

PUBLIC IMPROVEMENTS ACCEPTANCE AGREEMENT

This PUBLIC IMPROVEMENTS ACCEPTANCE AGREEMENT (this “Agreement”) is made and entered into as of the ___ day of _____, 2025 by and between Mt. Crested Butte Water & Sanitation District, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”) and _____ (the “Developer”). The District and the Developer are collectively referred to herein as the “Parties” and individually as a “Party.”

I. Recitals

1. The District is a quasi-municipal corporation and political subdivision of the State of Colorado.
2. The District was formed for, among other purposes, designing, acquiring, constructing, installing, owning, operating, and maintaining water systems and sewer systems.
3. The Mt. Crested Butte Water & Sanitation District Rules and Regulations Amended and Adopted August 11, 2015, as amended (the “Rules and Regulations”) set forth the procedure by which the District may accept certain water lines, sewer lines, and related infrastructure, improvements, and easements.
4. The Developer has obtained design approval by the District to construct certain infrastructure as shown on and described by plans titled _____ provided by _____ dated _____ (the “Approved Plans” and the infrastructure constructed pursuant to the Approved Plans, the “Public Improvements”).
5. The Parties desire to establish the terms and conditions for the District’s acceptance of Public Improvements to be constructed by the Developer.
6. The District does not intend to direct the design or construction of any Public Improvements by way of this Agreement. The Rules and Regulations establish standards and specifications for public improvements, but do not constitute direction or design by the District of these Public Improvements.
7. The District is not, by or through this Agreement, contracting for the construction, alteration, repair, or maintenance of any Public Improvements nor for any work or material.
8. The Parties do not intend, by or through this Agreement, to enter into a public works contract as defined in C.R.S. § 24-91-103.5(1)(b).
9. The Parties do not intend, by or through this Agreement, to enter into a contract for work or materials in accordance with C.R.S. § 32-1-1001(1)(d)(I).
10. Accordingly, the Board has determined that the best interests of the District, its property owners, and the public, are served by entering into this Agreement.
11. The Parties have authorized their respective officers or representatives to execute this Agreement and to take all other actions necessary and desirable to effectuate the purposes of this Agreement.

II. *Agreement*

NOW, THEREFORE, in consideration of the mutual covenants and promises expressed herein and the recitals set forth above, the Parties hereby agree as follows:

1. Purpose of Agreement. This Agreement shall establish the terms and conditions for the District's acceptance of Public Improvements constructed by the Developer. The District has determined that this Agreement serves a public use, and is in the furtherance of the purposes for which the District was organized.
2. During Construction. The Developer shall complete the construction of the Public Improvements in a good and workmanlike manner consistent with the Approved Plans. Within 14 calendar days of the execution of this Agreement, the Developer shall obtain and maintain until Preliminary Acceptance a performance and maintenance bond, substantially in the form attached hereto as **Exhibit A**, for the Public Improvements in an amount equal to 125% of the estimated costs of construction of the Public Improvements (the "Original Bond"). The estimated costs of construction must be signed and provided by the Developer's engineer as part of the Approved Plans. The Developer represents and warrants that the Developer will complete the construction of the Public Improvements within 18 months. If the Developer fails to complete the construction of the Public Improvements within 18 months, the District may, in its sole discretion that such construction is necessary to protect the District, complete the Public Improvements, or any portion of them, at the Developer's expense and draw upon the Developer's bond to complete those Public Improvements. In addition, if the Developer fails to complete the construction of the Public Improvements within 18 months, the Developer must obtain an extension of the Original Bond for an additional 18 months. Developer shall keep the Original Bond in place such that the Original Bond shall not lapse, expire or otherwise terminate prior to Preliminary Acceptance.
3. Preliminary Acceptance.
 - a. *Requirements for Preliminary Acceptance*. In order to obtain preliminary acceptance of the Public Improvements constructed by Developer, the Developer must:
 - i. Have constructed the Public Improvements in conformity with the Approved Plans and, to the extent of any nonconformity, such nonconformity must be disclosed to the District pursuant to the immediately following subparagraph. The District, in its sole discretion, may refuse to accept infrastructure not constructed in accordance with the Approved Plans.

