properties of America, Inc.  
dba: Classic Companies

Philadelphia Indemnity Insurance Company

Principal

Surety

By: *Amal M. Memon, CFO*

By: *Michelle Haase*  
Michelle Haase

Title: CFO

Title: Attorney-in-Fact

*Christine R. Wise*

CHRISTINE L WISE  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID # 19974021715  
MY COMMISSION EXPIRES DECEMBER 2, 2021

EPCDSD File # \_\_\_\_\_

# ALL-PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California }

County of Orange }

On DEC 04 2019 before me, M. Barreras, Notary Public  
(Here insert name and title of the officer)

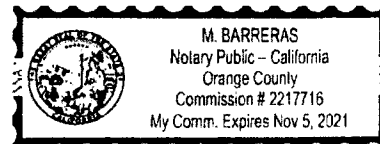
personally appeared Michelle Haase,  
who proved to me on the basis of satisfactory evidence to be the person(s) whose  
name(s) is/~~are~~ subscribed to the within instrument and acknowledged to me that  
~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity(~~ies~~), and that by  
~~his~~/her/~~their~~ signature(~~s~~) on the instrument the person(s), or the entity upon behalf of  
which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that  
the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

M. Barreras  
Notary Public Signature

(Notary Public Seal)



### ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT  
Bond PB03010406520  
(Title or description of attached document)

El Paso County  
(Title or description of attached document continued)

Number of Pages 2 Document Date 12/4/19

### CAPACITY CLAIMED BY THE SIGNER

- Individual (s)  
 Corporate Officer
- \_\_\_\_\_  
(Title)
- Partner(s)  
 Attorney-in-Fact  
 Trustee(s)  
 Other \_\_\_\_\_

### INSTRUCTIONS FOR COMPLETING THIS FORM

*This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.*

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. ~~he~~/she/~~they~~, is /~~are~~) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
  - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
  - ❖ Indicate title or type of attached document, number of pages and date.
  - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

PHILADELPHIA INDEMNITY INSURANCE COMPANY  
One Bala Plaza, Suite 100  
Bala Cynwyd, PA 19004-0950

Power of Attorney

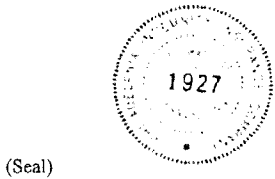
KNOW ALL PERSONS BY THESE PRESENTS: That PHILADELPHIA INDEMNITY INSURANCE COMPANY (the Company), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, does hereby constitute and appoint JANINA MONROE, THOMAS G MCCALL, TIMOTHY J NOONAN, MICHELLE HAASE AND MARTHA BARRERAS OF LOCKTON COMPANIES, LLC its true and lawful Attorney-in-fact with full authority to execute on its behalf bonds, undertakings, recognizances and other contracts of indemnity and writings obligatory in the nature thereof, issued in the course of its business and to bind the Company thereby, in an amount not to exceed \$25,000,000.00

This Power of Attorney is granted and is signed and sealed by facsimile under and by the authority of the following Resolution adopted by the Board of Directors of PHILADELPHIA INDEMNITY INSURANCE COMPANY on the 14<sup>th</sup> of November, 2016.

**RESOLVED:** That the Board of Directors hereby authorizes the President or any Vice President of the Company: (1) Appoint Attorney(s) in Fact and authorize the Attorney(s) in Fact to execute on behalf of the Company bonds and undertakings, contracts of indemnity and other writings obligatory in the nature thereof and to attach the seal of the Company thereto; and (2) to remove, at any time, any such Attorney-in-Fact and revoke the authority given. And, be it

**FURTHER RESOLVED:** That the signatures of such officers and the seal of the Company may be affixed to any such Power of Attorney or certificate relating thereto by facsimile, and any such Power of Attorney so executed and certified by facsimile signatures and facsimile seal shall be valid and binding upon the Company in the future with respect to any bond or undertaking to which it is attached

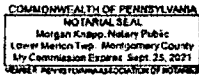
IN TESTIMONY WHEREOF, PHILADELPHIA INDEMNITY INSURANCE COMPANY HAS CAUSED THIS INSTRUMENT TO BE SIGNED AND ITS CORPORATE SEAL TO BE AFFIXED BY ITS AUTHORIZED OFFICE THIS 27<sup>TH</sup> DAY OF OCTOBER, 2017.



