

**TOWN COUNCIL
TOWN OF GYPSUM, STATE OF COLORADO**

RESOLUTION NO. 20 (SERIES 2025)

**A RESOLUTION OF THE TOWN OF GYPSUM APPROVING THE
BUCKHORN VALLEY PUD PHASE 9 FINAL PLAT AND SUBDIVISION
IMPROVEMENT AGREEMENT**

A. The Town of Gypsum, Colorado (“Town”), is a home rule municipality of the State of Colorado, duly organized and existing under Article XX of the Colorado Constitution and the Gypsum Home Rule Charter effective October 21, 1982. The Town has the power and authority to adopt regulations regarding the subdivision of land and to enjoin any such subdivision which does not comply with such regulations pursuant to Sections 31-23-214 and 31-23-216, C.R.S.

B. The Town Council of the Town (“Council”) has adopted Titles 17 and 18 of the Gypsum Municipal Code (G.M.C.) governing the subdivision and regulation of land. Pursuant to Sections 17.20.050 and 18.08.170, G.M.C., final plats for a planned unit development (PUD) shall be considered at a Gypsum Planning and Zoning Commission (“Planning Commission”) meeting and recommendations as a result of this review will be made to the Council who may approve, deny, or approve the application with conditions.

C. The Council has by ordinance approved the PUD zone district for the Buckhorn Valley P.U.D. and the Buckhorn Valley P.U.D Preliminary Plan, recorded April 6, 2006 at Reception No. 200608769 and the Buckhorn Valley Planned Development (P.U.D.) Guide, recorded April 13, 2006 at Reception No. 200609484 in the Eagle County Clerk and Recorder’s Office (as amended, the Buckhorn Valley P.U.D Preliminary Plan and the Buckhorn Valley Planned Development (P.U.D.) Guide shall be referred to as the “PUD Preliminary Plan”).

D. BV FIREWHEEL, LLC is the owner (the “Owner”) of Parcel M1, Buckhorn Valley P.U.D. – Phase Five, recorded September 4, 2020 at Reception No. 20201516 and a portion of Parcel 1 of the Buckhorn Valley PUD – Exemption Plat II, recorded on December 26, 2007, at Reception No. 200733479 in the Eagle County Clerk and Recorder’s Office. Pursuant to Sections 17.20.050 and 18.08.170 of the G.M.C., a public hearing before the Planning Commission on the Application was held on October 1, 2025, at 7:00 p.m. and the Planning Commission recommended approval of The Buckhorn Valley P.U.D. Phase Nine Final Plat (the “Final Plat”).

E. The Council hereby finds that pursuant to Section 17.70.010 of the G.M.C., all public notice requirements for the public hearing before the Planning Commission and the meeting for the Council were met, as follows:

- a. On September 17, 2025 notice of the hearing before the October 1, 2025, Planning Commission and October 14, 2025 hearing before the Town Council was mailed to property owners within three hundred feet of the Property;
- b. On September 18, 2025, Public Notice was physically posted at the Property prior to the public hearings of which an affidavit of posting has been received.

F. Applicant has complied with the requirements of Sections 17.20.030 and 18.08.170, G.M.C., for the Final Plat.

G. A Subdivision Improvement Agreement (SIA) for Buckhorn Valley Phase 9 (the "SIA") outlining terms and obligations related to the construction of the Final Plat is identified on Exhibit A, attached hereto and incorporated herein;

H. The Council has considered the factors listed in Section 17.20.050, G.M.C., in reviewing the subdivision application, including (1) the comments and recommendations of Town staff, (2) comments of the general public, and (3) impacts on adjoining areas and the Town as a whole. The Council has considered whether the Final Plat is consistent with the PUD Preliminary Plan as required by Section 18.08.170 G.M.C.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN OF GYPSUM, COLORADO, as follows:

Section 1 - Incorporation of Recitals. The above recitals are hereby incorporated into this Resolution.

Section 2 - Subdivision Improvement Agreement and Final Plat Approved. The SIA and Final Plat of Buckhorn Valley Phase 9, a subdivision of Parcel M1, Buckhorn Valley P.U.D. – Phase Five and a Portion of Parcel 1, Buckhorn Valley P.U.D. – Exemption Plat II, attached as Exhibit C of the SIA, are approved with the conditions set forth in this Resolution.

Section 3 - Conditions. This Resolution and the Final Plat and the SIA approvals are conditioned on the following:

- a) The Applicant meets the criteria of Section 17.20.050(e).
- b) That as otherwise modified by representations of the applicant in this application, all material representations of the applicant in this application, correspondence and public meetings shall be adhered to and considered conditions of approval, unless otherwise amended by other conditions.

- c) If the actual out-of-pocket costs of the Town in reviewing the application are greater than the amount of the deposit paid by applicant, applicant shall pay the additional out-of-pocket costs incurred by the Town no later than within 30 days of receipt of an invoice.
- d) Recording of the plat no later than ninety (90) days, following completion of the following requirements:
 - 1) Payment to the Town of the following fees prior to recording of the final plat:
 - i. Water dedication fees of \$150,000.00;
 - ii. Water tap fees of \$60,000.00;
 - iii. Sewer tap fees of \$90,000.00;
 - iv. Fire district impact fees of \$63,801.74.
 - 2) Execution of the SIA.
 - 3) Providing Construction Security in the amount of \$2,745,014.56 unless Holy Cross Energy (\$253,353.00) and Black Hills Energy (\$26,620.00) are prepaid separately, under which the Construction Security shall be \$2,465,041.56.