- ii. Submit to the District as-built drawings in the form of three (3) sets of “D” size, scale 1” = 50’ paper in hardcopy and electronic copy together with electronic copies of spatial data in digital format as per District specifications, compatible with the District’s mapping system. The as-built drawings must be signed and stamped by a Colorado licensed engineer. The as-built drawings must show and identify any and all differences between the actual installation and the previously approved plans and specifications.
- iii. Have fully complied with the Cost Reimbursement Agreement entered into between the Developer and the District relating to the Public Improvements, including without limitation the payment of all amounts owed by the Developer to the District as required by that agreement.
- iv. Have fully complied with the Line Expansion Payment and Reimbursement Agreement entered into between the Developer and the District, including without limitation the payment of all amounts owed by the Developer to the District as required by that agreement.
- v. Receive preliminary inspection, testing and approval of the Public Improvements by the District confirming compliance with the Rules and Regulations and the Approved Plans for the Public Infrastructure (the “Preliminary Inspection Certification”), which approval the Parties hereby agree shall be evidenced by an Engineer Certification (as defined below).
- vi. Deed and convey the Public Improvements to the District free and clear of all liens and encumbrances using a deed and conveyance substantially in the form attached hereto as **Exhibit B** (the “Infrastructure Deed”). The Developer shall provide the executed and notarized deed and conveyance to the District or its attorney and shall pay all costs of recording.
- vii. Deed, grant and convey, free and clear of all liens and encumbrances, such rights of way and easements as are required by the District for the installation, repair, maintenance and improvements of the Public Improvements using a deed substantially in the form attached hereto as **Exhibit C** (the “Easement Deed”). The Developer shall pay all costs of surveying and platting such easements. The Developer shall deliver the original, notarized Easement Deed to the District or the District’s attorney for recording. The Developer shall pay all recording costs for the Easement Deed.
- viii. Provide a maintenance bond for eighteen (18) months following the date of the Preliminary Acceptance Certification (as defined below), in an amount prescribed by the District determined to be

adequate to cover potential maintenance costs for the Public Improvements. In the discretion of the Developer, the bond must either: (i) be substantially in the form of the bond attached hereto as **Exhibit D**, in which case the Original Bond may be released and terminated, or (ii) the Developer may keep the Original Bond in place and reduce the amount of the Original Bond to the amount prescribed by the District under this paragraph. If Developer elects to keep the Original Bond in place, the remaining warranty period under the Original Bond must be at least 18 months from the effective date of the Preliminary Acceptance Certification.

- ix. Pay in full all costs for the District's administration and review of the Public Improvement acceptance process to date, including all engineering fees and administrative and staff time attributable to acceptance of the Public Improvements to date.

- b. *Preliminary Acceptance Certification.* Upon Developer fully complying with all the provisions of this Section set forth above, the District shall provide Developer with a preliminary acceptance certification certifying the Developer's compliance and identifying the effective date of preliminary acceptance (the "Preliminary Acceptance Certification") which shall be substantially in the form attached hereto as **Exhibit E**.

- c. *Effect of Preliminary Acceptance.* Preliminary acceptance does not make the District liable for the Public Improvements nor their maintenance. Following Preliminary Acceptance Certification (the "Preliminary Acceptance Period"), the Developer remains liable for all costs of repairs, replacement, correction, removal, installation and other maintenance of the Public Improvements. Until Final Acceptance and regardless of whether any bond has expired or does not apply, the Developer, as to each and every portion of the Public Improvements included in any Application for Acceptance of Public Improvements, or all the Public Improvements if all the Public Improvements are included in such application, covenants, guarantees, represents and warranties that: (a) such Public Improvements shall be free of defective materials and workmanship; (b) such Public Improvements were constructed, installed and otherwise completed in accordance with the plans and specifications for the Public Improvements as approved by the District; (c) such Public Improvements were properly designed; and (d) such Public Improvements will perform in accordance with the requirements of the District.

