

**MEADOWS PARKWAY, PHASE II, LOT GI-4  
PUBLIC IMPROVEMENTS AGREEMENT**

DC9752364

**DATE:** August 13, 1997

**PARTIES:** **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, 680 N. Wilcox Street, Castle Rock, Colorado 80104 ("Town").

**POLO PROPERTIES LLC**, a Wyoming limited liability company, 8100 E. Jewell, Denver, Colorado 80231 ("Developer").

**MORTGAGEE:** **AMERICAN NATIONAL BANK**

**RECITALS:**

**WHEREAS**, Town has concurrently approved a Final PD Site Plan designated Meadows Parkway, Phase II, Lot GI-4, Meadows Parkway, Phase II ("Lot GI-4").

**WHEREAS**, it has been represented to Town that the owner of the Lot GI-4 will make certain onsite and water line improvements concurrently with development of Lot GI-4; and

**WHEREAS**, Town desires to obtain financial assurances that if such improvements are not completed upon development of Lot GI-4 that there will be adequate monies available to complete such onsite and water line improvements.

**COVENANTS:**

**NOW, THEREFORE**, in consideration of these mutual covenants, the parties agree as follows:

**Section 1. Street Improvements.**

1.01 Developer agrees that Town will not issue any construction permits prior to Town's receipt of written approval from Douglas County regarding Developer's payment of cash-in-lieu of street improvement construction on North Industrial Way.

**Section 2. Utilities.**

2.01 Developer agrees to extend a twelve inch (12") water line from its present point of terminus in the intersection of North Castleton Drive and West Castleton Road to the intersection of West Castleton Road and North Industrial Way (the "Twelve Inch Line") in accordance with plans approved by Town. Developer additionally agrees to extend a sixteen inch (16") water line from the intersection of West Castleton Road and North Industrial Way to the southerly boundary of the Property (the "Sixteen Inch Line") in accordance with plans approved by Town. Town agrees to reimburse Developer for

the costs related to oversizing the above-described Sixteen Inch Line from twelve inch (12") to sixteen inch (16") within eighteen months of completion of installation of the above-described Sixteen Inch Line. Oversize reimbursement shall be based upon the unit price difference between the twelve inch (12") and sixteen inch (16") lines multiplied by the total length of the Sixteen Inch Line, as described in this section.

2.02 Developer shall obtain any necessary construction permits from Douglas County Public Works Department prior to commencement of water line construction pursuant to 2.01, above.

2.03 Developer agrees to construct necessary connections for potable water and sewer service to existing Castleton Water and Sanitation District water and sewer lines.

2.04 Developer agrees that no certificates of occupancy will be issued by Town prior to completion and acceptance of water line improvements pursuant to 2.01, above, by Town.

**Section 3. Recoupment.** The cost of the construction and installation of the water lines shall be allocated to Developer and owners of property adjoining West Castleton Road and North Industrial Way in the event such property owners receive fire flow benefit or Town water service from the Twelve Inch Line or Sixteen Inch Line. With respect to the Sixteen Inch Line, recoupment, or the calculation thereof, due Developer pursuant to this Agreement shall not include the oversize reimbursement due Developer pursuant to 2.01, above. Such allocation shall not alter Developer's obligation to pay the entire cost of construction and installation of water and sewer lines pursuant to this Agreement. Developer shall submit to the Town detailed invoices indicating the amount actually spent on the construction and installation of the water lines. No water taps or building permits on property adjoining the portion of water lines installed by Developer shall be approved by the Town until payment is delivered to Developer, and receipt of such payment is presented to Town, for one-half of the cost of installation and construction of that portion of such lines which front upon the adjoining property. The amount payable shall be based upon the adjoining property's West Castleton Road or North Industrial Way frontage divided by the water line length constructed by Developer which the Town, in its reasonable discretion, deems beneficial to the adjoining property and multiplied by fifty percent (50%) of Developer's installation and construction costs of the line length which the Town, in its reasonable discretion, deems beneficial to the adjoining property. Town shall not be liable for the payment of any costs or uncollected recoupment due Developer pursuant to this Agreement.

**Section 4. Landscaping.** Developer agrees to provide and maintain landscaping in accordance with plans approved by Town.

**Section 5. Surety.**

5.01 In accordance with Town regulations, Developer shall provide Town with a surety bond approved by the Town Attorney in the amount of 100% of the estimated

construction cost of the Improvements (the "Security"), as a condition to Town's obligation to issue any permits for construction of Improvements. The purpose of the Security is to provide Town with the financial resources to complete construction of any of the Improvements, should Developer default in its obligation to complete the Improvements. With Town's acceptance of the Improvements, the Security shall be reduced to 15% of the actual construction cost of the Improvements to secure Developer's one year warranty on the Improvements.

5.02 The Town at its option may call the Security and apply the proceeds to complete the improvements substantially in accordance with the plans approved by Town. Any proceeds remaining after completion of the landscaping shall be returned to Developer.

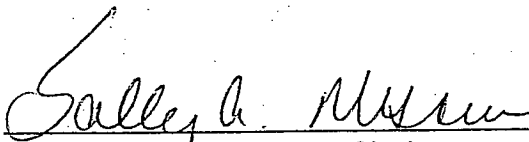
5.03 Developer acknowledges that Douglas County may require additional surety from Developer for roadway repair related to water line construction pursuant to 2.01, above. Town shall have no obligation to provide, obtain or contribute to any such surety required by Douglas County.

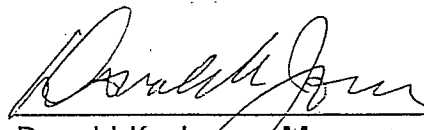
**Section 6. Release.** The Security shall be released by Town upon the completion of onsite and water line improvements in accordance with the plans approved by Town.

**Section 7. Recordation.** This Agreement shall be recorded in the public records of Douglas County, Colorado and shall be binding on the successors and developers to Lot 2.

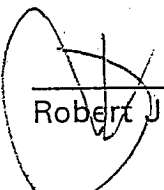
ATTEST:

TOWN OF CASTLE ROCK

  
\_\_\_\_\_  
Sally A. Misare, Town Clerk

  
\_\_\_\_\_  
Donald K. Jones, Mayor

Approved as to form:

  
\_\_\_\_\_  
Robert J. Slentz, Town Attorney

STATE OF COLORADO )  
 )  
 ) ss.  
COUNTY OF Douglas )

The foregoing instrument was acknowledged before me this 13<sup>th</sup>  
day of August, 1997, by Sally A. Misare as Town Clerk and Donald K. Jones  
as Mayor of the Town of Castle Rock, Colorado.

Witness my official hand and seal.  
My commission expires: 10-31-98

Judith K. Hartzler  
Notary Public

DEVELOPER:

POLO PROPERTIES LLC, a Wyoming  
limited liability company.

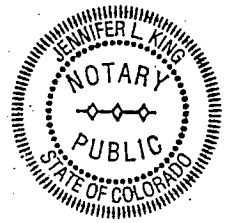
By: [Signature]  
Its: Owner

STATE OF )  
 )  
 ) ss.  
COUNTY OF Douglas )

The foregoing instrument was acknowledged before me this 8<sup>th</sup>  
day of August, 1997, by Michael Humphrey as Owner for  
Polo Properties LLC, a Wyoming limited liability company.

Witness my official hand and seal.  
My commission expires:

Jennifer L King  
Notary Public



MY COMMISSION EXPIRES:  
SEPTEMBER 21, 1999

