



JVA, Incorporated
1512 Larimer Street
Suite 710
Denver, CO 80202
303.444.1951
info@jvajva.com

February 21, 2019

Ms. Nina Ruiz
El Paso Planning and Community Development
2880 International Circle
Colorado Springs, CO 80910

www.jvajva.com

RE: Pikes Peak Localized Reclaimed Water Treatment System
1041 Administrative Determination
JVA Job No. 2883c

Dear Ms. Ruiz

Pikes Peak America's Mountain (PPAM) is one of the most visited mountains in the world and a top tourist attraction for the State of Colorado. The existing Visitor Center, constructed in 1963, has reached its useful life and a new Summit Visitor Center (SVC) is being constructed by GE Johnson with an anticipated opening date of fall 2020. The new 38,000 square foot SVC was designed by RTA Architects and GWWO Architects with a focus on achieving certification through the Living Building Challenge (LBC), with requirements for maximizing reuse of water.

JVA, Inc. is working with PPAM to design a localized reclaimed water treatment system (LRWTS) located on the lower level of the SVC. To obtain regulatory approval for this system, a Site Location Application was submitted to the Colorado Department of Public Health and Environment (CDPHE) on January 18, 2019. As part of the review process, El Paso County will need to review and sign the Site Location Application. Communication with El Paso County has presented the question regarding whether or not the 1041 regulations apply to the Pikes Peak LRWTS. This letter summarizes reasons why JVA believes the Pikes Peak LRWTS is exempt from 1041 regulations.

MINOR OPERATIONAL CHANGES

Section 1.105, number 6, in the El Paso County Land Development Code, Appendix B states that an area of interest is exempt if "The day-to-day operations of an existing project or facility, or a minor change in the operation of an existing project or facility, including retrofitting or updating technology, so long as the change in operation does not constitute a material change and does not cause negative impacts different from that of the existing facility or project otherwise exacerbate existing impacts." Currently, potable water is hauled to the Visitor Center and wastewater is hauled from the Visitor Center to be treated at a facility owned and operated by Colorado Springs Utilities. The proposed system will still require potable water to be hauled up to the SVC and excess reclaimed wastewater will be hauled down. The proposed LRWTS will not be discharging to the environment. The primary purpose is to create and reuse reclaimed water for toilet flushing inside the building. The proposed LRWTS will significantly lessen the frequency that both potable water and reclaimed water will need to be hauled to and from the summit.

In addition, PPAM has made a commitment to the Living Building Challenge (LBC) which is a green building certification with the goal of realigning how people use water and redefining waste in the



built environment so that water is respected as a precious resource. These goals outlined by LBC for environmental and operational efficiency align with those of the citizens and leadership of El Paso County regarding water usage and environmental sustainability.

EXISTING PERMITS

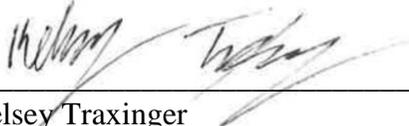
All land for the project is owned by United States Forest Service (USFS). A special use permit was issued by the USFS in December 1991 to authorize PPAM to construct, operate and maintain Pikes Peak Highway and Recreation Corridor. The permit includes development plans, layout plans, construction, reconstruction, alteration of improvements or revision of layout or construction plans with advanced approval. The permit expires December 31, 2020 and is currently in the process of being renewed concurrently with the construction of the new SVC. Copies of the PPAM Special Use Permit and renewal letter are enclosed.

In addition, RTA Architects and GE Johnson have obtained a foundation permit issued by Pikes Peak Regional Building Department on behalf of El Paso County for the proposed SVC. A copy of the foundation permit is enclosed. A building permit will be obtained as the construction schedule progresses.

Since review is needed for state approval, we appreciate your understanding of the urgency of this request. Please do not hesitate to contact me with any questions regarding this request.

Sincerely,
JVA, INCORPORATED

By: _____


Kelsey Traxinger
Environmental Design Engineer

Enclosures: USFS Special Use Permit
USFS Permit Renewal
Foundation Permit

TERM SPECIAL USE PERMIT

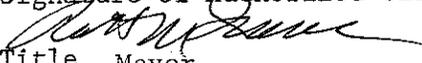
Act of March 4, 1915, as amended
 July 28, 1956
 Sec. 7, Act of April 24, 1950
 Act of October 21, 1976

a. Record No. (1-2) <u>70</u>	b. Range (3-4) <u>02</u>	c. Forest (5-5)
d. District (7-8) <u>09</u>	e. User No. (9-12) <u>1009-28</u>	f. Kind of Use (13-15) <u>753</u>
g. State (16-17) <u>08</u>	h. County (18-20) <u>119</u>	i. Card No. (21) <u>1</u>

