

SUBDIVISION IMPROVEMENTS AGREEMENT

THIS AGREEMENT, made between Lorson LLC as Nominee for Murray Fountain, LLC and Eagle Development Company, hereinafter together called the "Subdividers," and El Paso County by and through the Board of County Commissioners of El Paso County, Colorado, hereinafter called the "County," shall become effective the date of approval of the Final Plat by the Board of County Commissioners.

WITNESSETH:

WHEREAS, the Subdividers, as a condition of approval of the final plat of Lorson Ranch East Filing No. 4 subdivision wish to enter into a Subdivision Improvements Agreement, as provided for by Section 30-28-137 (C.R.S.), Chapter 5 of the El Paso County Engineering Criteria Manual and Chapter 8 of the El Paso County Land Development Code incorporated herein; and

WHEREAS, pursuant to the same authority, the Subdividers are obligated to provide security or collateral sufficient in the judgment of the Board of County Commissioners to make reasonable provision for completion of certain public improvements set forth on Exhibits A attached hereto and incorporated herein; and

WHEREAS, the Subdividers wish to provide collateral to guarantee performance of this Agreement including construction of the above-referenced improvements by means of Irrevocable Letter of Credit.

NOW, THEREFORE, in consideration of the following mutual covenants and agreements, the Subdividers and the County agree as follows:

1. The Subdividers agree to construct and install, at their sole expense, all of those improvements as set forth on Exhibit A attached hereto. To secure and guarantee performance of its obligations as set forth herein, the Subdividers agree to provide collateral to remain in effect at all times until the improvements are completed and accepted in accordance with Chapter 5 of the ECM. Security and collateral shall be posted in the form of Irrevocable Letter of Credit from Kirkpatrick Bank in the amount of \$2,044,431.10.
2. Subdividers are responsible for providing any renewals of collateral to ensure that there is never a lapse in security coverage. Subdividers 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 be a default under this Agreement and shall allow the County to execute on the collateral. In addition, if Subdividers allow collateral to lapse at any time, no lots in the subdivision may be sold, conveyed or transferred, whether by Deed or Contract, after the expiration date of such collateral until the improvements identified on Exhibit A have been completed and final acceptance is received from the County. If replacement collateral is used for renewal, approval by Board of County Commissioners is required.

3. No lots in the subdivision shall be sold, conveyed or transferred, whether by Deed or by Contract, nor shall building permits be issued until and unless the required improvements for the subdivision have been constructed and completed in accordance with the approved construction plans and preliminary acceptance is received from the County. In the alternative, lots within the subdivision may be sold, conveyed or transferred and / or have building permits issued upon receipt of collateral acceptable to the County, pursuant to this Agreement, which is sufficient to guarantee construction of the improvements in the attached Exhibit A.
4. The Subdividers agree that all of those certain public improvements to be completed as identified on Exhibit A 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.
5. All improvements shall be completed by the Subdividers, meeting all applicable standards for preliminary acceptance, within 24 (twenty-four) months from the date of notice to proceed in the Construction Permit for the Subdivision. If the Subdividers determine that the completion date needs to be extended, the Subdividers 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 Subdivision may be extended one time, for a period no longer than 6 months at the discretion of the ECM Administrator. Any additional requests for extension of the completion date will be scheduled for hearing by the Board of County Commissioners. The ECM Administrator or the Board of County Commissioners may require an adjustment in the amount of collateral to take into account any increase in cost due to the delay including inflation.
6. It is mutually agreed pursuant to the provisions of Section 30-28-137 (3) C.R.S. that the County or any purchaser of any lot, lots, tract or tracts of land subject to a plat restriction which is the security portion of a Subdivision Improvements Agreement shall have the authority to bring an action in any District Court to compel the enforcement of any Subdivision Improvements Agreement on the sale, conveyance, or transfer of any such lot, lots, tract or tracts of land or of any other provision of this article. Such authority shall include the right to compel rescission of any sale, conveyance, or transfer of any lot, lots, tract or tracts of land contrary to the provisions of any such restrictions set forth on the plat or in any separate recorded instrument, but any such action shall be commenced prior to the issuance of a building permit by the County where so required or otherwise prior to commencement of construction on any such lot, lots, tract or tracts of land.