Section 4 - Recording of Final Plat. The Final Plat, attached as Exhibit C within the SIA and the SIA, attached hereto as Exhibit A incorporated herein, shall be recorded only after all conditions set forth in Section 3 herein are satisfied.

Section 5 - Effective Date. This Resolution shall become effective and be in force immediately upon approval.

Section 6 - Severability. If any portion of this Resolution is found to be void or ineffective, it shall be deemed severed from this Resolution and the remaining provisions shall remain valid and in full force and effect.

Approved and resolved this 14th day of October 2025 at a regular meeting of the Town Council of the Town of Gypsum, Colorado by a vote of 6 in favor and 0 against.

TOWN OF GYPSUM

By: 
Steve Carver, Mayor

ATTEST:

By: 
Polly Keene, Town Clerk



EXHIBIT A

**BUCKHORN VALLEY PHASE 9 SUBDIVISION IMPROVEMENT
AGREEMENT**

**SUBDIVISION IMPROVEMENT AGREEMENT
BUCKHORN VALLEY PHASE 9 SUBDIVISION
(PUD Zoning)**

DATED: October 14, 2025

TOWN OF GYPSUM, COLORADO

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Exhibit B	Design Plans
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SUBDIVISION IMPROVEMENT AGREEMENT

BUCKHORN VALLEY PUD PHASE 9 (PUD ZONING)

THIS SUBDIVISION IMPROVEMENT AGREEMENT ("Agreement") is entered into this 14 day of October, 2025, by and between the TOWN OF GYPSUM, Colorado ("Gypsum"), a home rule municipal corporation organized pursuant to Article XX of the Colorado Constitution and Gypsum's Home Rule Charter effective October 21, 1982, and BV FIREWHEEL, LLC, a Colorado limited liability company (referred to as "Developer"). Gypsum and Developer are collectively referred to as "Parties," or occasionally in the singular as "Party."

WHEREAS, Developer is the owner of real property described in Exhibit A, attached hereto and incorporated herein (the "Property"), which is located within Gypsum and to be known as the Buckhorn Valley PUD Phase 9;

WHEREAS, Developer and Gypsum desire to provide for the orderly development of the Property consistent with the Preliminary Plan (as defined below), and by this Agreement to provide for the construction of improvements and facilities to serve the Property and to mitigate the impact of the Project on Gypsum;

WHEREAS, Developer has agreed to pay for, at its own cost, the infrastructure improvements needed to serve the Property including but not limited to the water, sewer, and road facilities and related improvements.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties covenant and agree as follows:

1. Definitions. Unless otherwise defined herein or the context otherwise requires, capitalized terms used herein shall have the following meanings. Any capitalized terms used but not defined herein shall have the meaning set forth in the Annexation Agreement or the Code. These definitions shall be equally applicable to both the singular and the plural forms of the terms so defined.

A. "Agreement" shall mean this Subdivision Improvement Agreement.

B. "Annexation Agreement" shall mean the Annexation Agreement for the Property dated January 11, 2000, and recorded in the real property records of the Eagle County Clerk and Recorder at reception number 724078, and all amendments thereto.

C. “Application” shall mean an application for approval filed under the Code for a development activity including, but not limited to, an application for zoning, subdivision, planned unit development, certificate of occupancy, water or sewer tap or connection, or building permit.

D. “Code” shall mean the Gypsum Municipal Code as in effect on the effective date of this Agreement and as may be amended from time to time.

E. “Construction Security” shall mean a letter of credit, cash or other financial security that is easily convertible into cash in a form acceptable to Gypsum to secure the construction of the Required Improvements.

F. “Design Plans” shall mean plans for the construction, installation, or improvement of the Project, including the Required Improvements, together with all subsequently approved updates to those plans, attached hereto as Exhibit B and incorporated herein, and stamped by a professional engineer registered in the State of Colorado. Design Plans shall also include plans from Holy Cross Electric for the construction of electrical improvements necessary to support the Project.

G. “Developer” shall mean the individuals or entities identified as the Developer in the first paragraph of this Agreement, individually and collectively, and all successors, assigns, heirs and subsequent owners of all or any part of the Property.

H. “Engineer’s Cost Estimate” an estimate of the cost of constructing Required Improvements, which shall include a 10% contingency, prepared on behalf of the Developer and stamped by a professional engineer, registered in the State of Colorado, upon which, among other uses, the amount of Construction Security shall be based.

I. “Final Plat” shall mean the Final Plat Buckhorn Valley P.U.D. – Phase 9, attached hereto as Exhibit C, and incorporated herein.

J. “Gypsum” or “Town” shall mean the Town of Gypsum, Colorado.

K. “Preliminary Plan” shall mean the Town of Gypsum Second Amendment Preliminary Plan Buckhorn Valley October 2007 approved by the Town Council on December 11, 2007.

L. “Project” shall mean the development of the Property pursuant to the Annexation Agreement, this Agreement, the Preliminary Plan, and the Final Plat. The Project is anticipated to consist of up to twenty-five (25) single family residential units.

M. “Property” shall mean the real property that is owned by the Developer and that is the subject of this Agreement containing approximately 7.2 acres, more or less, and described on Exhibit A attached hereto and incorporated herein.

N. **"PUD"** shall mean a planned unit development overlay zone approved pursuant to Chapter 18.32 of the Code.

O. **"Required Improvements"** shall mean all public or private improvements for the Project required pursuant to this Agreement and as a condition of Final Plat approval. Required Improvements will generally be completed prior to the issuance of a building permit as per Exhibit B the Design Plans.

