

**RESOLUTION OF
THE BOARD OF DIRECTORS OF
ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 2
CONCERNING THE ACQUISITION OF PUBLIC INFRASTRUCTURE**

RECITALS

A. Erie Highlands Metropolitan District No. 2 (the "**District**") is a quasi-municipal corporation and political subdivision of the State of Colorado duly organized and existing pursuant to Article 1 of Title 32, Colorado Revised Statutes.

B. The District is located within the Town of Erie, Weld County, Colorado and operates in accordance with the Consolidated Service Plan for Erie Highlands Metropolitan District Nos. 1-5, approved by the Town on September 3, 2013 (the "**Service Plan**").

C. Pursuant to §§ 32-1-1001(1)(d) and (f), C.R.S., the District is empowered to enter into contracts affecting the affairs of the District and to acquire real and personal property.

D. The District adopted an Infrastructure Acquisition Resolution, dated December 23, 2024, concerning the acceptance of public infrastructure from Clayton Property Group, Inc., d/b/a Oakwood Homes (the "**Developer**").

E. The Developer has caused the construction and installation of certain public improvements, has submitted satisfactory documentation to the District identifying the public infrastructure and is ready to convey certain landscaping, irrigation and storm drainage public improvements ("**Public Improvements**") to the District for ownership, operation and maintenance.

F. IDES, an independent engineering firm engaged by the District, has reviewed as-built plans, lien waivers, acceptance letters and/or other satisfactory evidence of the completed Public Improvements as described in IDES Engineer's Infrastructure Acquisition Report #1 ("**Infrastructure Acquisition Report #1**"), attached hereto as Exhibit A and incorporated herein by this reference.

G. The District desires to acquire the Public Improvements as described in Acquisition Report #1 by Assignment and Bill of Sale, the form of which is attached as Exhibit B.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors of the Erie Highlands Metropolitan District No. 2 as follows:

1. Certification of Public Improvements. The District has reviewed the Infrastructure Acquisition Report #1, and supporting documentation, and the Board hereby finds that the Public Improvements meet the requirements set forth in the Infrastructure Acquisition Resolution and that such Public Improvements are appropriate for acquisition.

2. Acceptance of Public Infrastructure. The District accepts the Public Improvements from the Developer as described in Acquisition Report #1 by Assignment and Bill of Sale, the form of which is attached as Exhibit B, located on the following tracts:

Erie Highlands Filing 14 Tracts A-D & F
Erie Highlands Filing 15 Tract A
Erie Highlands Filing 16 Tracts X, DD & MM
Town of Erie, Weld County, Colorado.

3. Upon receipt of the Assignment and Bill of Sale, the District grants the Board President the authority to sign on behalf of and bind the District to any such documents reasonably necessary to finalize the transfer and acceptance of the Property described herein.

4. Contemporaneously herewith, the District shall accept the transfer of real property by Special Warranty Deed from the Developer, in the form of deed approved by the District.

5. Severability. If any part, section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

6. Effective Date. This Resolution shall take effect and be enforced immediately upon its approval by the District Board.

Whereupon, a motion was made and seconded, and upon a majority vote this Resolution was approved by the Board of Directors of the District.

ADOPTED AND APPROVED THIS 5TH DAY OF NOVEMBER, 2025.

ERIE HIGHLANDS METROPOLITAN
DISTRICT NO. 2

Mitchell Gonzales, President

Attest:

Keith Kauffman, Secretary

EXHIBIT A

IDES Engineer's Infrastructure Acquisition Report #1
Attached

Erie Highlands Metropolitan District No. 2 Infrastructure Acquisition



Report 1
October 2025



Independent District Engineering Services, LLC
1626 Cole Blvd, Suite 125
Lakewood, CO 80401
www.idesllc.com

Erie Highlands Metropolitan District No. 2

Infrastructure Acquisition 1

Table of Contents

Infrastructure Acquisition

Introduction	1
Reference Documents.....	1
Discussion.....	1
Recommendation	3

Attachments

Attachment A - Site Map	5
Attachment B – Infrastructure Acquisition Checklist	7
Attachment C – Punchlist	9