7. It is further mutually agreed that, pursuant to the provisions of Section 30-28-137 (2) C.R.S., and Chapter 5 of the County's Engineering Criteria Manual, as improvements are completed, the Subdividers may apply to the Board of County Commissioners for a release of part or all of the collateral deposited with said Board. Upon inspection and approval, the Board shall release said collateral. The County agrees to respond to an inspection request in a reasonable time upon receipt of the request. If the Board determines that any of such improvements are not constructed in substantial compliance with specifications it shall furnish the Subdividers a list of specific deficiencies and shall be entitled to withhold collateral sufficient to ensure such substantial compliance. If the Board of County Commissioners determines that the Subdividers will not construct any or all of the improvements in accordance with all of the specifications, the Board of County Commissioners may withdraw and employ from the deposit of collateral such funds as may be necessary to construct the improvements in accordance with the specifications.
8. The Subdividers agree, and all parties acknowledge that the construction of the improvements identified and guaranteed through this Subdivision Improvements Agreement shall follow the inspection, collateral, and acceptance process that is identified in Chapter 5 of the County's Engineering Criteria Manual. This is to include among other things, a Preliminary Acceptance process, replacement of performance collateral with appropriate Warranty collateral at that time, and a 2 year warranty period prior to final acceptance. Where any inconsistency exists between Chapter 5 of the Engineering Criteria Manual and the Land Development Code with respect to these inspections, collateral and acceptance processes, the Engineering Criteria Manual is the controlling document.
9. The Subdividers agree to provide the County with a title insurance commitment at time of final platting evidencing that fee simple title of all lands in the subdivision is vested with the subdividers.
10. The County agrees to approval of the final plat of Lorson Ranch East Filing No. 4 Subdivision subject to the terms and conditions of this Agreement.
11. Parties hereto mutually agree that this Agreement may be amended from time to time provided that such amendment be in writing and signed by all parties hereto.
12. This Agreement shall take effect on the date of approval of the Final Plat by the Board of County Commissioners.
13. The Subdividers agree for themselves and their respective successors and assigns that Subdividers and/or said successors and assigns shall be required to pay road impact fees in accordance with the El Paso County Road Impact Fee Program at or prior to the time of building permit submittals.
13. The Subdividers agree that Tracts I and F adjacent to Lorson Boulevard shall be reserved for potential public improvements to those roads. Upon dedication or conveyance to Lorson Ranch Metropolitan District No. 1 ("District"), the District will own and maintain these tracts until such time, if any, that the County requests the deeds conveying the

portions of these tracts necessary for right-of-way purposes to El Paso County at no cost to the County. El Paso County, its agent(s) or assignee(s) may request the deeds and construct roadway improvements within these tracts at any time at the County's sole discretion. Following such request, the Subdivider and/or the District shall promptly convey Tracts I and F to the County at no cost to the County. Landscaping allowed to remain within the acquired right-of-way shall continue to be maintained by the District under a Landscape License Agreement allowing maintenance of landscaping within the platted rights-of-way within Lorson Ranch East Filing No. 4.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year below written.

BOARD OF COUNTY COMMISSIONERS OF
EL PASO COUNTY, COLORADO

(Date Final Plat Approved)

By: _____
Mark Waller, Chair

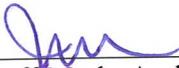
ATTEST:

County Clerk and Recorder

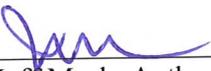
SUBDIVIDERS:

Executed this 24th day of August, 2020, by:

Eagle Development Company

By: 
Jeff Mark, Authorized Signing Agent

Lorson LLC, Nominee
For Murray Fountain, LLC

By: 
Jeff Mark, Authorized Signing Agent

LORSON RANCH METROPOLITAN DISTRICT

By: 
Jeff Mark, President

Subscribed, sworn to and acknowledged before me this 24th day of August,
2020 by the parties above named.

My commission expires: 3-22-21.