P. **"Special District"** means a special district organized pursuant to Article 1, Title 32, C.R.S. to assist with the construction, development, acquisition, financing or maintenance of public Required Improvements.

Q. **"Subdivision"** shall mean subdivision of the Property through the Final Plat.

R. **"Submittal Requirements"** shall mean that the Application, submittal, or design complies with the requirements of this Agreement, the Code and regulations promulgated thereunder, the Gypsum Public Works Manual, and the Annexation Agreement, and the requirements of the applicable utility or service provider, if other than Gypsum, and provided further, that all standard fees charged generally by Gypsum are paid unless otherwise agreed to in writing.

S. **"Warranty Period"** shall mean the period of time commencing on the date of acceptance of the Bill of Sale for the applicable Required Improvements before the Council and continuing for three (3) years from the date of acceptance. Should Gypsum, because of weather or otherwise (i) be unable to make proper inspection of the Required Improvements to determine whether any repairs and replacements are necessary prior to the expiration of the Warranty Period; or (ii) fail to provide final written acceptance or approval prior to the expiration of the Warranty Period, then the Warranty Period shall be extended for such time as is reasonably necessary to allow inspection and formal notice of final acceptance or any needed or necessary repairs and replacements. Notwithstanding any other provision of this Agreement to the contrary, should final written acceptance and approval of Required Improvements occur between August 1 and June 1, then the Warranty Period shall be extended to July 31 following the otherwise applicable Warranty Period.

T. **"Warranty Security"** shall mean a letter of credit, cash or other financial security that is easily converted into cash in a form acceptable to Gypsum to secure Developer's warranty obligations as regards public Required Improvements.

U. **"Zoning"** shall mean zoning of the Property.

2. **Developer's Obligations.** Developer shall develop the Property and provide the Required Improvements as provided herein and pursuant to the Annexation Agreement, the Final Plat for any portion of the Property, approved

Design Plans and the Submittal Requirements in effect at the time of development, all under the regulatory supervision of Gypsum. If any such authorities are in conflict, the terms of this Agreement shall supersede and control over the terms of any other authority, except that the Final Plat shall supersede and control over the terms of this Agreement. This Agreement shall not prevent Gypsum from imposing additional requirements that are not inconsistent with this Agreement as conditions of approval of the Final Plat. All matters not covered by specific agreement shall be controlled by the Code and the Gypsum Public Works Manual.

3. Contractual Obligations. Developer agrees that the provisions and requirements of this Agreement are entered into with full knowledge, free will and without duress. Developer agrees and desires that the agreements contained herein regarding the payment of fees, installation and dedication of Required Improvements and conditions for development approvals, including the incorporation of provisions of the Submittal Requirements, are imposed by contract, independent of the continued validity or invalidity of any of the provisions of the Submittal Requirements. The agreements to pay fees, and construct and dedicate Required Improvements or provide Construction or Warranty Security are reasonable and binding commitments on the part of Developer and closely relate to Developer's estimates of the extent and timing of impacts to the safety and welfare of Gypsum and its citizens which are expected to occur from the Project and are in rough proportion both in nature and extent to such impacts.

4. Condition of Plat Approval. The terms of this Agreement are hereby imposed upon all of the Property and any present or subsequent owners of all or a portion of the Property as a condition of approval by Gypsum of the Final Plat, and this Agreement shall be referenced on the Final Plat.

5. Reimbursement to Gypsum. Developer shall reimburse Gypsum for all costs and expenses incurred by Gypsum in reviewing Applications, preparation of this Agreement and amendments hereto, and other services or reviews requested or provided by Gypsum in connection with the Project, within thirty (30) days of the presentment of a bill therefore. Final action, including withholding building permits or certificates of occupancy, on any pending Application or other matter associated with any portion of the Property, including other phases that at the time are subject to different ownership, may be withheld by Gypsum until outstanding costs and expenses have been reimbursed.

6. Compliance with Geological Assessment. Developer has submitted a geological investigation report titled Preliminary Subsoil Study, Buckhorn Valley PUD - Phase 9 by Kumar and Associates (September 11, 2025) and concluded that no geologic conditions preclude construction within the Property

so long as their recommendations are followed and conditions encountered during construction do not vary from the subsurface conditions found in the study.

7. Required Improvements.

A. **Engineer's Cost Estimate.** Except as specifically provided herein or in the Final Plat, the Required Improvements shall be limited to those necessary to serve or mitigate the impacts of developing the Project. The current Engineer's Cost Estimate for the currently anticipated Required Improvements as accepted by Gypsum is attached hereto as Exhibit D and incorporated herein.

B. **Construction Timing.** The Design Plans sets forth the specific on-site and off-site Required Improvements. Prior to Gypsum recording the Final Plat, Developer shall provide Construction Security to secure all Required Improvements. Notwithstanding the posting of Construction Security, unless otherwise approved by the Town Manager in his sole discretion in writing, the Required Improvements are to be completed prior to building permits being issued. Notwithstanding the issuance of a building permit prior to completion of the Required Improvements, no certificate of occupancy or temporary certificate of occupancy shall be issued until all Required Improvements are completed.

C. **Necessary Required Improvements.**

i. Unless otherwise provided in the Final Plat, the Required Improvements that must be completed prior to building permits being issued, as further set forth, shall include:

(1) Streets and sidewalks with accompanying structures, drainage systems and signs as identified on the Design Plan or as otherwise required by Gypsum as a condition of Final Plat approval. All streets, roads and appurtenant infrastructure, including, but not limited to, street lights, curb, gutter and sidewalk shall be constructed in accordance with the Design Plans.