(Seal)

Robert D. O'Leary Jr., President & CEO  
Philadelphia Indemnity Insurance Company

On this 27<sup>th</sup> day of October, 2017, before me came the individual who executed the preceding instrument, to me personally known, and being by me duly sworn said that he is the therein described and authorized officer of the PHILADELPHIA INDEMNITY INSURANCE COMPANY, that the seal affixed to said instrument is the Corporate seal of said Company; that the said Corporate Seal and his signature were duly affixed.



(Notary Seal)

Notary Public: Morgan Knapp  
residing at: Bala Cynwyd, PA  
My commission expires: September 25, 2021

I, Edward Sayago, Corporate Secretary of PHILADELPHIA INDEMNITY INSURANCE COMPANY, do hereby certify that the foregoing resolution of the Board of Directors and the Power of Attorney issued pursuant thereto on the 27<sup>th</sup> day of October, 2017 are true and correct and are still in full force and effect. I do further certify that Robert D. O'Leary Jr., who executed the Power of Attorney as President, was on the date of execution of the attached Power of Attorney the duly elected President of PHILADELPHIA INDEMNITY INSURANCE COMPANY.

In Testimony Whereof I have subscribed my name and affixed the facsimile seal of each Company this \_\_\_\_\_ day of **DEC 04 2019**, 20 \_\_\_\_\_



Edward Sayago, Corporate Secretary  
PHILADELPHIA INDEMNITY INSURANCE COMPANY

2019 Financial Assurance Estimate Form  
(with pre-plat construction)

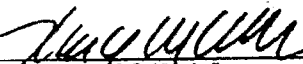
Updated: 8/27/2019


| PROJECT INFORMATION        |           |              |
|----------------------------|-----------|--------------|
| EGP Forest Lakes Fil No. 5 | 12/3/2019 | EGP194       |
| Project Name:              | Date      | PCD File No. |