Permission is hereby granted to THE CITY OF COLORADO SPRINGS, of P.O. Box 1575, Colorado Springs, Colorado 80901, hereinafter called the holder, to use subject to the conditions set out below, the following described lands, structures, and improvements: A tract of land extending from the Town of Cascade, Colorado, to the summit of Pikes Peak, across parts of Sections 17, 18, 19, 20, 21, 22, 23, and 27, T.13S., R.68W.; Sections 13, 23, 24, 25, 26, 35 and 36, T.13S., R.69W.; Sections 7 and 18, T.14S., R.68W.; and Sections 1, 2, 12 and 13, T.14S., R.69W.; all in the 6th P.M., as more particularly shown on a map consisting of four (4) pages and entitled "Pikes Peak Highway Recreation Corridor" by KEM, dated 4/22/88, which is attached to and made a part of this permit. Improvements and structures authorized include the Pikes Peak Highway, Entrance Station, Caretaker Residence, Crow Gulch Picnic Ground, Half Way Picnic Ground, Glen Cove Inn and Picnic Ground, Summit House, Mechanical Building, Olympic Flame and other accessory facilities as shown on the attached Exhibits A through E and Plat. All of the described improvements and structures except the Olympic Flame are owned by the United States and under the administrative control of the Forest Service. Property and equipment used by the holder but owned by the Forest Service shall be identified in the Operating Plan.

This permit covers 760 acres of land and is issued for the purpose of:

- (A) Constructing, operating, and maintaining the Pikes Peak Highway Recreation Corridor and toll road for public recreational travel to the summit of Pikes Peak; offering sales of food, beverages and souvenir-type merchandise; and offering picnicking and interpretative services;
 - (B) Installing, maintaining and operating electronic transmission equipment for which a station authorization has been issued by FCC to the permit holder; and;
 - (C) such ancillary uses of the permit area as may be authorized under the annual Operating Plan and Budget.
1. Construction or occupancy and use under this permit shall begin within -- months, and construction, if any, shall be completed within -- months, from the date of the permit. This use shall be actually exercised at least 365 days each year, unless otherwise authorized in writing.
 2. Consideration for this use is set forth in Clause 19: **Provided, however,** That the charges for this use may be made or readjusted whenever necessary to place the charges on a basis commensurate with the value of use authorized by this permit.
 3. This permit is accepted subject to the conditions set forth herein, and to conditions 4 to 28 attached hereto and made a part of this permit.

Holder	Name of Holder CITY OF COLORADO SPRINGS	Signature of Authorized Officer 	Date December 7,
Issuing Officer	Name and Signature  JACK WEISSLING	Title Forest Supervisor	Date 12/18/91

4. Development plans; layout plans; construction, reconstruction, or alteration of improvements; or revision of layout or construction plans for this area must be approved in advance and in writing by the Forest Supervisor. Trees or shrubbery on the permitted area may be removed or destroyed only after the forest officer in charge has approved, and has marked or otherwise designated that which may be removed or destroyed. Timber cut or destroyed will be paid for by the holder as follows: Merchantable timber at appraised value; young growth timber below merchantable size at current damage appraisal value; provided that the Forest Service reserves the right to dispose of the merchantable timber to others than the holder at no stumpage cost to the holder. Trees, shrubs, and other plants may be planted in such manner and in such places about the premises as may be approved by the forest officer in charge.
5. The holder shall maintain the improvements and premises to standards of repair, orderliness, neatness, sanitation, and safety acceptable to the forest officer in charge.
6. This permit is subject to all valid claims and existing rights.
7. The holder, in exercising the privileges granted by this permit, shall comply with the regulations of the Department of Agriculture and all Federal, State, county, and municipal laws, ordinances, or regulations which are applicable to the area or operations covered by this permit.
8. The holder shall take all reasonable precautions to prevent and suppress forest fires. No material shall be disposed of by burning in open fires during the closed season established by law or regulation without a written permit from the forest officer in charge or his authorized agent.
9. The holder agrees to take all reasonable precautions to avoid damage to property and resources of the United States and will, independently and upon request of the Forest Service, prevent and suppress fires on or near lands occupied, or to be occupied, under this permit, and to pay and indemnify the United States for any and all injury, loss, or damage, including but not limited to fire suppression costs, the United States may suffer as a result of claims, demands, losses, or judgments caused by the holder's use or occupancy to the maximum extent possible in accordance with the State of Colorado Governmental Immunity Act and other applicable State laws, ordinances, regulations, and rules.
10. The holder shall fully repair all damage to national forest roads and trails caused by the holder in the exercise of the privileges granted by this permit.
11. No Member of or Delegate to Congress or Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit that may arise herefrom unless it is made with a corporation for its general benefit.
12. Except as provided in Clause 16 below, upon abandonment, termination, revocation, or cancellation of this permit, the holder shall remove within a reasonable time all structures and improvements except those owned by the United States, and shall restore the site, unless otherwise agreed upon in

writing or in this permit. If the holder fails to remove all such structures or improvements within a reasonable period, they shall become the property of the United States, but that will not relieve the holder of liability for the cost of their removal and restoration of the site.