(2) Domestic water systems and fire hydrants;

(3) Sanitary sewer system;

(4) Survey monuments;

(5) Electricity, natural gas, telephone, cable and fiber;

(6) Storm sewer, storm drainage facilities, subsurface drainage lines, and erosion control, as depicted on the Design Plans;

(7) Erosion control; and

(8) Other.

8. Design Plans. Design Plans and covenants have been reviewed and approved by Gypsum. Developer shall also submit any and all plans not mentioned above which may be reasonably required by Gypsum or any other controlling jurisdiction.

9. Design Standards. Any construction related to development of the Project, including all Required Improvements, shall be constructed in accordance with the Submittal Requirements in effect at the time Gypsum gives approval for construction, except as such Submittal Requirements are expressly modified by this Agreement. Should such Submittal Requirements change subsequent to the date of this Agreement, Developer agrees as a matter of contract to abide by such changes for all construction for which Gypsum approved the Design Plans after the date of such changes.

10. Approval of Design Plans. As to the Design Plans for the Required Improvements, Gypsum has approved the Developer's set of stamped plans dated October 3, 2025 from Rick Barth, P.E. of SGM. In the event any errors or omissions are discovered in the approved Design Plans, or in the event any modifications need to be made for any other reason to the approved Design Plans, Developer shall submit to Gypsum for approval modified Design Plans stamped by a registered professional engineer. Construction of Required Improvements shall not commence until Gypsum has approved Developer's Design Plans or continue in deviation from approved Design Plans unless Gypsum has approved modified Design Plans.

11. Public Improvement Installation Procedure. The following procedure shall be followed regarding the installation and inspection of all Required Improvements:

A. Plan Submission. Developer has submitted and Gypsum has approved stamped and detailed Design Plans shown in Exhibit B – Design Plans.

B. Pre-Construction Meeting. There shall be an on-site pre-construction meeting between Developer's engineer and construction manager, Gypsum's engineer and construction inspector, foremen from each general contractor and sub-contractor, and Developer's geotechnical engineer for the purpose of establishing appropriate lines of communication and other necessary details of the Project.

C. Geotechnical Engineer. Developer must contract with a registered geotechnical engineer to provide inspection, and testing if required, during the construction process. Copies of all testing must be provided to Gypsum. Developer must

provide Gypsum with written verification of compliance with all geotechnical specifications.

D. Notice of Commencement. Developer shall give one (1) week notice to Gypsum in advance of beginning construction of any Required Improvements, describing the type of Required Improvement to be made and the time schedule for construction or installation.

E. Stop Work. If Gypsum determines that construction or installation is not complying with approved plans, Developer shall stop work at Gypsum's direction until corrections are made. Should Developer dispute Gypsum's decision, it may appeal that decision according to the appeals procedure provided by the International Residential Code as adopted by Gypsum.

F. Testing. Developer shall perform testing and allow Gypsum to inspect construction or installation at times and frequencies determined necessary by Gypsum in its sole direction. Construction shall not proceed beyond required inspections or testing unless approved by Gypsum.

G. Failed Tests. Developer shall contact Gypsum upon the failure of any performance testing, and any time problems arise which may prevent construction or installation in accordance with the approved plans.

H. Covering Excavation. No excavation, facility or Required Improvement, including water and sewer service connections, shall be covered until inspected by Gypsum, or until such inspection is waived in writing.

I. Conveyance to Gypsum. Only potable water main systems, wastewater main systems, roads, sidewalks, street signs, street lights, and storm drainage within road platforms shall be conveyed to Gypsum by Final Plat dedication, or general warranty deed, or both, and bill of sale, along with underlying land and rights-of-way in fee title or by easement, free and clear of any and all liens and encumbrances. Developer shall, at its sole cost and expense, cause a policy of title insurance to be issued for such conveyances and dedications.

J. Time for Completion. The required time for completion of all Required Improvements shall be two-years (2) years from the recording date of the Final Plat. When such improvements are not completed within the required time, Gypsum may use the Construction Security to complete the Required Improvements.

12. Underground Utilities. All water mains and subservice stub-outs, storm sewer, sanitary sewer, drainage, electricity, natural gas, telephone, fiber and cable television shall be installed underground and prior to construction of any overlaying street, curb, sidewalk or gutter to prevent unnecessary pavement cuts.

In addition, Developer shall provide an AutoCAD drawing of as-built survey of such utilities prepared by a professional land surveyor showing horizontal and vertical locations. Such survey must be completed prior to any back fill and will constitute a condition precedent to the release of any Construction Security.

13. Construction Site Maintenance. During construction, Developer shall use proper dust and erosion control and maintain streets and roads in such a manner that they may be reasonably traveled upon. Gypsum may order construction to cease, or abatement measures to be taken, and Developer shall comply with such order, when Gypsum determines in its sole discretion that dust from construction activities related to the Project is unacceptable. The Construction Security and Warranty Security required for construction of Required Improvements shall be sufficient to include costs associated with revegetation of area destroyed by such construction. Developer may secure construction areas within the Property from the general public during construction, except for necessary local traffic, representatives of Gypsum and other appropriate jurisdictions on official business and emergency service providers.