| Description   | Quantity | Units | Unit Cost   | Total                     | (with Pre-Plat Construction)           |                      |
|---|----------|-------|-------------|---------------------------|--|----------------------|
|   |          |       |             |                           | % Complete                             | Remaining            |
| <b>SECTION 1 - GRADING AND EROSION CONTROL (Construction and Permanent BMPs)</b>  |          |       |             |                           |  |                      |
| * Earthwork   |          |       |             |                           |  |                      |
| less than 1,000, \$5,300 min  |          | CY    | \$ 8.00     | = \$                      |  | \$ -                 |
| 1,000-5,000, \$8,000 min  |          | CY    | \$ 6.00     | = \$                      |  | \$ -                 |
| 5,001-20,000, \$30,000 min  |          | CY    | \$ 5.00     | = \$                      |  | \$ -                 |
| 20,001-50,000, \$100,000 min  |          | CY    | \$ 3.50     | = \$                      |  | \$ -                 |
| 50,001-200,000, \$175,000 min   | 119,450  | CY    | \$ 2.50     | = \$                      | 298,625.00                             | \$ 298,625.00        |
| greater than 200,000, \$500,000 min   |          | CY    | \$ 2.00     | = \$                      |  | \$ -                 |
| * Permanent Seeding (inc. noxious weed mgmt.)   | 26.4     | AC    | \$ 800.00   | = \$                      | 21,120.00                              | \$ 21,120.00         |
| * Mulching  | 26.4     | AC    | \$ 750.00   | = \$                      | 19,800.00                              | \$ 19,800.00         |
| * Permanent Erosion Control Blanket   | 53,520   | SY    | \$ 6.00     | = \$                      | 321,120.00                             | \$ 321,120.00        |
| * Permanent Pond/BMP Construction   |          | CY    | \$ 20.00    | = \$                      |  | \$ -                 |
| * Permanent Pond/BMP (Spillway)   |          | EA    |             | = \$                      |  | \$ -                 |
| * Permanent Pond/BMP (Outlet Structure)   |          | EA    |             | = \$                      |  | \$ -                 |
| Safely Fence  |          | LF    | \$ 3.00     | = \$                      |  | \$ -                 |
| Temporary Erosion Control Blanket   |          | SY    | \$ 3.00     | = \$                      |  | \$ -                 |
| Vehicle Tracking Control  | 2        | EA    | \$ 2,370.00 | = \$                      | 4,740.00                               | \$ 4,740.00          |
| Silt Fence  | 5,124    | LF    | \$ 2.50     | = \$                      | 12,810.00                              | \$ 12,810.00         |
| Temporary Seeding   |          | AC    | \$ 628.00   | = \$                      |  | \$ -                 |
| Temporary Mulch   |          | AC    | \$ 750.00   | = \$                      |  | \$ -                 |
| Erosion Bales   | 21       | EA    | \$ 25.00    | = \$                      | 525.00                                 | \$ 525.00            |
| Erosion Logs/Straw Waddle   |          | LF    | \$ 5.00     | = \$                      |  | \$ -                 |
| Rock Check Dams   |          | EA    | \$ 500.00   | = \$                      |  | \$ -                 |
| Intel Protection  |          | EA    | \$ 167.00   | = \$                      |  | \$ -                 |
| Sediment Basin  | 2        | EA    | \$ 1,762.00 | = \$                      | 3,524.00                               | \$ 3,524.00          |
| Concrete Washout Basin  |          | EA    | \$ 500.00   | = \$                      |  | \$ -                 |
| <i>Insert items not listed but part of construction plans</i>   |          |       |             |                           |  |                      |
|   |          |       |             |                           | MAINTENANCE (35% of Construction BMPs) | \$ 7,559.65          |
|   |          |       |             | <b>Section 1 Subtotal</b> | <b>= \$ 689,823.65</b>                 | <b>\$ 689,823.65</b> |
| * - Subject to defect warranty financial assurance. A minimum of 20% shall be retained until final acceptance (MAXIMUM OF 80% COMPLETE ALLOWED) |          |       |             |                           |  |                      |
| <b>Total Construction Financial Assurance</b>   |          |       |             |                           | <b>\$ 689,823.65</b>                   |                      |
| (Sum of all section subtotals plus as-builts and pond/BMP certification)  |          |       |             |                           |  |                      |
| <b>Total Remaining Construction Financial Assurance (with Pre-Plat Construction)</b>  |          |       |             |                           | <b>\$ 689,823.65</b>                   |                      |
| (Sum of all section totals less credit for items complete plus as-builts and pond/BMP certification)  |          |       |             |                           |  |                      |
| <b>Total Defect Warranty Financial Assurance</b>  |          |       |             |                           | <b>\$ 132,133.00</b>                   |                      |
| (20% of all items identified as (*) To be collateralized at time of preliminary acceptance)   |          |       |             |                           |  |                      |

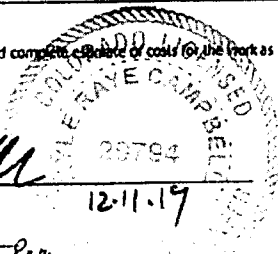
**Approvals**

I hereby certify that this is an accurate and complete estimate of costs for the work as shown on the Grading and Erosion Control Plan and Construction Drawings associated with the Project.

  
Engineer (P.E. Seal Required) 12-11-19

  
Approved by Owner / Applicant

  
Approved by El Paso County Engineer / ECA Administrator



12-10-19  
Date

12/11/19  
Date

EGP 194

PRE-DEVELOPMENT SITE GRADING ACKNOWLEDGEMENT  
AND RIGHT OF ACCESS AGREEMENT

The undersigned ("Applicant") owns and holds legal title to the real property to be known as Forest Lakes Filing No. 5 ("Property"), which Property is legally described on Exhibit A attached hereto and incorporated herein by this reference.