13. This permit is not transferable. If the holder through voluntary sale or transfer, or through enforcement of contract, foreclosure, tax sale, or other valid legal proceeding shall cease to be the owner of the physical improvements other than those owned by the United States situated on the land described in this permit and is unable to furnish adequate proof of ability to redeem or otherwise reestablish title to said improvements, this permit shall be subject to cancellation. But if the person to whom title to said improvements shall have been transferred in either manner provided is qualified as a holder and is willing that his future occupancy of the premises shall be subject to such new conditions and stipulations as existing or prospective circumstances may warrant, his continued occupancy of the premises will be authorized by permit to him, which may be for the unexpired term of this permit or for such new period as the circumstances justify.
14. The holder may sublease the use of land and improvements covered under this permit and the operation of concessions and facilities authorized; Provided the express written permission of the Forest Supervisor has been secured. The holder shall continue to be responsible for compliance with all conditions of this permit by persons to whom such premises may be sublet.
15. This permit may be revoked for noncompliance with applicable statutes, regulations, or terms and conditions of this authorization (36 CFR 251.60(a)(1)).
16. If during the term of this permit or any extension thereof, the Secretary of Agriculture or any official of the Forest Service acting by or under his authority shall determine that the public interest [36 CFR 251.60(b), 36 CFR 251.82(a)(8), 36 CFR 251.91] requires termination of this permit, this permit shall terminate upon thirty days' written notice to the holder of such determination, and the United States shall have the right thereupon to purchase the holder's improvements, to remove them or to require the holder to remove them, at the option of the United States, and the United States shall be obligated to pay an equitable consideration for the improvements or for removal of the improvements and damages to the improvements resulting from their removal. The amount of the consideration shall be fixed by mutual agreement between the United States and the holder and shall be accepted by the holder in full satisfaction of all claims against the United States under this clause: **Provided**, That if mutual agreement is not reached, the Forest Service shall determine the amount and if the holder is dissatisfied with the amount thus determined to be due him he may appeal the determination in accordance with the Appeal Regulation [36 CFR 251.80 - 251.102] and the amount as determined on appeal shall be final and conclusive on the parties hereto; **Provided further**, That upon the payment to the holder of 75% of the amount fixed by the Forest Service, the right of the United States to remove or require the removal of the improvements shall not be stayed pending final decision on appeal.

17. In case of change of address the holder shall immediately notify the Forest Supervisor.
18. In the event of a conflict between any of the preceding clauses or any provisions thereof and any of the following clauses or any provisions thereof, the following clauses will control.
19. FEES AND PAYMENTS

As consideration for the use of the structures and improvements under the administrative control of the Forest Service and the land used in connection therewith, the holder shall use all income derived from permitted uses for funding the Operating Plan and Budget, which income is defined as toll road charges, sales of merchandise or services, rentals and subleases, special event fees, and interest from such unspent income. In addition, the holder may supplement the Operating Plan and Budget with contributed funds, which are defined as funds not derived from permitted uses.

The Operating Plan and Budget shall be jointly prepared by the holder and the Forest Service and shall provide planned expenditures and reserves for administering and operating the permitted uses and for the maintenance, reconditioning and necessary replacement of structures and improvements under the administrative control of the Forest Service.

All equipment purchased by the holder with income derived from permitted uses is U.S. Government property. All equipment purchased by the holder with contributed funds shall belong to the holder.

In the event of termination or cancellation of this permit by an authorized official of the Forest Service or relinquishment by the holder, all unspent income derived from permitted uses shall be paid to the United States, and all U.S. Government property will be delivered to the Forest Service. All unspent contributed funds and all equipment purchased by the holder with contributed funds shall remain property of the holder.

20. RECORDS AND AUDITS

- A. Access to Records. For the purpose of administering this permit, the holder agrees to make all of the accounting books and supporting records to the business activities, as well as those of sublessees operating within the authority of this permit, available for analysis by qualified representatives of the Forest Service or other Federal agencies authorized to review the Forest Service activities. Review of accounting books and supporting records will be made at dates convenient to the holder and reviewers. Financial information so obtained will be treated as confidential as provided in regulations issued by the Secretary of Agriculture [36 CFR 200.6(f)].

The holder will retain the above records and keep them available for review for 5 years after the end of the year involved, unless disposition is otherwise authorized by the Forest Service in writing.

B. Accounting Records. The holder shall follow generally accepted accounting principles in recording financial transactions and in reporting results to the Forest Service. When requested by the Forest Service, the holder at own expense, will have the annual accounting reports audited by a public accountant acceptable to the Forest Service. The holder will require sublessees to comply with these same requirements. The minimum acceptable accounting system will include:

- (1) Systematic internal controls and recording by kind of business the gross receipts derived from all sources of business conducted under this permit. Receipts should be recorded daily.