14. Construction Security.

A. Amount. Construction Security shall be in the amount of one hundred and ten percent (110%) of the Engineer's Cost Estimate attached hereto as Exhibit D, submitted by the Developer and approved by Gypsum. The Engineer's Cost Estimate shall be updated annually within thirty (30) days of the anniversary date of Gypsum's approval of the Final Plat, taking into consideration the progress of construction, market conditions, costs of materials and labor and other relevant factors. Within sixty (60) days of receipt of the Engineer's Cost Estimate or any annual update, Gypsum shall, in writing provided to Developer, reject, or accept with conditions and/or modifications, the Engineer's Cost Estimate; or the Engineer's Cost Estimate shall be deemed accepted as submitted. In the event the Engineer's Cost Estimate as approved by Gypsum indicates that the remaining estimated costs of constructing the Required Improvements exceeds the amount of the Construction Security, the Developer shall, within thirty (30) days of written notice from Gypsum, cause the Construction Security to be increased to an amount equal to or greater than the amount specified. Until such additional security is provided, Gypsum may withhold approvals for any application associated with the Project. Gypsum's failure to review or its approval of the Engineer's Cost Estimate shall in no way waive any of Developer's obligations or Gypsum's rights under this Agreement.

B. Release. As Required Improvements are completed in integrated component parts, inspected, approved and (if applicable) conveyed to Gypsum, the Construction Security shall be released in a proportional amount, unless a lesser amount of release is necessary to maintain Construction Security in an amount equal to one hundred ten percent (110%) of the cost to complete the remaining Required Improvements. Amounts

to be released may be determined with reference to the Engineer's Cost Estimate approved by Gypsum.

15. Warranty.

A. Scope. For the full Warranty Period Developer shall warrant the construction, installation, and survivability of applicable Required Improvements and, at Developer's sole cost and expense, make all needed and necessary repairs and replacements due to defective materials, design or workmanship, breach of contract or failure to abide by the Submittal Requirements or Design Plans or other approved plans or standards, but not associated with ordinary and normal wear and tear. If after thirty (30) days from mailing of a written notice to Developer requesting repairs, which thirty (30) days shall be extended for weather conditions preventing such work, Developer shall not have undertaken with due diligence such maintenance or repairs, then Gypsum may make the same at Developer's expense. In case of emergency, as determined in the sole discretion of Gypsum, such thirty (30) day period is waived.

B. Warranty Security. On or before the start of the Warranty Period, Developer shall post Warranty Security to secure such warranty obligations. This obligation is separate from the Developer's obligation under this Agreement to post Construction Security; however, the instrument posted to satisfy the Developer's Construction Security obligations may be used to also satisfy the Warranty Security obligation so long as it complies with the terms of this Section. Such Warranty Security shall remain in place and be available to Gypsum through the full Warranty Period and so long thereafter as is reasonably necessary for Gypsum to either determine that no repairs and replacements are necessary or draw on the Warranty Security. The Warranty Security shall be in an amount equal to 15% of the actual costs of the improvements, unless Gypsum determines in writing that a higher amount is necessary or a lower amount is adequate.

C. Repairs Not Reimbursable. Developer shall not be entitled to reimbursement for any repairs or replacements made pursuant to this Section.

D. Warranty Period for Repairs. In the event of any needed and necessary repairs or replacements during the Warranty Period provided for in this section, the Developer's warranty obligations and full Warranty Period shall apply anew to the improvement or component part thereof repaired or replaced commencing the day the repair or replacement is accepted or approved by Gypsum.

16. Water. Gypsum shall provide water utility service to the Property when Developer has met all of Gypsum's requirements for water service contained in this Agreement and the Code.

A. Water Rights Dedication. Developer's water rights dedication requirement for the Property shall be calculated based on the provisions of Chapter 13.02 of the Code. Developer shall pay the full in lieu of water rights fee based on such calculation prior to building permits being issued for any construction. The current in lieu water rights dedication fee is \$12,000.00 per EQR (13.02.100(2)).

i. Estimated EQR Calculation. Gypsum and Developer agree that each lot has an initial estimated EQR of 1 EQR, resulting in a total EQR calculation for the Property of 25.0 EQR (1.0 x 25 lots). Based upon the 25 residential lots contained in the Final Plat Application and the requirements of the now-existing Town Code, the amount of the Water Rights Dedication Fee due at the time of Final Plat approval shall be \$150,000 (\$12,000 x 25.0 EQR less 50% reduction for raw water irrigation system). Pursuant to the Code, Section 13.02.100(2) and Section 13.02.190, final payment of water right dedication fees is to occur at the time of approval of the Final Plat. One EQR provides water supply for a single-family home up to four bedrooms and 3,000 square feet of enclosed living space, pursuant to the Code, Section 13.02.050.1.C.

ii. Additional EQR Determination and Payment. Any additional water rights dedication fees shall be paid during the building permit stage. At the time of approval of a building permit, each lot owner shall demonstrate estimated EQRs and any additional EQRs that are required. The lot owner will be assessed in full and shall pay the required additional water rights dedication fee prior to issuance of a building permit. Additional EQRs may only be approved for indoor use. Pursuant to the Code, Gypsum may re-verify actual use at each lot, and retains the discretion to assess appropriate additional water rights dedication fees if the actual use exceeds the estimate in this Agreement.

iii. EQR Limitation. Notwithstanding the above, there shall be no more than 25.0 EQRs allocated to building permits in this subdivision without Gypsum's approval.

B. Water Tap Fees. Developer shall pay \$2,400, thirty percent of the water service tap fee of \$8,000 per EQR (13.01.80(1)) upon Final Plat approval, as credit toward future water tap fees to be determined at the time of building permit application. The amount of the partial water service tap fee due for the 20.0 EQR at Final Plat shall be \$60,000 (25.0 EQR x \$2,400). Lot owners submitting a request for a building permit shall pay the remaining portion of Gypsum's water service tap fee at the time the individual connection is made, based on the water service tap fee charged generally by Gypsum at the time of connection and for the EQR determination made at that time. The current fee for water taps is \$8,000 per EQR. Pursuant to the Code, Gypsum may re-verify actual use at each lot, and retains the discretion to assess appropriate additional water service tap fees if the actual use exceeds the EQRs estimated in this Agreement.