October 23, 2025

Erie Highlands Metropolitan District No. 2
141 Union Boulevard, Suite 150
Lakewood, Colorado 80228-1898

ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 2 INFRASTRUCTURE ACQUISITION REPORT 1

INTRODUCTION

Independent District Engineering Services, LLC (the “Engineer”) was hired by the Erie Highlands Metropolitan District No. 2 (the “District”) to provide recommendation of infrastructure acquisition based on the documents required by the Resolution of The Board of Directors of Erie Highlands Metropolitan District No.2 Concerning the Acquisition of Public Infrastructure. The improvements are for the Erie Highlands development located in the Town of Erie, Colorado. This infrastructure acquisition report summarizes the Engineer’s approach and recommendations for the project. This report specifically covers Erie Highlands Filings No. 14, 15 & 16.

REFERENCE DOCUMENTS

The following documents were used in determining recommendations for this report:

- Consolidated Service Plan For Erie Highlands Metropolitan District Nos. 1-5, prepared by Icenogle, Seaver, Pogue, dated July 31, 2013.
- Resolution of The Board of Directors of Erie Highlands Metropolitan District No.2 Concerning the Acquisition of Public Infrastructure, dated December 23, 2024.
- Settlement Agreement and Release, dated December 31, 2024.
- Erie Highlands Filing No.14 Plat, prepared by Aztec Consultants, Inc., dated January 07, 2019.
- Erie Highlands Filing No.15 Plat, prepared by Aztec Consultants, Inc., dated February 18, 2019.
- Erie Highlands Filing No.16 Plat, prepared by Aztec Consultants, Inc., dated December 09, 2019.

DISCUSSION

The improvements proposed for District acquisition include landscaping, irrigation, and storm sewer improvements constructed in Filing 14 Tracts A-D & F, Filing 15 Tract A as well as Filing 16 Tracts X, DD & MM.

- Landscape and irrigation improvements in Filing 14 Tracts A-D & F, Filing 15 Tract A Filing 16 Tracts X, DD & MM.
- Storm sewer improvements in Filing 14 Tract A and Filing 15 Tract A.
- Detention Pond Improvements in Filing 14 Tract F.

Requirements for District acquisition are contained in the Resolution of The Board of Directors of Erie Highlands Metropolitan District No.2 Concerning the Acquisition of Public Infrastructure, dated December 23, 2024, specifically in Section 3. The following is a summary of the requirements. A checklist of these requirements is also shown in Attachment B. The Engineer conducted a site observation during July 2025. Copies of the documents will be provided to the District as a downloadable file folder.

As-Built Drawings (Section 3a) – Developer will provide as-built drawings or equivalent of the public infrastructure executed by a licensed professional engineer, certifying the accurate size and location of the Public Infrastructure, together with supporting maps and other documentation in the form, format and detail required by the District.

- *As-built drawings were provided for landscape and irrigation in Filing 14 Tracts A-D & F, Filing 15 Tract A as well as Filing 16 Tracts X, DD & MM.*
- *As-built drawings were provided for the French drain in Filing 15 Tract A. The French drain will be sufficient for the irrigation issues within Tract A, but the sidewalk appears to be low and will still collect water during rainfall events. This sidewalk was not installed by Oakwood Homes.*
- *As-built drawings were provided for the storm sewer improvements in Filing 14 Tract A as well as Filing 15 Tract A.*

Initial Acceptance Letters (Section 3b) – Developer will provide letters of initial or final acceptance signed by the Town or other appropriated governmental entity evidencing its approval of and/or willingness to accept responsibility for ownership, maintenance, and operations of the Public Infrastructure.

- *The Developer has provided final acceptance letters relating to the Filing 14 & 15 storm sewer and detention pond improvements from the Town of Erie.*
- *The Developer has provided final acceptance letters for the landscape and irrigation improvements in Filing 14, 15 & 16 from the Design Engineer of Record.*
- *The Engineer recommends that the final acceptance letters from the Design Engineer of Record for the landscape and irrigation improvements be sufficient to fulfill this requirement.*

Lien Waivers (Section 3c) – Developer will provide the District with lien waivers and releases from all contractors and subcontractors performing work in connection with the Public Infrastructure, or other evidence reasonably satisfactory to the District, certifying that no outstanding claims exist against the Public Infrastructure.