Receipt entries should be supported by such source documents as cash-register tapes, sale invoices, room-rental records, and cash accounts from other sources.

- (2) A record of all disbursements, including capital items, and a permanent record of investments in facilities (gross fixed assets).
- (3) Preparation and maintenance of such special records and accounts as may be specified by the authorized forest officer.

21. NONDISCRIMINATION

A. Nondiscrimination, Services. During the performance of this authorization, the holder agrees that:

- (1) The holder and employees shall not discriminate by segregation or otherwise against any person on the basis of race, color, or national origin by curtailing or refusing to furnish accommodations.
- (2) Title VI attaches coverage to the holder's employment practices if discrimination in employment impeded the delivery of services and benefits to people on the basis of their race, color, or national origin.
- (3) The holder shall include and require compliance with this nondiscrimination provision in any subcontract made with respect to the operations under this authorization.
- (4) Signs setting forth this policy of nondiscrimination, to be furnished by the Forest Service, will conspicuously be displayed at the public entrance to the premises, and at other exterior or interior locations as directed by the Forest Service.

B. Covenant and Reverter. The holder does by the acceptance of this document covenant and agrees for itself, its assigns, and its successors in interest to the property here conveyed, or any part thereof, that the covenant set forth below shall attach to and run with the land:

- (1) That the described property and its appurtenant areas and its building and facilities whether or not on the land therein conveyed will be operated in full compliance with Title VI of the Civil Rights Act of 1964 and all requirements imposed by or pursuant to the regulations issued thereunder by the Department of Agriculture and if in effect on the date of this document to the end that no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any programs or activities provided thereon; and
- (2) In the event of a breach of any of the conditions set forth above, all right, title, and interest in and to the above described property shall, at the option of the grantor, revert to and become the property of the United States of America, which shall have an immediate right of entry thereon, and holder, its successors or assigns, shall forfeit all right, title, and interest in and to the above described property and in any and all of the tenements, hereditaments and appurtenances thereunto belonging; provided, however, that the failure of the grantor to assist in any one or more instances upon complete performance of any of the said conditions shall not be construed as a waiver or a relinquishment of the future performance of any such conditions but the obligations of the holder with respect to future performance shall continue in full force and effect.

22. LIABILITY

A. Insurance Clause. The holder shall repair, replace, or restore any damage to or loss of the premises covered by this permit caused by fire or other casualty including consequential damages to said premises resulting from fire or other casualty, including fires or other casualties beyond the control of and without the fault of the holder, and shall have in force fire and other casualty insurance covering the Government-owned improvements, the use of which is authorized by this permit. Proceeds of any such policy shall be payable to the holder.

Such fire and other casualty insurance shall cover the full replacement value of the improvements. The holder shall furnish the Forest Service an authenticated copy of the insurance policy prior to occupancy and use. The policy shall also contain a specific provision or rider to the effect that the policy will not be cancelled or its provisions changed before 30 days written notice to the Forest Supervisor.

- B. Insurance Clause. The holder shall have in force public liability insurance which coverage shall extend to property damage, bodily injury, or death rising out of the holder's activities under the permit, including but not limited to, the occupancy or use of the land and the construction, maintenance, and operation of the structures, facilities, or equipment authorized by this permit, or at its option the holder may supply the Forest Service a certificate of self-insurance which shall show limits of liability within the provisions of the Colorado Governmental Immunity Act.
- C. Risks and Hazards. Avalanches, rising waters, high winds, falling limbs or trees, and other hazards are natural phenomena in the Forest that present risks which the holder assumes. The holder has the responsibility of inspecting the site, lot, right-of-way, and immediate adjoining area for dangerous trees, hanging limbs, and other evidence of hazardous conditions and may, when such hazardous conditions affect the public health, safety, and welfare, remove such hazards provided that the holder shall, within a reasonable period of time thereafter, give notice to the Forest Service.

23. NATURAL RESOURCE STANDARDS

- A. Water Pollution. No waste or byproducts shall be discharged if it contains any substances in concentrations which will result in substantial harm to fish and wildlife, or to human water supplies.

Storage facilities for materials capable of causing water pollution, if accidentally discharged, shall be located so as to prevent any spillage into waters, or channels leading into water, that would result in substantial harm to fish and wildlife or to human water supplies.

- B. Esthetics. The holder shall protect the scenic esthetic values of the area under this permit, and the adjacent land, as far as possible with the authorized use, during construction, operation, and maintenance of the improvements.
- C. Archeological-Paleontological Discoveries. If, prior to or during excavation work, items of archaeological, paleontological, or historic value are reported or discovered, or an unknown deposit of such items is disturbed, the holder will immediately cease excavation in the area so affected. Holder will then notify the Forest Service and will not resume excavation until written approval is given by the authorized officer.