C. Connection Fees. Developer shall pay all costs, materials, labor and fees required to connect water service lines to water main lines, including Gypsum inspection charges.

D. Service Line. All service lines and stub-outs shall be installed by the Developer, at the Developer's cost. No reimbursement shall be allowed, unless otherwise provided herein.

E. Required Improvements. All service lines and other Required Improvements within the Property shall be installed at the sole cost of Developer, without any reimbursement by Gypsum prior to recording of the Final Plat, unless adequate security approved by Gypsum is posted. Required Improvements are depicted in Exhibit B attached hereto and incorporated herein. All improvements shall be completed and dedicated to Gypsum, except service lines and drainage facilities not located within road platforms.

F. Non-Potable Irrigation System. Developer shall install, at Developer's sole cost and expense, a non-potable irrigation system, connected to and integrated with the Buckhorn Valley Metropolitan District No. 1 raw water system, to irrigate all residential lawns. The irrigation system shall not be connected to or interconnected in any way with Town supplied municipal water. Developer has provided the Town with a will serve letter from the Buckhorn Valley Metropolitan District No. 1 that evidences Buckhorn Valley Metropolitan District No. 1 has adequate water rights and infrastructure in place to serve the irrigation demands for 5,000 square feet of irrigation for each of the 25 units of the development during average and dry water years, see Exhibit E. No water delivered from the Town shall be used for irrigation and the Town shall have no responsibility for and makes no warranties or representations as to the adequacy of the irrigation water supplied by Buckhorn Valley Metropolitan District No. 1.

G. Inadequate System Capacity. Gypsum acknowledges there is currently sufficient water system capacity to serve the number of units proposed for the Project. However, use of such system capacity is on a "first come, first serve" basis and may not be available when building permits are requested. For the purpose of this Agreement, insufficient capacity to serve the Property means insufficient water treatment capacity to serve all properties within Gypsum, all areas currently served by Gypsum located within and without Gypsum, and also serve the Property. Gypsum may impose a temporary or permanent moratorium on issuing water taps to serve the Property, should Gypsum determine in its sole subjective discretion that it has insufficient water treatment capacity to serve the Property. Upon any such moratorium, Gypsum shall take reasonable efforts to increase system capacity to serve the Property. Should Gypsum fail to provide water service to the Property when desired, the sole remedy of the Owner shall be to require Gypsum to disconnect the Property from Gypsum and/or obtain a refund of any amounts paid for water right dedication fees and/or water service tap fees paid for any lots affected by the moratorium and/or obtain a reconveyance from the Town of the water

rights deeded by Owner to the Town. If Gypsum subsequently provides water service to the Property, all refunded fees and re-conveyed water rights shall be repaid and conveyed to Gypsum as a condition of service.

17. Sewer. Gypsum shall provide sewage utility service to the Property when Developer has met all of Gypsum's requirements for sewage service contained in this Agreement and the Code.

A. Sewer Tap Fees. Developer shall pay \$3,600, thirty percent (13.03.130(3)) of the sewer service tap fee of \$12,000 per EQR (13.03.130(1)) upon approval of the Final Plat, as credit toward future tap fees determined at the time the building permit is issued. The amount of the partial sewer service tap fee due at Final Plat approval shall be estimated at one (1) EQR per lot, for a total of \$90,000 (25.0 EQR x \$3,600). Lot owners submitting a building permit application shall pay Gypsum's remaining sewer service tap fee, at the time that the individual connection is made, based on the sewer tap fee charged generally by Gypsum at the time of connection. The current fee for sewer taps is \$12,000 per EQR. Pursuant to the Code, Gypsum may re-verify actual use at each lot, and retains the discretion to assess appropriate additional sewer service tap fees if the actual use exceeds the EQRs estimated in this Agreement.

B. Connection Fees. Developer shall pay all costs, materials, labor and fees required to connect sewer service lines to sewer main lines. Developer shall pay sewer connection fees for each connection of a sewer service line at the time of connection, based on the connection fee charged generally by Gypsum at the time of connection.

C. Service Lines. All service lines and stub-outs shall be installed by the Developer, at Developer's cost. No reimbursement shall be allowed, unless otherwise provided herein.

D. Required Improvements. All service lines and other Required Improvements within the Property as depicted on the Design Plans shall be installed at the sole cost of Developer, without any reimbursement by Gypsum, unless otherwise provided herein.

E. Storm Water Drainage. All storm water drainage improvements and facilities within the Property as depicted on the Design Plans shall be installed at the sole cost of Developer, without any reimbursement by Gypsum, unless otherwise provided herein. All storm water drainage improvements shall be conveyed to and become the property of the individual property owners or, for improvements located within common areas or public areas, to a property owners association and/or a special district. All storm water drainage improvements located within street rights of way or on other property owned by or conveyed to Gypsum by Developer shall be conveyed to and become the property of Gypsum. In the event such improvements owned by individual lot owners or a property

owners association and/or a special district are not properly maintained, and Gypsum determines it is necessary to maintain the same, Gypsum may do such maintenance as it deems necessary in its discretion and may charge or assess such amounts against the affected portions of the Property or the entire Property, as it deems equitable, and certify collection thereof to the Eagle County Assessor pursuant to Section 31-20-105, C.R.S., impose a lien on the Property, and/or seek a judgment against the Developer and/or its successors in interest to recover any deficiencies.

