

**RESOLUTION  
OF THE  
BOARD OF DIRECTORS  
OF THE  
SABELL METROPOLITAN DISTRICT**

**ESTABLISHING POLICIES AND PROCEDURES FOR THE ACCEPTANCE OF  
DISTRICT ELIGIBLE COSTS AND ACQUISITION OF PUBLIC IMPROVEMENTS,  
INCLUDING LANDSCAPE IMPROVEMENTS**

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WHEREAS, the Sabell Metropolitan District, City of Arvada, Jefferson County, State of Colorado (“**District**”), is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, the District has the power to provide certain public infrastructure, improvements and services, as described in the Special District Act, within and without its boundaries (collectively, the “**Public Improvements**”), as authorized and in accordance with the Service Plan for the District (the “**Service Plan**”); and

WHEREAS, in accordance with the Special District Act and the Service Plan, the District has the power to acquire real and personal property, manage, control, and supervise the affairs of the District, including the financing, construction, installation, operation and maintenance of the Public Infrastructure in accordance with the Service Plan, to hire and retain agents to perform the tasks empowered to the District, and to perform all other necessary and appropriate functions in furtherance of the Service Plan; and

WHEREAS, the Board of Directors of the District (the “**Board**”) recognizes that due to the timing and need for the Public Improvements, third-party developers or builders (“**Developers**”) may construct all or a portion of the Public Improvements and incur certain construction related expenses (“**District Eligible Costs**”) for the benefit of the District in anticipation of future reimbursement from the District; and

WHEREAS, the Board desires to adopt a policy whereby it may, in its sole discretion, recognize and reimburse the Developer for District Eligible Costs and, as applicable, acquire certain of the Public Improvements from the Developer, subject to the availability of District funds for such purpose and subject to the terms of this Resolution; and

WHEREAS, the Board desires such policy to specifically delineate procedures for acquiring and accepting certain landscape improvements, including but not limited to, landscaping, irrigation system improvements (including pumps, storage facilities, and distribution facilities), and all necessary equipment and appurtenances incident thereto (collectively, the “**Landscape Improvements**”).

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

1. Application for Acceptance of Costs and/or Acquisition of all Public Infrastructure except for Landscape Improvements. Upon completion of any Public Improvement (or portion thereof which, in the reasonable opinion of the District, based upon advice from its engineers and legal counsel, constitutes a discrete subsystem or component of a larger improvement or structure that may be separately acquired), except for Landscape Improvements, the Developer shall submit the following materials to the District, in form and substance reasonably satisfactory to the District:

a. A description of the Public Improvement(s) to be accepted and the proposed District Eligible Costs thereof.

b. Copies of all invoices, statements and evidence of payment thereof equal to the proposed District Eligible Costs, including lien waivers from suppliers and subcontractors, as applicable.

c. Evidence that any and all real property interests necessary to permit the District's use and occupancy of the Public Improvement have been granted, or, if permitted solely in the discretion of District, assurance acceptable to the District that the Developer or the Builder will execute such instruments as shall satisfy this requirement.

d. A complete set of electronic or 24" by 36" mylar reproducible "as-built" drawings of the Public Improvement which are certified by a professional engineer registered in the State of Colorado or a licensed land surveyor, showing accurate size and location of all Public Improvement. Such drawings shall be in form and content reasonably acceptable to the District. Where Public Infrastructure is being acquired or accepted as discrete subsystems or components, this requirement may be satisfied upon final completion of the Public Infrastructure of which the subsystem or component is a part.

e. A form of Bill of Sale or other instrument of conveyance (in form and substance acceptable to the District in its reasonable discretion) by which the Public Improvement (or component part or subsystem) will be conveyed to or at the direction of the District, if applicable.

f. Such additional information as the District may reasonably require

2. Application for Acceptance of Costs and/or Acquisition of Landscape Improvements. Upon completion of any Landscape Improvements (or portion thereof which, in the reasonable opinion of the District, based upon advice from its engineers and legal counsel, constitutes a discrete subsystem or component of a larger improvement or structure that may be separately acquired), the Developer shall submit the following materials to the District, in form and substance reasonably satisfactory to the District:

- a. A description of the Landscape Improvements to be acquired and the proposed eligible costs thereof;
- b. Approved landscape plan(s) and certification by a landscape architect or engineer that all Landscape improvements were installed in accordance with the approved landscape plan(s);
- c. Test results for Landscaping Improvements conforming to industry standards (compaction test results, concrete tickets, hardscape test results, cut-sheets, etc.);
- d. Pressure test results for any irrigation system;
- e. Assignment of any warranties or guaranties;
- f. Any operation and maintenance manuals;
- g. An executed Bill of Sale in form and substance acceptable to the District;
- h. Such additional information as the District may reasonably require.