If it deems it necessary or desirable, the Forest Service may require the holder to have performed recovery, excavation, and preservation of the site and its artifacts at the holder's expense. At the option of the Forest Service, this authorization may be terminated at no liability by the United States when such termination is deemed necessary or desirable to preserve or protect archaeological, paleontological, or historic sites and artifacts.

- D. Borrow-Pit Restoration. After removal of the desired material, the holder shall evenly grade and properly slope the bottom of the resulting borrow pit so that no water will collect or stand in it. All rocks encountered in the excavation shall, whenever possible, be hauled out and be used in construction. The service road then shall be obliterated, and the ground shall be left in as nearly its original condition as possible. To prevent erosion, tracks or marks of heavy equipment or other disturbed earth shall be smoothed or filled to the surrounding level.
- E. Erosion Control. Slope stabilization and the prevention of soil erosion and gulying throughout the permitted area and adjacent lands will be accomplished by carrying out the provisions of an erosion control plan prepared by the holder and approved by the authorized officer.

24. STRUCTURAL PLANS AND STANDARDS

- A. Master Plan and Schedule. The District Ranger and the holder's representative will prepare a master plan and schedule for the progressive improvement of the permitted site. Such plan and schedule shall be prepared by December 31, 1991, except this date may be extended by mutual agreement, and shall set forth an itemized priority list of planned improvements and the target date for completion. This plan and schedule shall be made a part of this permit and will be signed by the holder or his designated representative and approved by the Forest Supervisor. Planned improvements will be implemented through the Operating Plan and Budget.

All required plans and specifications for site, improvements, and structures included in the plan and schedule shall be submitted to the Forest Service at least forty-five (45) days before the construction date stipulated in the development schedule.

If additional facilities are needed to serve the intended purpose of this permit, such additions may be constructed by the Forest Service or voluntarily constructed by the holder; provided that, any additions constructed by the holder shall become the property of the United States. Additional facilities shall be identified in the Master Plan and Schedule.

- B. Building and Service System Plans. All plans and specifications for buildings shall be prepared by an architect licensed in the State of Colorado and all such plans shall be in accordance with the uniform codes as adopted by the City of Colorado Springs and El Paso County.

Plans shall be submitted to the Forest Service for approval prior to beginning of construction.

The holder shall submit to the authorized officer a certification by the architect or engineer who inspected construction that the building has been constructed in accordance with the approved plans before the building is approved for use.

After facilities are operational, the authorized officer may require the holder to have periodic inspections made, at the holder's expense, to insure facilities are being maintained and operated in conformance with applicable standards and codes. Inspections will be performed by qualified individuals. Inspectors must be approved by the Forest Service prior to making evaluations. Copies of inspection reports shall be provided to the Forest Service. Needed corrective action shall be performed in a reasonable time as determined by the authorized officer.

C. Sanitation. The operation and maintenance of all sanitation, food service and water-supply methods, systems, and facilities shall comply with the standards of the local department of health and the United States Public Health Service.

D. Pikes Peak Highway.

- (1) All construction or reconstruction of the road shall be in accordance with plans, specifications and written stipulations previously approved by the Forest Service.
- (2) The holder shall cut no timber except as authorized by construction stipulations or maintenance agreements.
- (3) The holder shall provide maintenance so that no damage occurs on adjacent National Forest land. The holder shall construct and maintain lead-off drainage and water barriers as necessary to prevent erosion.
- (4) The United States may use the roads without cost for all purposes, including the removal of timber cut in construction or maintenance of the road or other incidental use, deemed necessary or desirable in connection with the protection and administration of the lands or resources of the United States; provided that the road only will be used for commercial hauling purposes, only after payment by the United States of its pro rata share of road maintenance costs, and provided further, that such use does not reasonably interfere with the holder's rights, duties, and obligations under this permit or increase the liability of holder.
- (5) The Forest Service retains the right to occupy and use the right-of-way. It also may issue other uses including rights-of-way, on and through the permitted area provided that the occupancy and use does not unreasonably interfere with the rights granted herein, or increase the liability of the holder under this permit.
- (6) The Forest Service shall have the right to cross and recross the premises and highway at any place by any reasonable means and for any purpose in such manner as does not unreasonably interfere with use of the highway.

- E. Environmental Standards. Holder shall conduct all activities associated with the uses in a manner that will avoid or minimize degradation of air, land, and water quality. In the construction, operation, maintenance, and termination of the uses, holder shall perform its activities in accordance with applicable air and water quality standards, related facility siting standards, and related plans of implementation, including but not limited to standards adopted pursuant to the Clean Air Act, as amended (42 USC 1857) and the Federal Water Pollution Control Act, as amended (33 USC 1321).
- F. Surveys, Land Corners. The holder shall protect, in place, all public land survey monuments, private property corners, and Forest boundary markers. In the event that any such land markers or monuments are destroyed in the exercise of the privileges authorized by this permit, depending on the type of monument destroyed, the holder shall see that they are reestablished or referenced in accordance with (1) the procedures outlined in the "Manual of Instructions for the Survey of the Public Land of the United States," (2) the specifications of the county surveyor, or (3) the specifications of the Forest Service.