F. System Design. Final design for the sewer service system and lines shall be provided to Gypsum prior to the issuance of a building permit, and shall be subject to review and reasonable approval for conformance with Gypsum's Public Works Manual.

18. Roads. All roads, streets, curbs, gutter, sidewalks, necessary drainage facilities and other Required Improvements within the Property shall be constructed and installed at Developer's cost, without any reimbursement by Gypsum, unless otherwise provided herein. The roads within the Property are to be dedicated to Gypsum for the use and benefit of the public.

19. Fire Districts Impact Fees. As provided by the Code, Developer shall pay to Gypsum on behalf of the Gypsum Fire Protection District and the Greater Eagle Fire District all fire district impact fees. The impact fee for the Gypsum Fire District shall be due at the time of Final Plat approval and is currently \$5,732.90 (2 lots x \$2,866.45 per lot). The impact fee for the Greater Eagle Fire District shall be due at the time of Final Plat approval and is currently \$63,810.74 (23 lots x \$2,774.38 per lot).

20. Recreation Annexation Fee. Developer shall pay a one-time \$500 per lot recreation fee either at the closing of each initial sale or initial lease of any lot, whichever occurs first.

21. Wildlife Mitigation Fees. The Wildlife Mitigation Fee shall be due and owing each time the Property, or a portion thereof, is sold and a Statement of Lien shall be recorded in the real Property records of Eagle County for purposes of providing additional record notice of such fee. Alternatively, if the Developer retains any portion of the Property for a master lease, an initial \$500 per lot Wildlife Mitigation Fee shall be paid to Gypsum. The Wildlife Mitigation Fee shall be in addition to any other fees and taxes imposed by Gypsum, including Gypsum's real estate transfer tax. The Developer or any future seller agrees to pay an initial wildlife mitigation fee of one tenth of one percent (0.1%) of the sales price from each subsequent sale of any portion of the Property.

22. Cost Recovery. There is no cost recovery anticipated for this Project. However, Developer may receive cost recovery reimbursement as

provided herein from third parties. Prior to any reimbursement obligation arising, the Required Improvements for which reimbursement is attributable must be completed and inspected, approved and transferred to Gypsum, and invoices for all construction costs and canceled checks showing payment must be submitted to and accepted by Gypsum. No reimbursement obligation shall arise unless such invoices and canceled checks are provided within twelve (12) months of completion of construction. Reimbursement shall not exceed the approved costs of construction applicable to the excess capacity as determined by Gypsum in the reasonable exercise of its discretion. Reimbursement shall be made from additional impact fees or similar charges collected by Gypsum from third parties for service to areas outside the Property which benefit from the additional transmission capacity. Reimbursement shall not be required from any fees paid more than ten (10) years following the date of this Agreement. Gypsum shall use its best efforts to impose such fees, but shall not be liable for failure to do so. To the extent that such reimbursement may otherwise constitute a multiple fiscal year obligation of Gypsum, it is conditioned on an annual appropriation by Gypsum.

23. Reimbursement by Developer. Should other developers, as a condition to their development approval, install the Required Improvements which are required as a condition of future development approval for the Property, Developer shall pay to Gypsum or such other developer as directed by Gypsum, Developer's proportionate share of the cost of constructing the Required Improvements, as determined by Gypsum. Such payment shall be made by Developer upon the earliest development approval for the Property from which Developer's proportionate share can be determined.

24. Developer's Breach.

A. Upon breach by Developer, until the breach is otherwise remedied, by the Developer or by Gypsum, Gypsum shall have the right to refuse to approve any Application for any phase of development within the Property and/or disconnect public services by Gypsum. Upon such breach and written order from Gypsum, Developer shall also cease any development activity, including construction pursuant to a previously issued building permit. Any amounts due and owing to Gypsum under this Agreement which are not paid in a timely manner may be certified to the Eagle County Treasurer pursuant to Section 31-20-105, C.R.S., for collection with taxes. Gypsum may also record a lien against the Property and/or seek a judgment against the Developer and/or its successors in interest to recover any deficiencies.

B. In the event that Gypsum determines to draw on the Construction Security or the Warranty Security and determines to perform or contract for the construction of the Required Improvements, and in the event that the amount of such security is inadequate or such security is otherwise not available, then Gypsum is entitled to charge or

assess such amounts against the Property and certify collection thereof to the Eagle County Assessor pursuant to Section 31-20-105, C.R.S., impose a lien on the Property, and/or seek a judgment against the Developer and/or its successors in interest to recover any deficiencies.

C. In the event that Gypsum determines to draw on the Construction Security, Warranty Security, or other performance bond, Gypsum shall give notice of any claim that Gypsum may assert against Owner or Developer on the performance bond to the surety thereunder, unless waived in writing by the surety. Gypsum's act of giving such notice, or failure to give notice, shall not be a breach of this agreement and shall not affect the Gypsum's right to seek or pursue any remedy provided for in the performance bond or under any other provisions of this Agreement.

25. Waiver of Consequential Damages. Developer and Owner waive any and all claims against Gypsum, its employees, engineers and attorneys, for consequential damages arising out of or relating to this Agreement, including but not limited to, damages incurred for losses of financing, business and reputation, and for loss of profits including but not limited to loss of profits due to impaired bonding capacity or diminution of credit status, except those reasonably anticipated cost recovery reimbursements arising directly from this Agreement.

26. Waiver of Breach. The waiver by any Party to this Agreement of a breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by any Party.