- *The Developer has provided lien waivers/releases for the civil infrastructure constructed in Filings 14 & Filing 15.*
- *The Developer provided retainage release lien waivers for the landscaping & irrigation improvements in Filings 14, 15, & 16. The Engineer recommends that this be sufficient to fulfill this requirement.*

Invoices/Cost of Public Infrastructure (Section 3d) – Developer will provide the District with copies of invoices and supporting documentation to establish the inventory and cost of the Public Infrastructure along with a certification that the invoices relate to the Project, were paid or otherwise satisfied, and the cost was competitive.

- *The Developer has provided Work Orders related to the landscape and irrigation improvements in Filing 14, Filing 15, & Filing 16 as well as the storm sewer & detention pond improvements in Filing 14.*
- *The Developer has not provided copies of invoices or supporting documentation relating to the public infrastructure.*
- *The Engineer recommends that the Developer provide invoices or supporting documentation that invoices were paid in relation to the public infrastructure.*

Bond (Section 3e) – Developer shall provide the District with a satisfactory Warranty Bond or other form of

security acceptable to the District for the Public Infrastructure for the warranty percentage of the Public Infrastructure Cost and for the warranty/probationary period required by the District, in the amount of 20% of the certified costs of the Public Infrastructure to secure performance of warranty obligations for a period of no less than one year prior to final acceptance by the District.

- *The Engineer has not received any Warranty Bonds from the Developer to Review.*
- *The Engineer recommends that the Warranty Bond requirement be waived as there are no outstanding warranties and Erie Highlands Metropolitan District No.4 has taken over maintenance of the Tracts.*

Right-of-Way/Easements (Section 3f) – Any Public Infrastructure dedicated or conveyed to the District must be located on property conveyed to the District, or other governmental entity, in fee simple or in easements and/or public right-of-way, free and clear of all liens and encumbrances and in conformance with the requirements of any other jurisdiction or entity to which the District may dedicate or convey the Public Infrastructure and as necessary for its convenient repair, replacement or maintenance.

- *Erie Highlands Filing 14 Plat shows a 30' Landscaping Easement along Tract A as well as a 10' utility easement.*
- *Erie Highlands Filing 15 Plat shows a 30' Landscaping Easement along Tract A as well as a 10' utility easement.*
- *Erie Highlands Filing 16 Plat shows a 30' Access Easement along Tracts DD & MM as well as an 8' utility easement.*

Bill of Sale (Section 3g) – Following satisfaction of the conditions stated herein, completed Public Infrastructure shall be conveyed to the District by bill of sale or other documentation satisfactory to the District.

- *A Bill of Sale has not been provided for the Engineer to review.*
- *The Engineer recommends that the Developer provide a Bill of Sale for the Public Infrastructure that is being conveyed to the District prior to District Acceptance.*

Certificate of Inventory and Cost (Section 3h) – Public Infrastructure shall be designed, constructed, and installed in accordance with the standards and specifications of the accepting governmental entity including, but not limited to, the Town, District, or other applicable governmental entity, if determined by the District to apply. Developer shall provide, in a form satisfactory to the District, a licensed Engineer's "Certification of Inventory and Cost", certifying that the inventory and cost of Public Infrastructure based upon submittal of all documentation provided under sections 3a through 3f as being true and meeting standard industry practice.

- *The Developer has not provided a Certification of Inventory and Cost.*
- *The Developer has provided copies of all contracts pertaining to the Public Infrastructure constructed in Filings 14, Filing 15 & Filing 16.*
- *The Engineer recommends that the contracts provided be sufficient to fulfill this requirement.*

RECOMMENDATION

The Engineer recommends that the District acquire the improvements constructed in Filing 14, Filing 15 & Filing 16 that are not dedicated to the Town of Erie subject to the conditions listed below.

1. The Developer provides a fully executed Bill of Sale and Special Warranty Deed in a format acceptable to the District.

Should you have any questions or require further information please feel free to contact us.

Respectfully Submitted,
Independent District Engineering Services, LLC

A handwritten signature in blue ink, appearing to read "Brandon Collins".