4. Final Acceptance.

- a. *Requirements for Final Acceptance.* In order to obtain final acceptance of the Public Improvements constructed by Developer, the Developer must:
- i. Be fully in compliance with this Agreement, including without limitation all requirements of Section 3 above. The Developer must meet all requirements for preliminary acceptance above.
 - ii. Provide an additional bond for an additional twelve (12) months if during the 18 months following the Preliminary Acceptance Certification there are significant maintenance or repair problems in the Public Improvements,. This bond must also be substantially in the form of the bond attached hereto as **Exhibit A** or **Exhibit D**.
 - iii. Wait a minimum of eighteen (18) months from completion of the construction and a minimum of twelve (12) months from the last significant maintenance or repair problems for the Public Improvements, as determined by the District in its discretion.
 - iv. Pay in full all costs for the maintenance and repairs of the Public Improvements prior to Final Acceptance by the District, including the full repair and replacement thereof, and otherwise be fully in compliance with this Agreement, including the Developer's warranties and guarantees under this Agreement.
 - v. Pay in full all costs for the District's administration and review of the Public Improvement acceptance process, including all engineering fees and administrative and staff time attributable to acceptance of the Public Improvements.
 - vi. Submit to the District, after the eighteen months set forth above, an application for acceptance of the Public Improvements in the form of **Exhibit F** (the "Application for Acceptance of Public Improvements").
 - vii. Receive final inspection, testing and approval of the Public Improvements by the District confirming compliance with the Rules and Regulations and the Approved Plans for the Public Infrastructure, which approval the Parties hereby agree shall be evidenced by an Engineer Certification, as defined below (the "Final Inspection Certification").
- b. *Final Acceptance Resolution and effect:* Upon review by the District and/or its designated representative of the Application for Acceptance of Public Improvements and determination that all conditions set forth in Agreement have been met, the District shall consider acceptance of the Public Improvements at its next Board meeting. Upon consideration of acceptance of the Public Improvements at its Board meeting and determination that all requirements set forth in the Rules and Regulations and this Agreement have been met, the Board shall accept the Public Improvements on behalf

of the District by adopting a resolution accepting the Public Improvements subject to any reasonable conditions the District may specify (the “District Acceptance Resolution”). The District Acceptance Resolution shall be in the form of **Exhibit G** subject to such additional reasonable conditions the District may specify. Upon adoption of the District Acceptance Resolution (“Final Acceptance”), the District shall assume maintenance responsibilities of the Public Improvements.

5. Inspection. The following procedures shall be followed for the Preliminary Inspection Certification and Final Inspection Certification:
 - a. The Developer shall give written notice to the District requesting an inspection of the completed Public Improvements (the “Inspection Notice”) and concurrently therewith provide construction plans and any applicable construction standards;
 - b. The District’s engineer (who must be a civil engineer licensed in Colorado having experience in the design and construction of public improvements) shall inspect the Public Improvements within 30 days of the Inspection Notice (the “Inspection”), unless the Parties mutually agree to extend the deadline;
 - c. If the District’s engineer finds after Inspection that: (1) the Public Improvements (or its individual components and/or subsystems, if applicable) have been constructed in substantial accordance with the Approved Plans and any applicable construction standards (subject to any reasonable punch list items to correct any defective work); (2) the Public Improvements are fit for their intended purpose; and (3) the Public Improvements comply with the Rules and Regulations, then within 14 calendar days after the Inspection, unless the Parties mutually agree to extend the deadline, the District’s engineer shall notify the District in writing of its findings and provide certification of the same (the “Engineer Certification”);
 - d. If any defective work is identified during the Inspection, the District manager will prepare a punch list of items requiring remedial action to correct any defective work. Such corrective work will be performed by the Developer within 30 calendar days of the issuance of an Engineer Certification.

6. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party, having given notice to the other Party and providing a 30 day period to cure said breach or default, shall be entitled to exercise all remedies available at law or in equity. If the Developer fails to pay the District any amounts owed to the District pursuant to this Agreement, the District shall be entitled to recover from the Developer the District’s reasonable attorney’s fees, expert witness fees and court costs along with all reasonable attorney’s fees and

costs on appeal in collecting such amounts, including without limitation its reasonable attorney's fees and costs incurred in any legal proceedings.