27. Specific Performance. In addition to any of the remedies the Parties may have upon the breach of this Agreement by the other Party, the aggrieved Party shall have the right to request a court of proper jurisdiction to enter a mandatory injunction against the other Party requiring specific performance of the terms contained in this Agreement.

28. Assignment. This Agreement may not be assigned or delegated without the written consent of Gypsum, which will not be unreasonably withheld.

29. Binding Effect. This Agreement shall inure to the benefit of, and be binding upon, Parties and their respective legal representatives, successors and assigns. This Agreement shall continue upon Subdivision and shall bind Developer and all of Developer's purchasers, lessors, successors and assigns, including subsequent owners of any portion of or lot or parcel within the Property until all provisions are satisfied. Either Party may record this Agreement in the real property records of Eagle County, Colorado.

30. Contractors. Developer shall give notice of the terms of this Agreement in all contracts for construction of the improvements and provide a copy of this Agreement to the contractors.

31. No Third-Party Beneficiaries. Nothing in this Agreement shall be deemed to create any third-party benefits or beneficiaries or create a right of cause of action for the enforcement of its terms, in any entity or person not a party to this Agreement.

32. Additional Documents or Action. Parties agree to execute any additional document and to take any additional action necessary to carry out this Agreement.

33. Notices. Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified or registered mail, postage and fees prepaid, addressed to the Party to whom such notice is intended to be given at the address set forth on the signature page below, or at such other address as has been previously furnished in writing to the other Party. Such notice shall be deemed to have been given when deposited in the U.S. Mail.

34. Paragraph Captions. The captions of the paragraphs are set forth only for convenience and reference and are not intended in any way to define, limit, or describe the scope or intent of this Agreement.

35. Indemnification. Developer shall indemnify, defend and hold Gypsum, and its employees, agents, engineers and attorneys, harmless from and against all costs, claims, damages, judgments, losses and expenses of every nature, including reasonable attorneys' fees, arising at any time from any act or omission of Developer, its employees, subcontractors and their employees, and all other persons directly or indirectly involved in or performing work for the Developer on the Project. Developer's obligation to indemnify and hold harmless shall include any liability Gypsum may have on account of any change in direction, nature, quality, or quantity of historical drainage flow, resulting from the development of the Property, or from construction of streets and storm sewers within or serving the Property, or damages to any Property within the Project resulting from natural conditions including but not limited to expansive soils, geologic hazard, wildfire hazard or flood hazard, if Developer is established to be negligent.

36. Entire Agreement. This Agreement represents the entire agreement between the Parties and supersedes any prior oral or collateral agreements or understandings.

37. Amendment. This Agreement may be amended only by an instrument in writing signed by Parties.

38. Time is of the Essence. All the time limits stated in this Agreement are of the essence of this Agreement.

39. Covenants Running with the Land. All provisions contained in this Agreement touch and concern the Property, constitute covenants running with the land, and shall be binding upon the Owner and each of Owner's successors in interest.

40. Severability. In the event that any of the terms, covenants or conditions of this Agreement or their application shall be held invalid as to any person, entity or circumstance by any court having competent jurisdiction, the remainder of this Agreement and the application in effect of its terms, covenants or conditions to such persons, entities or circumstances shall not be effected thereby.


41. Duly Authorized Signatories. By execution of this Agreement, the undersigned each individually represent that he or she is duly authorized to execute and deliver this Agreement and that the subject Party shall be bound by the signatory's execution of this Agreement.

42. Duplicate Originals. This Agreement may be executed in two or more counterparts, each of which shall be an original, but all of which together shall constitute one and the same instrument.

43. Venue and Governing Law. Any action arising out of this Agreement shall be brought in the District Court, Eagle County, Colorado. This Agreement shall be governed by the laws of the State of Colorado.

IN WITNESS WHEREOF, the Parties have executed this Agreement to be effective as of the date first above written.

TOWN OF GYPSUM

By: 
Steve Carver, Mayor
Gypsum Town Hall
Post Office Box 130
Gypsum, Colorado 81637

Attest:

Polly Keene
Polly Keene, Town Clerk

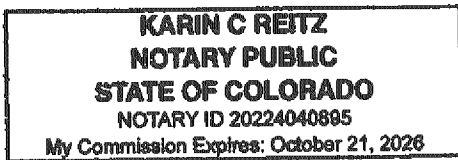


STATE OF COLORADO)
) ss.
COUNTY OF EAGLE)

The foregoing Subdivision Improvement Agreement was acknowledged before me this 14th day of October, 2025, by Steve Carver, as Mayor of Gypsum, Colorado.

Witness my hand and official seal.

My commission expires: 10/21/2026



Karin C. Reitz
Notary Public

DEVELOPER/OWNER:

BV FIREWHEEL, LLC

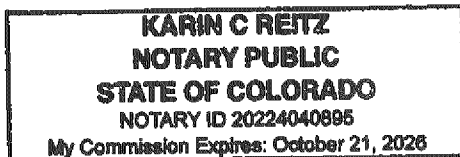
By: [Signature]
Brad Hagedorn, Manager

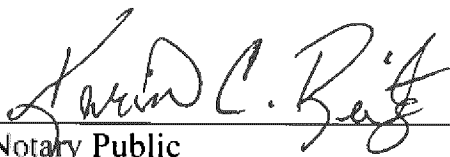
STATE OF COLORADO)
) ss.
COUNTY OF EAGLE)

~~KL~~ The foregoing Subdivision Improvement Agreement was acknowledged before me this 14th day of October, 2025, by Steve Carver & Brad Hagedorn, as Managers of BV Firewheel, LLC.

Witness my hand and official seal.

My commission expires: 10/21/2026





Notary Public