SUSAN L GONZALES
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20044004607
MY COMMISSION EXPIRES MARCH 22, 2021


Notary Public

Exhibit A – Lorson Ranch East Filing No. 4 Financial Assurance Estimate

PROJECT INFORMATION		
8/18/2020	100.048	
Project Name: Lorson Ranch East Filing No. 4	Date : August 18, 2020	PCD File No. SF 19-008

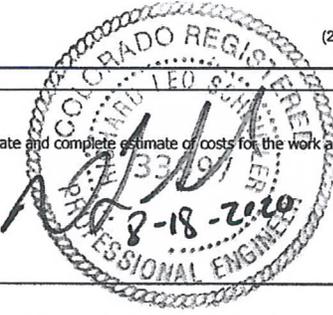
Description	Quantity	Units	Unit Cost	Total	(with Pre-Plat Construction)		
					% Complete	Remaining	
[insert items not listed but part of construction plans]				= \$ -		\$ -	
				= \$ -		\$ -	
STORM DRAIN IMPROVEMENTS							
Concrete Box Culvert (M Standard), Size (W x H)		LF		= \$ -		\$ -	
18" Reinforced Concrete Pipe	1,180	LF	\$ 65.00	= \$ 76,700.00	80.00%	\$ 15,340.00	
24" Reinforced Concrete Pipe	580	LF	\$ 78.00	= \$ 45,240.00	80.00%	\$ 9,048.00	
30" Reinforced Concrete Pipe	625	LF	\$ 97.00	= \$ 60,625.00	80.00%	\$ 12,125.00	
36" Reinforced Concrete Pipe	400	LF	\$ 120.00	= \$ 48,000.00	80.00%	\$ 9,600.00	
42" Reinforced Concrete Pipe	200	LF	\$ 160.00	= \$ 32,000.00	80.00%	\$ 6,400.00	
48" Reinforced Concrete Pipe	820	LF	\$ 195.00	= \$ 159,900.00	80.00%	\$ 31,980.00	
54" Reinforced Concrete Pipe	100	LF	\$ 245.00	= \$ 24,500.00	80.00%	\$ 4,900.00	
60" Reinforced Concrete Pipe		LF	\$ 288.00	= \$ -		\$ -	
66" Reinforced Concrete Pipe		LF	\$ 332.00	= \$ -		\$ -	
72" Reinforced Concrete Pipe		LF	\$ 380.00	= \$ -		\$ -	
18" Corrugated Steel Pipe		LF	\$ 84.00	= \$ -		\$ -	
24" Corrugated Steel Pipe		LF	\$ 96.00	= \$ -		\$ -	
30" Corrugated Steel Pipe		LF	\$ 122.00	= \$ -		\$ -	
36" Corrugated Steel Pipe		LF	\$ 147.00	= \$ -		\$ -	
42" Corrugated Steel Pipe		LF	\$ 168.00	= \$ -		\$ -	
48" Corrugated Steel Pipe		LF	\$ 178.00	= \$ -		\$ -	
54" Corrugated Steel Pipe		LF	\$ 260.00	= \$ -		\$ -	
60" Corrugated Steel Pipe		LF	\$ 280.00	= \$ -		\$ -	
66" Corrugated Steel Pipe		LF	\$ 340.00	= \$ -		\$ -	
72" Corrugated Steel Pipe		LF	\$ 400.00	= \$ -		\$ -	
78" Corrugated Steel Pipe		LF	\$ 460.00	= \$ -		\$ -	
84" Corrugated Steel Pipe		LF	\$ 550.00	= \$ -		\$ -	
Flared End Section (FES) RCP Size = (unit cost = 6x pipe unit cost)	4	EA	\$ 2,000.00	= \$ 8,000.00	80.00%	\$ 1,600.00	
Flared End Section (FES) CSP Size = (unit cost = 6x pipe unit cost)		EA		= \$ -		\$ -	
End Treatment- Headwall		EA		= \$ -		\$ -	
End Treatment- Wingwall		EA		= \$ -		\$ -	
End Treatment - Cutoff Wall		EA		= \$ -		\$ -	
Curb Inlet (Type R) L=5', Depth < 5'		EA	\$ 5,542.00	= \$ -		\$ -	
Curb Inlet (Type R) L=5', 5' ≤ Depth < 10'	2	EA	\$ 7,188.00	= \$ 14,376.00	80.00%	\$ 2,875.20	
Curb Inlet (Type R) L=5', 10' ≤ Depth < 15'		EA	\$ 8,345.00	= \$ -		\$ -	