Brandon Collins, PE

Attachments

Attachment A

Site Map

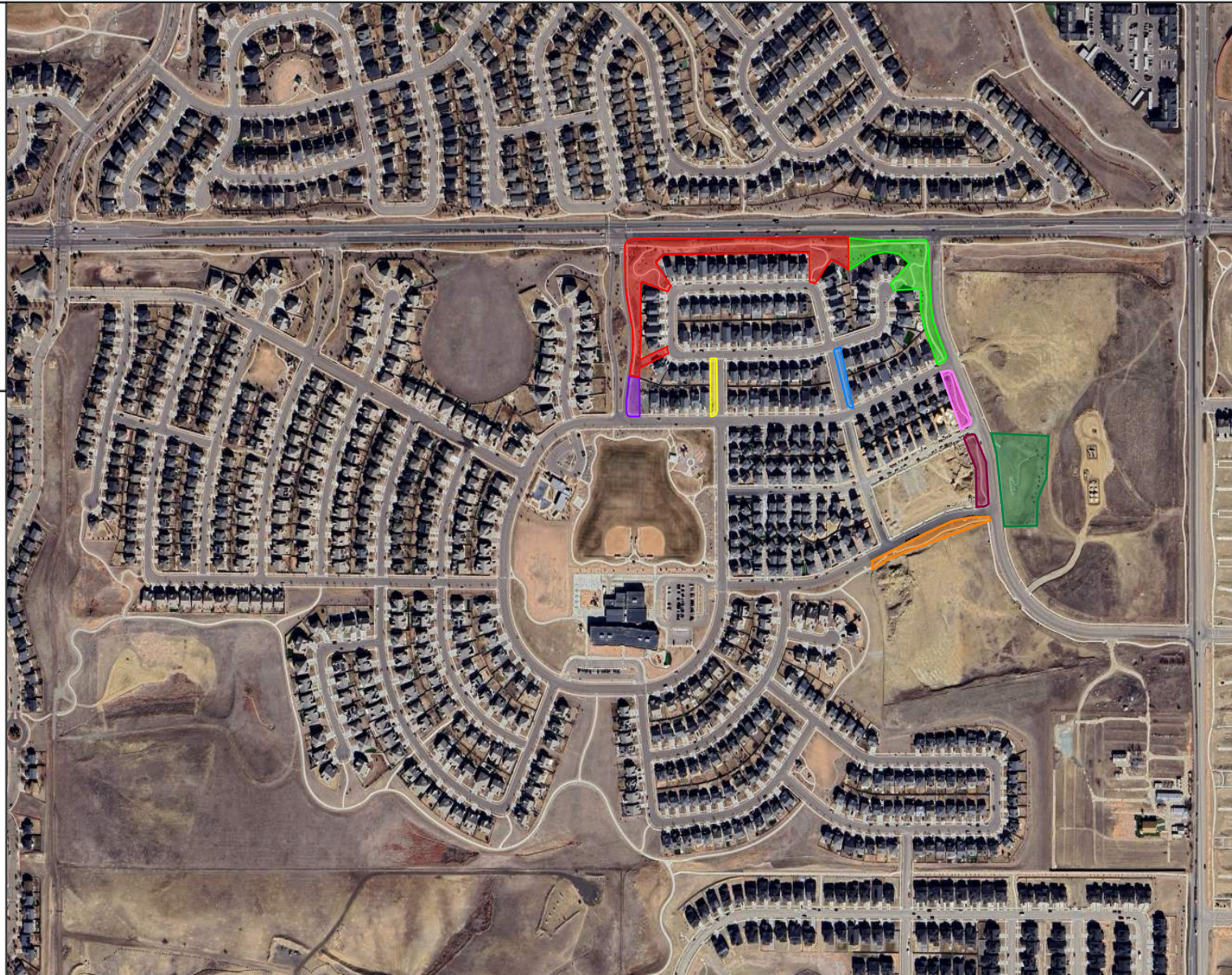
VICINITY MAP



SCALE: NTS

LEGEND

- FILING 14 TRACT A
- FILING 14 TRACT B
- FILING 14 TRACT C
- FILING 14 TRACT D
- FILING 14 TRACT F
- FILING 15 TRACT A
- FILING 16 TRACT X
- FILING 16 TRACT DD
- FILING 16 TRACT MM