7. Notices. All notices, demands and communications (collectively, "Notices") under this Agreement shall be delivered or sent, addressed to the address of the intended recipient set forth below or such other address as a Party may designate by notice pursuant to this paragraph, by: (a) first class, registered or certified mail, postage prepaid, return receipt requested, (b) nationally recognized overnight carrier, or (c) sent by confirmed facsimile transmission or confirmed email. Notices shall be deemed given either one business day after delivery to the overnight carrier, three days after being mailed as provided above, or upon confirmed delivery of the facsimile or email.

District: Mt. Crested Butte Water & Sanitation District
P.O. Box 5740
Mt. Crested Butte, Colorado 81225
Attention: Mike Fabbre

With copy to: Law of the Rockies
525 N. Main Street
Gunnison, CO 81230
Attention: Marcus J. Lock
mlock@lawoftherockies.com

Developer: _____

With copy to: _____

8. Not Public Works Contract. This Agreement is not a public works contract as defined in C.R.S. § 24-91-103.5(1)(b). This Agreement is not a contract for work or materials in accordance with C.R.S. § 32-1-1001(1)(d)(I).

9. Amendments. This Agreement may only be amended or modified by a writing executed by the Parties.

10. Governing Law/Jurisdiction/Venue. This Agreement shall be governed and construed in accordance with the laws of the state of Colorado. The state courts

located in Gunnison County, Colorado shall have exclusive jurisdiction and be the exclusive venue for any and all actions arising out of or relating to this Agreement.

11. Assignment. This Agreement shall not be assigned by either Party.
12. Authority. By execution hereof, the District and the Developer represent and warrant that their respective representatives signing hereunder have the full power and lawful authority to execute this Agreement and bind the respective Party to the terms hereof. In addition, each person signing hereunder represents and warrants that he or she has the authority to execute this Agreement and bind to the terms of this Agreement the Party on behalf of whom he or she is signing.
13. Entire Agreement. This Agreement together with the Cost Reimbursement Agreement between the District and the Developer relating to the Public Improvements, any bond, and the Line Expansion Payment and Reimbursement Agreement constitutes and represents the entire, integrated agreement between the Parties with respect to the matters set forth herein, and hereby supersedes any and all prior negotiations, representations, agreements or arrangements of any kind with respect to such matters, whether written or oral, but excluding the Cost Reimbursement Agreement, any bond, and the Line Expansion Payment and Reimbursement Agreement. Nothing in this Agreement supersedes or replaces the Cost Reimbursement Agreement, any bond, or the Line Expansion Payment and Reimbursement Agreement. The Cost Reimbursement Agreement establishes the timing and mechanism for paying the District its costs, which are specifically required by this Agreement to be paid in accordance with the Cost Reimbursement Agreement. This Agreement shall become effective upon the date set forth above. The Parties agree that this Agreement accurately reflects and complies with the Rules and Regulations.
14. Inurement. The terms of this Agreement shall be binding upon, and inure to the benefit of, the Parties as well as their respective successors.
15. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the District, its respective officials, employees, contractors, or agents, or any other person acting on behalf of the District and, in particular but without limitation, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act.
16. No Third Party Beneficiaries. There are no third party beneficiaries to this Agreement and no third parties are entitled to enforce this Agreement.

17. Electronic Signatures. The Parties agree to accept electronic signatures on this Agreement as originals. The Parties agree that this Agreement may be executed in counterparts and, if so executed, the counterparts taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written.

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT BLANK INTENTIONALLY]

[THE SIGNATURES OF THE PARTIES APPEAR ON THE FOLLOWING PAGE]

DISTRICT:

Mt. Crested Butte Water & Sanitation District

By: _____
Mike Fabbre, District Manager

DEVELOPER:

Name: _____

By: _____

Its: _____

Exhibit A

PERFORMANCE AND MAINTENANCE BOND

Bond Number: _____

Effective Date: _____
(date of acceptance of infrastructure)

KNOW ALL MEN BY THESE PRESENTS that we,

Principal Name

Principal Address

Principal Telephone

(hereinafter, the “Principal”), whose principal place of business and telephone number is set forth above, and

Surety Name

Surety Address

Surety Telephone

(hereinafter called the “Surety”), whose principal address and telephone number is as stated above, a surety insurer chartered and existing under the laws of the State of _____ and authorized to do business in the State of Colorado, are held and firmly bound unto Mt. Crested Butte Water & Sanitation District, whose address is 100 Gothic Road/P.O. Box 5740, Mt. Crested Butte, CO 81225 (“MCBWSD”) in the penal sum of _____ (\$ _____) (the “Bond Amount”) for payment of which we bound ourselves, our heirs, our personal representatives, our successors and our assigns, jointly and severally.

