



SENT VIA EMAIL to: Chuck.Hawn@centurycommunities.com

February 27, 2024

Century Land Holdings, LLC
c/o Century Communities
Attn: Mr. Chuck Hawn, Land Development Project Manager
8390 E. Crescent Pkwy, Ste 650
Greenwood Village, Colorado 80111

RE: Conditional Acceptance of Red Barn Subdivision, Filing No. 2 - Phase A1 Public Infrastructure Improvements

Dear Mr. Hawn,

This letter is to notify you that the public infrastructure improvements in Filing 2, Phase A1, of the Red Barn Subdivision, including the off-site State Highway 66 and Weld County Road (WCR) 13 Improvements, have been granted Conditional Acceptance by the Town of Mead Board of Trustees on February 26, 2024, pursuant to the attached Resolution No. 20-R-2024 (the "Conditional Acceptance Resolution"). **Private Outlot and Public Right-of-Way (ROW) Landscaping Improvements in Filing 2, Phase A1, are not included in this Conditional Acceptance.**

In January and February 2024, Town of Mead Staff completed inspections of the referenced public infrastructure improvements. The purpose of these inspections was to confirm completion of construction of those improvements, assess the condition of the improvements installed, and generate a punchlist detailing deficiencies requiring completion. A copy of the punchlist is attached to this letter. All punchlist items shall be completed by March 31, 2024, unless otherwise directed by Town Staff.

Please be aware that, in accordance with the Town of Mead *Design Standards and Construction Specifications*, Section 202.8.A.1.a, the two-year warranty period for the Phase A1 public infrastructure improvements will not begin until May 1, 2024. During the two-year warranty period, the developer shall, at developer's own expense, take all actions necessary to maintain the public improvements and make needed repairs or replacements that, in the reasonable opinion of the Town, shall become necessary.



No sooner than sixty (60) days, and at least thirty (30) days, before the end of the two-year warranty period, and during the growing season (May 1 through October 31), the Developer shall request an inspection of the Phase A1 public infrastructure improvements granted conditional acceptance pursuant to the Conditional Acceptance Resolution. Once the Phase A1 public infrastructure improvements are judged by the Town to be in satisfactory condition, the Town shall grant Final Acceptance of Phase A1 by resolution of the Board of Trustees.

With respect to the collateral reduction contemplated in Section X.A. of that certain Subdivision Improvement Agreement dated February 8, 2021, and recorded on May 11, 2021, at Reception No. 4713904 of the Weld County records and assigned to Developer by that certain Assignment dated June 28, 2021 and recorded on July 12, 2021 at Reception No. 4734507 of the Weld County records ("SIA"), there are two options as outlined below. Additionally, in preparation for bringing the Conditional Acceptance Resolution before the Board of Trustees, review of the documents on file with the Town determined that the Developer has not posted the required collateral for ROW Landscaping Improvements in the amount of \$379,411.82. **For either option described below, the collateral for ROW Landscaping Improvements shall be submitted to the Town Engineer or designee prior to release of collateral for Phase A1 Infrastructure and Phase A1 Off-Site Highway 66 Infrastructure.**

OPTION 1

Developer shall replace Letters of Credit (LOCs) Nos. 136866186 and 136866207, both dated June 2, 2021, in the amounts of \$5,477,749.46 and \$188,565.50, respectively (and both having current expiration dates of June 2, 2024) (the "Existing Phase A1 Infrastructure and Phase A1 Off-Site Highway 66 Infrastructure LOCs"), with **one new replacement LOC** in the form required by the SIA in the amount of **eight hundred forty-nine thousand, nine hundred forty-seven dollars (\$849,947.00)** (representing 15% of the aggregate face amounts of the Existing Phase A1 Infrastructure and Phase A1 Off-Site Highway 66 Infrastructure LOCs) and having an expiration date **not earlier than July 1, 2026** (the "Warranty LOC"). Additionally, Developer shall submit one new LOC in the amount of **three hundred seventy-nine thousand four hundred eleven dollars (\$379,411.00)** (representing 115% of the estimated cost of "Phase A1 ROW Landscaping Improvements") (the "ROW Landscaping LOC"). If Developer selects OPTION 1, the Developer shall proceed to have CREDIT AGRICOLE CORPORATE & INVESTMENT BANK file the Warranty LOC and the ROW Landscaping LOC with the Town Engineer on or before March 31, 2024. Upon filing of the Warranty LOC and the ROW Landscaping LOC, the Town Engineer or designee shall cause the Existing Phase A1 Infrastructure and Phase A1 Off-Site Highway 66 Infrastructure LOCs



to be released.

OPTION 2

At Developer's request, the Town will send a letter to CREDIT AGRICOLE CORPORATE & INVESTMENT BANK requesting an amendment to each of the Existing Phase A1 Infrastructure and Phase A1 Off-Site Highway 66 Infrastructure LOCs:

- Reduce amount of LOC No. 136866186 from \$5,477,749.46 to \$821,662.00 and extend final expiration date to July 1, 2026
- Reduce amount of LOC No. 136866207 from \$188,565.50 to \$28,285.00 and extend final expiration date to July 1, 2026

(together, the "AMENDED LOCs - Warranty Period").

If Developer selects OPTION 2, the Developer shall proceed to have CREDIT AGRICOLE CORPORATE & INVESTMENT BANK process the requested amendments and file the AMENDED LOCs - Warranty Period with the Town Engineer or designee on or before March 31, 2024.

Additionally, Developer shall submit one new LOC in the amount of **three hundred seventy-nine thousand four hundred eleven dollars (\$379,411.00)** (representing 115% of the estimated cost of "Phase A1 ROW Landscaping Improvements") (the "ROW Landscaping LOC"). The ROW Landscaping LOC must be filed with the Town Engineer on or before March 31, 2024.

The Warranty LOC (or the AMENDED LOCs - Warranty Period, if OPTION 2 is selected) shall be released in accordance with the terms of the SIA and the *Mead Municipal Code*. The ROW Landscaping LOC may be reduced conditioned on the Town's conditional acceptance of the Phase A1 ROW Landscaping Improvements.

Sincerely,

Robyn Brown, P.E.
Deputy Town Engineer



ATTACHMENTS:

Attachment 1 – Red Barn Subdivision, Filing No. 2 – Phase A1 Public Improvements –
Punchlist