Attachment B

Infrastructure Acquisition Checklist

Attachment B
Erie Highlands Metropolitan District
Infrastructure Acquisition 2 Checklist

General			Infrastructure Acquisition Agreement Requirements								
Improvement	Current Ownership	Ready for District Acceptance	As-Built Drawings	Initial Acceptance Letters	Lien Waivers	Invoices/Cost of Public Infrastructure	Warranty Bond	Right-Of-Way/Easements	Bill of Sale	Certificate of Inventory and Cost	
Filing 14 Tract A											
Landscape	OH	No	Yes	Yes	Yes	Yes	Waive	Yes	Legal	Yes	
Irrigation	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Storm Sewer	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Filing 14 Tract B											
Landscape	OH	No	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Irrigation	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Filing 14 Tract C											
Landscape	OH	No	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Irrigation	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Filing 14 Tract D											
Landscape	OH	No	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Irrigation	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Filing 14 Tract F											
Landscape	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Irrigation	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Detention Pond	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Filing 15 Tract A											
Landscape	OH	No	Yes	Yes	Yes	Yes	Waive	Yes	Legal	Yes	
Irrigation	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Storm Sewer	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Filing 16 Tract X											
Landscape	OH	Yes	Yes	Yes	Yes	Yes	Waive	Yes	Legal	Yes	
Irrigation	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Filing 16 Tract DD											
Landscape	OH	Yes	Yes	Yes	Yes	Yes	Waive	Yes	Legal	Yes	
Irrigation	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	
Filing 16 Tract MM											
Landscape	OH	Yes	Yes	Yes	Yes	Yes	Waive	Yes	Legal	Yes	
Irrigation	OH	Yes	Yes	Yes	Yes	Yes	Waive	N/A	Legal	Yes	

Note: OH - Oakwood Homes

Note: Please See Attachment C For Landscape Punchlist Items Recommended for District Acceptance.

EXHIBIT B

Form of Assignment and Bill of Sale
Attached

ASSIGNMENT AND BILL OF SALE

THIS ASSIGNMENT AND BILL OF SALE ("**Assignment and Bill of Sale**") is made as of _____, 2025 ("**Effective Date**"), by CLAYTON PROPERTIES GROUP, INC., a Tennessee corporation ("**Clayton**"), in favor of ERIE HIGHLANDS METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado (the "**District**").

RECITALS

- A. Clayton and the District entered into that certain Settlement Agreement and Release ("**Settlement Agreement**") dated as of December 31, 2024 concerning the settlement of disputes regarding the operation and maintenance of public improvements located within real property described on Attachment A ("**Conveyed Public Tracts**").
- B. The Conveyed Public Tracts shall be accepted by the District contemporaneously herewith this Assignment.
- C. Pursuant to the Settlement Agreement, upon completion of the intended public improvements ("Public Improvements") located within the Conveyed Public Tracts, and satisfaction of the terms of that certain Infrastructure Acquisition Agreement dated as of December 3, 2024, which agreement was signed by the District but not by Clayton, Clayton agreed to sell, transfer, convey and assign to Buyer a nonexclusive interest in and to the Conveyed Public Tracts and the Public Improvements.
- D. The District adopted its Resolution Concerning the Acquisition of Public Infrastructure, dated December 23, 2024, ("**Infrastructure Acquisition Resolution**") with identical terms to the Infrastructure Acquisition Agreement agreed to but not executed by Clayton.
- E. Accordingly, Clayton desires to assign and transfer to the District all of Clayton's right, title, interest, and obligations and in and to the Public Improvements to the extent related to the Conveyed Public Tracts, and the District desires to accept such assignment and assume Clayton's obligations in connection with the Public Improvements, pursuant to the terms of its Infrastructure Acquisition Resolution.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Clayton and the District agree as follows:

1. On the Effective Date, Clayton hereby assigns, grants, bargains, sells, transfers, sets over, conveys, and delivers to the District all of Clayton's right, title, and interest in and to the Public Improvements to the extent that they are related to the Conveyed Public Tracts, as further described on Attachment B and the District hereby accepts such assignment of the Public

Improvements AS-IS, WHERE-IS AND WITH ALL FAULTS and without representation or warranty of any kind whatsoever from Clayton.