WHEREAS, pursuant to that certain Public Improvements Acceptance Agreement between Principal and MCBWSD dated _____ 20__ (the “Agreement”), MCBWSD is agreeing to accept certain public improvements as described therein (the “Public Improvements”) subject to the terms, conditions, and provisions in the Agreement, including

without limitation the obligation on Principal to provide this bond and guarantee the Public Improvements as set forth herein.

NOW THEREFORE, for a period of thirty six (36) months from the Effective Date:

1. Principal does hereby covenant, guarantee and agree that:
 - a. The Public Improvements shall be free of defective materials and workmanship;
 - b. The Public Improvements shall be constructed, installed and otherwise completed in accordance with the plans and specifications for the Public Improvements as approved by MCBWSD within 18 months from the Effective Date;
 - c. The Public Improvements are and were properly designed; and
 - d. The Public Improvements will perform in accordance with the requirements of MCBWSD.
(collectively, the “Guarantee”).
2. Principal does hereby covenant and agree that it shall indemnify and defend and reimburse MCBWSD against all claims, loss or damage and expenses of repair, construction, replacement, reconstruction or any other additional labor, materials or work arising out of or relating to any breach of its Guarantee.
3. This Maintenance Bond shall apply to all breaches of the Guarantee discovered within thirty six (36) months from the Effective Date regardless of whether the repairs or replacements are performed after the expiration of said period. All suits at law or equity to recover on this bond shall be instituted within thirty (30) months after the Effective Date.
4. In the event of any breach of the Guarantee, MCBWSD shall have, among other rights, the right to: (a) to complete the construction of the Public Improvements, in whole or in part, whichever it deems appropriate in its sole discretion, either directly or through such contractors or agents as it may retain, (b) repair or replace the defective Public Improvements, whichever it deems appropriate in its sole discretion, either directly or through such contractors or agents as it may retain, (c) to require Principal to make such repairs or replacements as directed by MCBWSD, or (d) to perform some of such repairs and replacements and require Principal to make other of such repairs and replacements. Within 30 calendar days of receipt by Principal, it shall pay all invoices incurred by MCBWSD to construct, remedy, repair, replace, fix or otherwise correct any breach of the Guarantee, including those invoices by MCBWSD for construction, repairs and replacements to the Public Improvements it performs as well as construction, repairs and replacements to the Public Improvements performed by its contractors and subcontractors. With each replacement made to the satisfaction of MCBWSD, the obligation of Principal and Surety shall be discharged as to such replacement.
5. Surety hereby waives notice of any alteration or extension of time made by MCBWSD.
6. Whenever Principal is in default of its obligations under this Performance and Maintenance Bond, the Surety shall promptly remedy the default and pay all amounts owed hereunder to MCBWSD by Principal. If Principal is required hereunder to perform construction, repairs or replacements and Surety elects not to perform such repairs or replacements, MCBWSD shall have the right to perform such construction, repairs and replacements and Surety shall pay MCBWSD all costs and expenses incurred by MCBWSD in performing such construction, repairs and replacements. Surety shall have no obligation to pay MCBWSD any amount in excess of the Bond Amount.

In witness whereof, we have hereunto set our hands and seals this ____ day of _____, 20____.

Principal

By: _____

Its: _____

Surety

By: _____

Its: _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____ as _____ of _____, the Principal. Witness my hand and official seal.

My commission expires: _____.

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____ as _____ of _____, the Surety. Witness my hand and official seal.

My commission expires: _____.

Notary Public

Exhibit B

INFRASTRUCTURE CONVEYANCE AND TRANSFER

_____, for \$10.00 and other good and valuable consideration, in hand paid, hereby sells transfers and conveys to MT. CRESTED BUTTE WATER & SANITATION DISTRICT, a Colorado special district, whose address is P.O. Box 5740, Mt. Crested Butte, CO 81225, the following real and personal property in the County of Gunnison and State of Colorado, to wit:

All water lines and wastewater lines, including any pumps, fittings, and appurtenances and all infrastructure used therewith located in, on or under the real property described in **Exhibit A**, which is attached hereto and incorporated herein by this reference,

with all appurtenances, and warrants title to the same against all persons claiming under him.