Further, the holder shall cause such official survey records as are affected to be amended as provided by law. Nothing in this clause shall relieve the holder's liability for the willful destruction or modification of any Government survey marker as provided at 18 USC 1858.

- G. Maintenance and Alteration of Government Improvements. The holder shall maintain the present improvements, appurtenances and furnishings in full conformance with the Operating Plan and Budget.

If during the term of this permit, the Government-owned improvements are altered, reconstructed, or modified in any way, the material, equipment, fixtures, or other appurtenances which are affixed to or made a part of said improvements in connection with the alteration project shall become a part of the property. Ownership shall accrue to the Government, regardless of whether said work is performed by the holder or any other party.

- H. Parking Areas. The holder shall restrict all parking to areas approved by the Forest Service.

25. AREA SAFETY AND OPERATIONS

- A. Health, Safety, and Environmental Protection. Holder shall take all measures necessary to protect the health and safety of all persons affected by its activities performed in connection with the construction, operation, maintenance, or termination of the permit, and shall promptly abate as completely as possible any physical or mechanical procedure, activity, event, or condition, existing or occurring at any time: (1) that is susceptible to abatement by the holder, (2) which arises out of, or could adversely affect the construction, operation, maintenance, or termination of all or any part of the authorized uses, and (3) that causes or threatens to cause: (a) a hazard to the safety of workers or to public health or

safety, or (b) serious and irreparable harm or damage to the environment (including but not limited to areas of vegetation or timber, fish or other wildlife populations, or their habitats, or any other natural resource). Holder shall immediately notify the authorized officer of all serious accidents which occur in connection with such activities. Individuals to be notified shall be listed in the Operating Plan prepared by the holder and Forest Service.

- B. Caretaker. The holder may provide a resident caretaker and may provide housing in the Summit House and Glen Cove Inn for seasonal service personnel employed at those sites.
- C. Pesticide Use. Pesticides may not be used to control undesirable woody and herbaceous vegetation, aquatic plants, insects, rodents, trash fish, etc., without the prior written approval of the Forest Service. A request for approval of planned uses of pesticides will be submitted annually by the holder on the due date established by the authorized officer. The report will cover a 12-month period of planned use beginning 3 months after the reporting date. Information essential for review will be provided in the form specified. Exceptions to this schedule may be allowed, subject to emergency request and approval, only when unexpected outbreaks of pests require control measures which were not anticipated at the time an annual report was submitted.

Only those materials registered by the U. S. Environmental Protection Agency for the specific purpose planned will be considered for use on National Forest System lands. Label instructions will be strictly followed in the application of pesticides and disposal of excess materials and containers.

D. Explosives, Use of.

- (1) Only Forest Service approved detonators shall be used for blasting.
- (2) In the use of explosives, the holder shall exercise the utmost care not to endanger life or property and shall comply with the requirements of the Forest Service. The holder shall be responsible for any and all damages resulting from the use of explosives and shall adopt precautions that will prevent damage to surrounding objects. The holder shall furnish and erect special signs to warn the public of blasting operations. Such signs shall be placed and maintained so as to be clearly evident to the public during all critical periods of the blasting operations, and shall include a warning statement to have radio transmitters turned off.
- (3) All storage places for explosives shall be marked "DANGEROUS - EXPLOSIVES." The method of storing and handling explosives shall conform to recommended procedures contained in the "Blasters Handbook", published by E. I. du Pont de Nemours and Company, and in all Federal, State, and local laws and regulations.

- (4) When using explosives, the holder shall adopt precautions which will prevent damage to landscape features and other surrounding objects. When directed by the Forest Officer in charge, trees within an area designated to be cleared shall be left as a protective screen for surrounding vegetation during blasting operations. Trees so left shall be removed and disposed of after blasting has been completed. When necessary, and at any point of special danger, the holder shall use suitable mats or some other approved method to smother blasts.
- E. Vandalism. The holder will take reasonable measures to prevent and discourage vandalism or disorderly conduct, and when necessary, will call in the appropriate law enforcement officer.
- F. Butane and Propane Installations. All butane, propane, or other liquefied petroleum gas equipment shall be installed and operated in accordance with the laws and regulations of the State.
- G. Services Not Provided. This permit is for the occupancy of land for the purposes stated and does not provide for the furnishing of road maintenance, water, fire protection, or any other such service by a Government agency, utility, association, or individual.
- H. Operating Plan and Budget. The District Ranger and the holder's representative will prepare and annually revise by April 1 an operating plan, and by June 1 a budget. This plan will consist of at least the following sections and items:

Operating Plan

- (1) Highway/Facilities Operating Rules, Signing and Safety
- (2) Facilities Inspection and Maintenance Standards and Schedules
- (3) Planned Maintenance, Reconditioning and Replacement Actions
- (4) Ancillary Uses and Special Events
- (5) Joint Use of Facilities
- (6) Interpretive Services
- (7) Visitor Use Reporting
- (8) Selection and Operations of Sites for Road Materials

Budget

- (1) Projected Income from Sources
- (2) Planned Expenditures for Administering and Operating the Permitted Uses and for Maintaining and Reconditioning Structures and Improvements
- (3) Planned Expenditures for Replacement of Structures and Improvements
- (4) Status of Cash Reserves and Trust Fund Accounts
- (5) Equipment Inventory and Replacement Schedule

The provisions of the Operating Plan and Budget and the annual revisions will become a part of this permit and will be signed by the holder or his designated representative and approved by the Forest Supervisor.

26. CORRELATION WITH OTHER NATIONAL FOREST USES AND RESOURCES

- A. Area Access. The holder agrees to permit the free and unrestricted access to and upon the premises at all times for all lawful and proper purposes not inconsistent with the intent of the permit or with the reasonable exercise and enjoyment by the holder of the privileges thereof.
- B. Nonexclusive Use. This permit is not exclusive; that is, the Forest Service reserves the right to use or permit others to use any part of the permitted area for any purpose, provided such use does not interfere with the rights and privileges hereby authorized.
- C. Water Rights. This permit, in and of itself, confers no right to the use of water by the holder.
- D. Valid Claim on Land. This permit is issued on the condition that the holder has secured, or will secure, the consent of any person having valid claim to the land.

27. REGULATION OF SERVICES AND RATES

- A. Regulating Services and Rates. The Forest Service shall have the authority to check and regulate the adequacy and type of services provided the public and to require that such services conform to satisfactory standards. The holder may be required to furnish a schedule of prices for sales and services authorized by the permit. Such prices and services may be regulated by the Forest Service: Provided, that the holder shall not be required to charge prices lower than those charged by comparable or competing enterprises. Provided, Further, that the holder shall not be required to charge rates for use of the highway that would reduce revenue below that estimated as needed to cover the cost of operations and maintenance.
- B. Implied Permission. Nothing in this permit shall be construed to imply permission to build or maintain any structure not specifically named on the face of this permit, or approved by the authorized officer in the form of a new permit or permit amendment.
- C. Subleasing, Requirements. The holder, in the exercise of the privileges granted by this permit, shall require that employees, sublessees, contractors, subcontractors, or renters and their employees comply with all applicable conditions of this permit and that the conditions of this permit be made a part of all subleases, contracts, subcontracts, or rental agreements. The terms and conditions of subleases, contracts, subcontracts and rental agreements shall be subject to Forest Service approval. This clause shall not be construed as authorizing such subleases, contracts, subcontracts, or rental agreements unless specifically authorized elsewhere in the permit.
- D. Signs. No signs or advertising devices shall be erected on the area covered by this permit, or highways leading thereto, without prior approval by the Forest Service as to location design, size, color, and

message. Erected signs shall be maintained or renewed as necessary to neat and presentable standards, as determined by the Forest Service.

- E. Advertising. The holder, in his advertisements, signs, circulars, brochures, letterheads, and like materials, as well as orally, shall not misrepresent in any way, either the accommodations provided, the status of the permit, or the area covered by it or tributary thereto.

The fact that the permitted area is located on the Pike National Forest shall be made apparent in all of the holder's brochures and advertising regarding use and management of the area and facilities under permit.

- F. Gambling. Gambling or gambling machines or devices will not be permitted on National Forest System lands regardless of whether or not they are lawful under State law or county ordinances.
- G. Liquor Sales Prohibited. The sale of liquors or other intoxicating beverages is expressly prohibited on the area covered by this permit.

28. TERMINATION AND DISPUTE

- A. Permit Termination. Unless sooner terminated or revoked by the authorized officer, in accordance with the provisions of the authorization, this authorization shall expire and become void on DECEMBER 31, 2020, but a new special-use authorization to occupy and use the same National Forest System lands may be granted provided the holder will comply with the then existing laws and regulations governing the occupancy and use of National Forest lands and shall have notified the authorized officer not less than ONE YEAR prior to said date that such new authorization is desired.
- B. Termination or Revision of Permit for Government Improvements. If during the term of this permit, the Forest Service determines the public interest requires the revision of the conditions of use or the termination of the use of Government-owned improvements, the use of which is authorized by this permit, said conditions of use may be revised or the use terminated or suspended at the discretion of the Regional Forester.
- C. Disputes. Appeal of any provisions of this authorization or any requirements thereof, shall be subject to the appeal regulations at 36 CFR 251, Subpart C (54 FR 3362, January 23, 1989), or revisions thereto.
- D. Superseded Permit. This permit supersedes a special-use permit designated: City of Colorado Springs, Road, dated March 10, 1961.
- E. Termination By Holder. This permit may be terminated by the holder upon thirty (30) days' written notice to the Forest Supervisor.