2. From and after the Effective Date, the District accepts and assumes all obligations and liabilities related to the Public Improvements including without limitation the obligation to operate and maintain the Public Improvements as required by the Settlement Agreement and Service Plan for the District.

3. Clayton covenants that Clayton shall, at any time and from time to time upon written request therefor, execute and deliver to the District such documents and instruments as the District may reasonably request in order to fully assign, transfer and vest the Public Improvements in the District.

4. Clayton and the District covenant and agree that as of the Effective Date (a) the District's acceptance of the Public Improvements as contemplated by this Assignment and Bill of Sale relieves Clayton of any future maintenance obligations or financial responsibility pertaining to the Public Improvements, and (b) the District shall be responsible for all maintenance obligations for the Public Improvements at the District's sole cost and expense.

6. This Assignment and Bill of Sale shall be binding upon and inure to the benefit of the successors and assigns of the District and Clayton.

7. This Assignment and Bill of Sale shall be governed by, interpreted under, and construed in accordance with, the laws of the State of Colorado.

8. Neither Clayton nor the District shall record this Assignment and Bill of Sale in the real property records of any county, and any attempt to do so by either party shall be null and void.

9. This Assignment and Bill of Sale may be executed and delivered in any number of counterparts, each of which so executed and delivered shall be deemed to be an original and all of which shall constitute one and the same instrument. The parties agree that this Assignment and Bill of Sale shall be deemed validly executed and delivered by a party if a party executes this Bill of Sale by manual signature or by affixing its signature hereto by means of an electronic signature tool, application, or software (e.g., DocuSign).

IN WITNESS WHEREOF, Clayton and the District have executed this Assignment and Bill of Sale as of the day and year first written above.

CLAYTON PROPERTIES GROUP, INC., a
Tennessee Corporation

By: _____
Name: _____
Title: _____

ERIE HIGHLANDS METROPOLITAN
DISTRICT NO. 2, a quasi-municipal corporation
and political subdivision of the State of Colorado

By: _____
Name: _____
Title: _____

Attachment A
(Conveyed Public Tracts)

The following described real property located in Weld County, Colorado:

TRACTS A, B, C, D, AND F, INCLUSIVE,
ERIE HIGHLANDS FILING NO. 14,
COUNTY OF WELD, STATE OF COLORADO

TRACT A,
ERIE HIGHLANDS FILING NO. 15,
COUNTY OF WELD, STATE OF COLORADO

TRACTS X, DD, AND MM, INCLUSIVE,
ERIE HIGHLANDS FILING NO. 16,
COUNTY OF WELD, STATE OF COLORADO

Attachment B
(Public Improvements)

New Ownership	Tract	Erie Highlands Filing No.	Public Improvements Conveyed by Clayton
Erie Highlands Metropolitan District No. 2	A	14	Sidewalk, landscaping, irrigation, and fencing
Erie Highlands Metropolitan District No, 2	B	14	Landscaping, irrigation, and fencing
Erie Highlands Metropolitan District No, 2	C	14	Landscaping. irrigation, and fencing
Erie Highlands Metropolitan District No, 2	D	14	Landscaping. irrigation, and fencing
Erie Highlands Metropolitan District No, 2	F	14	Storm water pond consisting of: storm sewer outfall structure with forebay, concrete trickle channel, storm water outlet structure with micro pool, concrete spillway, landscaping and irrigation
Erie Highlands Metropolitan District No, 2	A	15	Concrete sidewalk, French drain, landscaping, irrigation, and fencing
Erie Highlands Metropolitan District No, 2	X	16	Concrete sidewalk, landscaping, and irrigation
Erie Highlands Metropolitan District No, 2	DD	16	Concrete sidewalk, landscaping. irrigation, and fencing
Erie Highlands Metropolitan District No, 2	MM	16	Concrete sidewalk, landscaping, irrigation, and fencing