Signed this _____ day of _____, 20_____.

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by _____.

Witness my hand and official seal.

My commission expires:_____.

Notary

**EXHIBIT A TO
INFRASTRUCTURE CONVEYANCE AND TRANSFER**

Draft

Exhibit C

GRANT OF UTILITY EASEMENT

_____ (“Grantor”), whose address is _____ for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, hereby grants and conveys to MT. CRESTED BUTTE WATER & SANITATION DISTRICT, a Colorado special district (the “District”), whose address is P.O. Box 5740, Mt. Crested Butte, CO 81225, a perpetual non-exclusive easement at the location described in **Exhibit A**, which is incorporated herein by this reference (the “Easement Area”) to install, construct, operate, repair, reconstruct, replace, remove, inspect, survey and use, an underground water lines and wastewater lines and all necessary and proper appurtenances connected therewith, hereafter collectively referred to as the “Utilities”, together with the right of ingress and egress over and across said Easement Area and over and across all roads, streets and driveways as may currently exist or may exist in the future as located on the parcel described on **Exhibit B**, which is incorporated herein by this reference, as may be necessary to install, construct, operate, repair, reconstruct, replace, remove, inspect, survey and use said Utilities, at any time.

Specifically, but without limitation, Grantor grants to the District:

1. The right from time to time to change the grade of the easement, enlarge, improve, reconstruct, relocate and replace any underground utility lines, improvements or other appurtenances constructed hereunder with any other number or type of underground utilities and pipelines, or other structures either in the original location or at any alternate location or locations within the Easement Area; provided, however, that no alteration of grade may be made that would alter any road or driveway grade such that it no longer complies with applicable road or driveway standards and no alteration of grade may be made that would cause water damage to improvements outside of the Easement Area.
2. The right to mark the location of said easement by suitable markers set in or on the ground; provided that any permanent markers shall be placed in locations which will not interfere with any reasonable use the Grantor is otherwise permitted to make of the Easement Area.

Said easement and right of way shall be subject to the following terms and conditions and reservations:

1. Grantor shall have the right to use the Easement Area for any purpose not inconsistent with the full use and enjoyment of the Easement Area by the District as granted pursuant to this Grant of Utility Easement.
2. Immediately upon completion of installation, construction, operation, repair, reconstruction, replacement, or removal of the Utilities, the District shall restore the property disturbed or damaged by such activity to a condition as near as reasonably possible to the condition prior to the activity or otherwise restore the disturbed area to a level and clean condition. Notwithstanding the foregoing, in no event shall the

District be required to replace or repair asphalt, curb, gutter, concrete work or other improvements in the Easement Area.

This Grant of Utility Easement shall be binding upon and inure to the benefit of the parties hereto, their respective heirs, personal representatives, successors and assigns and shall run with the land.

The persons signing this Grant of Utility Easement represent and warrant that they have full and lawful authority to make this Grant of Utility Easement on behalf of Grantor.

IN WITNESS WHEREOF, the undersigned have set their hands hereto on the day and year first above written.

GRANTOR:

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____, by

Witness my hand and official seal.

My commission expires:_____.

Notary Public

EXHIBIT A
to
GRANT OF UTILITY EASEMENT

Ten feet on either side of any water lines and wastewater lines wherever located, including but not limited to those locations as shown or otherwise described on **Exhibit A-1**, which is attached hereto and incorporated herein.