2. Infrastructure Acquisition and Reimbursement Agreement. Prior to any reimbursement being made to the Developer for District Eligible Costs or the acquisition of any Public Improvement, the Developer may be required to enter into an Infrastructure Acquisition and Reimbursement Agreement with the District (the "Acquisition Agreement"), in the form acceptable to the District, setting forth the requirements for acceptance of District Eligible Costs, acquisition of Public Improvements, and the terms for repayment of District Eligible Costs.

3. District Review and Certification Procedures. Following receipt of the materials set forth in the Acquisition Agreement and/or this Resolution, and within a reasonable period of time thereafter:

- a. The District's accountant or engineer may review the invoices and other material presented to verify payment and substantiate the District Eligible Costs and shall issue a cost certification in form and substance reasonably acceptable to the District and in the manner set forth in the Acquisition Agreement (the "Cost Certification").
- b. The Developer's engineer or other appropriate design professional may inspect the Public Improvement(s) for compliance with applicable design and construction standards, and review all supporting material, and shall issue an engineer's certification in form and substance reasonably acceptable to the District and in the manner set forth in any Acquisition Agreement (the "Engineer's Certification").

4. Acceptance of District Eligible Costs and Acquisition of Public Improvements. Subject to the receipt of a satisfactory Cost Certification and Engineer's Certification, as applicable, and satisfaction of any other conditions reasonably required by the District, as set forth

in this Resolution or any Acquisition Agreement, the District may evidence its acceptance of the District Eligible Costs and, as applicable, acquisition of Public Improvement(s) by adopting a resolution providing that all information required to be received by the District has been so received, (or specifying any applicable waivers that have been granted), and shall set forth certain findings of the Board with respect to the reimbursement for the District Eligible Costs and acceptance of the Public Improvements (the “Acceptance Resolution”).

5. Warranty Period. Any Public Improvements/Landscape Improvements acquired by the District from the Developer shall be subject to an initial acceptance period of two (2) years during which Developer shall be responsible for maintaining or ensuring the maintenance of the Public Improvements/Landscape Improvements and performing any corrective work or punch list items that must be completed before final acceptance by the District. Notwithstanding the foregoing, any annuals shall only be warranted during their normal period of growth.

6. Subject to Annual Appropriations. Any payments due under the Acceptance Resolution are subject to annual appropriation by the District, subject to an outstanding bonds or loans of the District, and do not create a multiple-fiscal year obligation or debt whatsoever. Furthermore, any payments due hereunder are subject to any repayment terms and conditions as set forth in the Acquisition Agreement.

7. No Waiver. No waiver of any of the provisions of this Resolution shall be deemed to constitute a waiver of any other of the provisions of this Resolution, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein.

8. No Guaranty or Reliance. Nothing contained herein shall obligate the District to accept any Public Improvements/Landscape Improvements or reimburse any Developer for any District Eligible Costs. The approval or consent of the District to any application for the acquisition of Public Improvements/Landscape Improvements or reimbursement of District Eligible Costs shall not be deemed to constitute a waiver of any right to hold or deny approval by the District as to any other application. The approval of any application, acceptance of any Public Improvements/Landscape Improvements and reimbursement of any District Eligible Costs shall be in the sole and absolute discretion of the District.

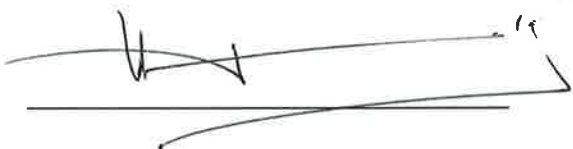
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ADOPTED THIS 18<sup>th</sup> DAY OF FEBRUARY, 2020.

**SABELL METROPOLITAN DISTRICT**

  
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Officer of the District

ATTEST:

  
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APPROVED AS TO FORM:  
WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

  
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General Counsel to the District