Curb Inlet (Type R) L=10', Depth < 5'		EA	\$ 7,627.00	= \$ -		\$ -	
Curb Inlet (Type R) L=10', 5' ≤ Depth < 10'	4	EA	\$ 7,861.00	= \$ 31,444.00	80.00%	\$ 6,288.80	
Curb Inlet (Type R) L=10', 10' ≤ Depth < 15'		EA	\$ 9,841.00	= \$ -		\$ -	
Curb Inlet (Type R) L=15', Depth < 5'		EA	\$ 9,918.00	= \$ -		\$ -	
Curb Inlet (Type R) L=15', 5' ≤ Depth < 10'	1	EA	\$ 10,633.00	= \$ 10,633.00	80.00%	\$ 2,126.60	
Curb Inlet (Type R) L=15', 10' ≤ Depth < 15'		EA	\$ 11,627.00	= \$ -		\$ -	
Curb Inlet (Type R) L=20', Depth < 5'		EA	\$ 10,570.00	= \$ -		\$ -	
Curb Inlet (Type R) L=20', 5' ≤ Depth < 10'	4	EA	\$ 11,667.00	= \$ 46,668.00	80.00%	\$ 9,333.60	
Grated Inlet (Type C), Depth < 5'		EA	\$ 4,640.00	= \$ -		\$ -	
Grated Inlet (Type D), Depth < 5'	2	EA	\$ 5,731.00	= \$ 11,462.00	80.00%	\$ 2,292.40	
Storm Sewer Manhole, Box Base	6	EA	\$ 11,627.00	= \$ 69,762.00	80.00%	\$ 13,952.40	
Storm Sewer Manhole, Slab Base	8	EA	\$ 6,395.00	= \$ 51,160.00	80.00%	\$ 10,232.00	
Geotextile (Erosion Control)	3,400	SY	\$ 6.00	= \$ 20,400.00	80.00%	\$ 4,080.00	
Rip Rap, d50 size from 6" to 24"	470	Tons	\$ 80.00	= \$ 37,600.00		\$ 37,600.00	
Rip Rap, Grouted		Tons	\$ 95.00	= \$ -		\$ -	
Drainage Channel Construction, Size (W x H)		LF		= \$ -		\$ -	
Drainage Channel Lining, Concrete		CY	\$ 570.00	= \$ -		\$ -	
Drainage Channel Lining, Rip Rap		CY	\$ 112.00	= \$ -		\$ -	
Drainage Channel Lining, Grass		AC	\$ 1,469.00	= \$ -		\$ -	
Drainage Channel Lining, Other Stabilization				= \$ -		\$ -	

PROJECT INFORMATION		
	8/18/2020	100.048
Project Name: Lorson Ranch East Filing No. 4	Date: August 18, 2020	PCD File No. SF 19-008

Description	Quantity	Units	Unit Cost	Total	(with Pre-Plat Construction)	
					% Complete	Remaining
		EA	=	\$ -		\$ -
		EA	=	\$ -		\$ -
		EA	=	\$ -		\$ -
** - Section 3 is not subject to defect warranty requirements						
		Section 3 Subtotal		= \$ 2,426,933.00		\$ 25,000.00
AS-BUILT PLANS (Public Improvements inc. Permanent WQCV BMPs)		LS	=	\$ -		\$ -
POND/BMP CERTIFICATION (inc. elevations and volume calculations)		LS	=	\$ -		\$ -
Total Construction Financial Assurance					\$ 7,137,453.70	
(Sum of all section subtotals plus as-builts and pond/BMP certification)						
Total Remaining Construction Financial Assurance (with Pre-Plat Construction)					\$ 2,044,431.10	
(Sum of all section totals less credit for items complete plus as-builts and pond/BMP certification)						
Total Defect Warranty Financial Assurance					\$ 925,126.00	
(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)

[Signature]

Approved by Owner / Applicant

8/24/20

Date