Draft

EXHIBIT A-1
to
GRANT OF UTILITY EASEMENT

**[INSERT SURVEY OR OTHER SPECIFIC DESCRIPTION OF INFRASTRUCTURE
LOCATIONS]**

Draft

EXHIBIT B
to
GRANT OF UTILITY EASEMENT

[DESCRIPTION OF ENTIRE PARCEL]

Draft

Exhibit D

MAINTENANCE BOND

Bond Number: _____

Effective Date: _____
(date of acceptance of infrastructure)

KNOW ALL MEN BY THESE PRESENTS that we,

Principal Name

Principal Address

Principal Telephone

(hereinafter, the “Principal”), whose principal place of business and telephone number is set forth above, and

Surety Name

Surety Address

Surety Telephone

(hereinafter called the “Surety”), whose principal address and telephone number is as stated above, a surety insurer chartered and existing under the laws of the State of _____ and authorized to do business in the State of Colorado, are held and firmly bound unto Mt. Crested Butte Water & Sanitation District, whose address is 100 Gothic Road/P.O. Box 5740, Mt. Crested Butte, CO 81225 (“MCBWSD”) in the penal sum of _____ (\$_____)

(the “Bond Amount”) for payment of which we bound ourselves, our heirs, our personal representatives, our successors and our assigns, jointly and severally.

WHEREAS, pursuant to that certain Public Improvements Acceptance Agreement between Principal and MCBWSD dated _____ 20__ (the “Agreement”), MCBWSD is agreeing to accept certain public improvements as described therein (the “Public Improvements”) subject to the terms, conditions, and provisions in the Agreement, including

without limitation the obligation on Principal to provide this bond and guarantee the Public Improvements as set forth herein.

NOW THEREFORE, for a period of eighteen (18) months from the Effective Date:

1. Principal does hereby covenant, guarantee and agree that:
 - a. The Public Improvements shall be free of defective materials and workmanship;
 - b. The Public Improvements were constructed, installed and otherwise completed in accordance with the plans and specifications for the Public Improvements as approved by MCBWSD;
 - c. The Public Improvements were properly designed; and
 - d. The Public Improvements will perform in accordance with the requirements of MCBWSD.
(collectively, the “Guarantee”).
2. Principal does hereby covenant and agree that it shall indemnify and defend and reimburse MCBWSD against all claims, loss or damage and expenses of repair, replacement, reconstruction or any other additional labor, materials or work arising out of or relating to any breach of its Guarantee.
3. This Maintenance Bond shall apply to all breaches of the Guarantee discovered within eighteen (18) months from the Effective Date regardless of whether the repairs or replacements are performed after the expiration of said period. All suits at law or equity to recover on this bond shall be instituted within thirty (30) months after the Effective Date.
4. In the event of any breach of the Guarantee, MCBWSD shall have, among other rights, the right to: (a) repair or replace the defective Public Improvements, whichever it deems appropriate in its sole discretion, either directly or through such contractors or agents as it may retain, (b) to require Principal to make such repairs or replacements as directed by MCBWSD, or (c) to perform some of such repairs and replacements and require Principal to make other of such repairs and replacements. Within 30 calendar days of receipt by Principal, it shall pay all invoices incurred by MCBWSD to remedy, repair, replace, fix or otherwise correct any breach of the Guarantee, including those invoices by MCBWSD for repairs and replacements to the Public Improvements it performs as well as repairs and replacements to the Public Improvements performed by its contractors and subcontractors. With each replacement made to the satisfaction of MCBWSD, the obligation of Principal and Surety shall be discharged as to such replacement.
5. Surety hereby waives notice of any alteration or extension of time made by MCBWSD.
6. Whenever Principal is in default of its obligations under this Maintenance Bond, the Surety shall promptly remedy the default and pay all amounts owed hereunder to MCBWSD by Principal. If Principal is required hereunder to perform repairs or replacements and Surety elects not to perform such repairs or replacements, MCBWSD shall have the right to perform such repairs and replacements and Surety shall pay MCBWSD all costs and expenses incurred by MCBWSD in performing such repairs and replacements. Surety shall have no obligation to pay MCBWSD any amount in excess of the Bond Amount.

In witness whereof, we have hereunto set our hands and seals this ____ day of _____, 20____.

Principal

By: _____

Its: _____

Surety

By: _____

Its: _____

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of _____,
20___, by _____ as _____ of _____
_____, the Principal. Witness my hand and official seal.
My commission expires: _____.

Notary Public

STATE OF _____)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ___ day of _____,
20___, by _____ as _____ of _____
_____, the Surety. Witness my hand and official seal.
My commission expires: _____.