Applicant seeks approval for Pre-Development Site Grading under Section 6.2.6 of the El Paso County Land Development Code. As a condition of approval and issuance of Construction Permit No. Con 1993, Applicant must complete and submit this Pre-Development Site Grading Acknowledgement and Right of Access Agreement ("Agreement"). In compliance therewith, by signing below, Applicant hereby acknowledges and agrees as follows:

1. The approval and issuance of the Construction Permit does not guarantee or create a right in, or a right of expectation in, Applicant that the El Paso County Planning Commission will recommend or the Board of County Commissioners of El Paso County will approve Applicant's final plat for the Property. Applicant may proceed with grading under the Construction Permit at Applicant's sole risk.
2. The Construction Permit shall be personal to the Applicant and shall not run with the land. Any successors and/or assigns of the Applicant desiring to proceed or continue with the Pre-Development Site Grading approval shall execute their own Pre-Development Site Grading Acknowledgement and Right of Access Agreement, obtain their own Construction Permit and provide replacement financial guarantees.
3. Applicant hereby grants to El Paso County, its employees, agents, contractors, and/or subcontractors free access to enter upon the Property at all reasonable hours for the following purposes in accordance with requirements of the El Paso County Engineering Criteria Manual (ECM), Section I.5:
  - a. To inspect and investigate for compliance with Construction Permit requirements, including, but not limited to, proper installation and maintenance of erosion and sediment control measures; and
  - b. To inspect and investigate for completion of grading activities and soil stabilization requirements; and
  - c. In the event of noncompliance with either of the above, to identify deficiencies, which may result in issuance of a Letter of Noncompliance which includes such deficiencies to be corrected by Applicant; and
  - d. In the event the Applicant does not correct deficiencies identified in a Letter of Noncompliance, to draw on collateral provided and perform the work in order to correct said deficiencies pursuant to ECM Section I.6.1.H.

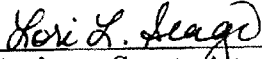


4. Applicant shall indemnify, defend, and forever hold harmless the Board of County Commissioners of El Paso County, their officers, employees, agents, contractors, and subcontractors, from any and all claim, demand, action, cause of action, loss, damage, injury, property damage, personal injury, death, liability, duty, obligation, costs and expenses (including attorney fees) arising out of or related to such entry on the Property. Nothing in this section shall be deemed to waive or otherwise limit the defenses available to the Board of County Commissioners pursuant to the Colorado Governmental Immunity Act or as otherwise provided by law.
5. In accordance with ECM Sections 5.3.15 and I.4.1.A.3, Applicant is obligated to provide security or collateral sufficient to make reasonable provision for completion of the grading, erosion control and final stabilization measures, in the amount set forth on Exhibit B attached hereto. Collateral shall be in the form of cash, cashier's check, or letter of credit issued by a financial institution authorized to do business in the State of Colorado. Collateral in the form of Subdivision Bond, issued by Philadelphia Insurance Companies in the amount of \$ 689,823.65 has been provided as security to guarantee completion of the proposed grading, erosion control and final stabilization measures.
6. Applicant is responsible for providing any renewals of collateral to ensure that there is never a lapse in security coverage. Applicant shall procure renewal/extension/replacement collateral at least fifteen (15) days prior to the expiration of the original or renewal/extension/replacement collateral then in effect. Failure to procure renewal/extension/replacement collateral within this time limit shall allow the County to execute on the collateral.
7. All of those certain grading, erosion control and final stabilization measures to be completed as identified on Exhibit B shall be constructed in compliance with the following:
  - a. All laws, resolutions and regulations of the United States, State of Colorado, El Paso County and its various agencies, affected special districts and/or servicing authorities.
  - b. Such other designs, drawings, maps, specifications, sketches and other matter submitted to and approved by any of the above-stated governmental entities.
8. All grading, erosion control and final stabilization measures shall be completed by the Applicant within 12 (twelve) months from the date of notice to proceed in the Construction Permit. If Applicant determines that the completion date needs to be extended, Applicant shall submit a written request for a change in the completion date to the ECM Administrator at least 90 days in advance of the required completion date. The request shall include the reasons for the requested change in completion date, the proposed new completion date, and prove collateral is in place to cover the extension time requested. The completion date for the Construction Permit may be extended at the discretion of the ECM Administrator. The completion date for the



Planning and Community Development Department

Approved as to Content and Form:

  
\_\_\_\_\_  
Assistant County Attorney