Notary Public

Exhibit E

**PRELIMINARY ACCEPTANCE CERTIFICATION
Mt. Crested Butte Water & Sanitation District**

Developer: _____

Public Improvements Acceptance Agreement entered into: _____

Preliminary Acceptance effective date: _____

As-built drawing engineer: _____

As-built drawing date: _____

The District hereby certifies that effective as of the Preliminary Acceptance effective date set forth above, Developer has complied with the requirements for preliminary acceptance of the Public Improvements as set forth on the as-built drawings above described to the best of the District's knowledge and the Public Improvements have been preliminarily accepted. Nothing in this certification waives any claims nor does it require that the District provide any repairs or maintenance for the Public Improvements nor does this preliminary acceptance require that the District provide final acceptance except as set forth in the above-described Public Improvements Acceptance Agreement.

Executed effective as of the Preliminary Acceptance effective date set forth above.

Mt. Crested Butte Water & Sanitation District

By: _____

Its: _____

Exhibit F

Application for Acceptance of Public Improvements

Applicant Name: _____

Applicant Address: _____

State: _____ **Zip:** _____ **Daytime Phone #:** _____

Alt. Phone / Cell: _____

Email: _____

List of Public Improvements proposed for acceptance:

_____ (attach additional pages if necessary)

By its signature below, Applicant certifies that this Application for Acceptance of Public Improvements and all documents submitted in support of this application are true and correct and not misleading in any way and that the Applicant is the owner of the Public Improvements identified for acceptance in this application.

Applicant

By: _____

Date: _____

Its: _____

Exhibit G

Resolution No. _____

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE MT. CRESTED BUTTE
WATER & SANITATION DISTRICT
REGARDING ACCEPTANCE OF IMPROVEMENTS**

WHEREAS, the Mt. Crested Butte Water & Sanitation District, Gunnison County, State of Colorado (the “District”) is a quasi-municipal corporation and political subdivision of the state of Colorado; and

WHEREAS, the District’s Service Plan has been approved by Gunnison County, Colorado (as amended, the “Service Plan”); and

WHEREAS, the District was formed for, among other things, the purpose of designing, acquiring constructing, installing, operating, maintaining and financing water systems and sewer systems subject to the terms of the Service Plan; and

WHEREAS, the Board of Directors of the District (the “Board”) adopted the Mt. Crested Butte Water & Sanitation District Rules and Regulations Amended and Adopted August 11, 2015 (as amended, the “Rules and Regulations”); and

WHEREAS, the District and _____ (the “Developer”) entered into a Public Improvements Acceptance Agreement as of the ___ day of _____ (the “Agreement”), which establishes the terms and conditions for the District’s acceptance of certain public improvements to be constructed by the Developer in accordance with the Agreement and the Rules and Regulations (the “Public Improvements”); and

WHEREAS, the Developer now requests that the District accept the Public Improvements as more particularly described in the Application for Acceptance of Public Improvements attached hereto as **Exhibit A**; and

WHEREAS, the Developer has furnished all documents to the District that are required by the Rules and Regulations and the Agreement, and all other requirements set forth in the Agreement and the Rules and Regulations have been met; and

WHEREAS, the Board has reviewed the information and documents submitted by Developer and has determined that the best interests of the District, its residents, users and property owners would be served by the Districts acceptance of the Public Improvements.

NOW THEREFORE, be it resolved by the Board of the District as follows:

1. *Acceptance of Public Improvements.* The Board hereby finds that the applicable requirements set forth in the Agreement as well as the applicable provisions of the Rules

and Regulations regarding acceptance by the District of the Public Improvements have been met, including without limitation the delivery of as-built drawings, the provision of adequate easements and other access rights for maintenance of the Public Improvements, the conveyance of the Public Improvements to the District, the payment of all maintenance costs to date, the passage of at least 18 months since preliminary acceptance or the last major repairs for the Public Improvements, satisfactory preliminary and final inspections by the District's engineer, and the payment of all costs for accomplishing these matters. The District hereby agrees to accept the Improvements subject to the terms, conditions, provisions, and limitations set forth in the Rules and Regulations, the Agreement and this Resolution.

ADOPTED THIS ____ DAY OF _____, 20_____.

MT. CRESTED BUTTE WATER &
SANITATION DISTRICT

By: _____

Its: _____

ATTEST:

Secretary