July 5, 2018

Mr. Oscar Martinez, District Ranger
Pikes Peak Ranger District, Pike National Forest
United State Forest Service

Subject: Request for Letter of Intent to Renew Pikes Peak – America's Mountain's Term Special Use Permit

Dear Mr. Martinez:

I am writing to request that you issue a Letter of Intent to renew Special Use Permit No. PPK100928 based on the continued compliance of Pikes Peak – America's Mountain (PPAM) with the provisions of the existing permit.

PPAM is an enterprise of the City of Colorado Springs, Colorado (the "City"). PPAM has operated the Pikes Peak Highway under a Term Special Use Permit issued by the U.S. Forest Service (USFS) since 1948 (the "Special Use Permit"). Since that time, this permit has been renewed several times. The current permit was effective January 1, 1991 and expires on December 31, 2020.

Under this Special Use Permit, PPAM operates the highway and the facilities along the Pikes Peak Recreational Corridor including several facilities at the summit. As outlined in my letter to you, dated March 29, 2016, attached hereto as Exhibit A (the "2016 Request Letter"), PPAM staff and its partners have undertaken the planning and design phases of a project to consolidate the existing summit facilities into a new complex (the "Summit House Project"), all with the prior approval of the USFS. In support of PPAM's efforts to secure financing for the Summit House Project and in response to the 2016 Request Letter, your letter to me dated May 18, 2016, attached hereto as Exhibit B (the "2016 USFS Letter"), outlined your recommendation of renewal of the Permit based on PPAM's compliance with permit conditions in accordance with USFS policy and guidance.

Due to the length of the planning process for the Summit House Project, fluctuations in financial market conditions and other intervening factors, the issuance of a long-term revenue bond financing by the City to finance a substantial portion of the Summit House Project was delayed until now. The City intends to issue such bonds within a matter of weeks. Because the City's ability to issue the bonds is directly tied to PPAM's ability to demonstrate a strong likelihood that the Special Use Permit will be renewed, I am writing this letter to request that you provide a

new Letter of Intent to issue a new permit before the current permit expires in 2020, which letter would update and supplement the 2016 USFS Letter.

PPAM and the City would like to finalize the revenue bond as soon as possible, so we would appreciate your response as soon as possible.

Thank you for your consideration. If there are any questions, please contact me at 719-385-7714 or via e-mail jglavan@springsgov.com.



Jack Glavan
Manager, Pikes Peak – America's Mountain

File Code: 2730
Date: July 9, 2018

Jack Glavan
Manager, Pikes Peak - America's Mountain
P. O. Box 1575, Mail Code 060
Colorado Springs, Colorado 80901-1575

Dear Mr. Glavan,

RE: Request for Letter of Intent to Renew Pikes Peak – America’s Mountain Term Special Use Permit

This is in response to the Pikes Peak – America’s Mountain (“PPAM”) request for a letter of intent as outlined in your letter to me of July 5, 2018. This response is intended to update and supplement my letter to you dated May 18, 2016, and attached hereto as an exhibit (the “2016 Letter”). This letter can be included into revenue bond packages PPAM prepares and submits to institutions.

The 2016 Letter outlined U.S. Forest Service (USFS) policy and guidance toward renewal of Special Use Permit No. PPK100928 that authorizes PPAM to construct, operate and maintain the Pikes Peak Highway and Recreation Corridor and reflected my intent as of that date to recommend the renewal of the permit in light of PPAM’s compliance with permit conditions.

Since that time, the Environmental Assessment for the proposed Pikes Peak Summit Complex (“PPSC”) has been completed and a Decision Notice and Finding of No Significant Impact towards approval of the project has been issued. Currently, my staff is overseeing the drafting of an amendment to permit PPK100928 regarding the PPSC. Concurrent with the PPSC project construction forecast to occur through 2020, my staff will initiate the permit renewal process pursuant to PPAM’s submission of its application package requesting permit renewal.

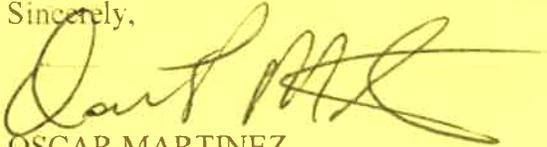
As I stated in the 2016 Letter, the renewal process is founded in 36 Code of Federal Regulations 251.64. When a special use authorization provides for renewal, the authorized officer shall renew it where such renewal is authorized by law, if the project or facility is still being used for the purpose(s) previously authorized and is being operated and maintained in accordance with the provisions of the authorization. In making such renewal, the authorized officer may modify the terms, conditions, and special stipulations to reflect any new requirements imposed by current Federal and State land use plans, laws, regulations or other management decisions. Special uses may be reauthorized upon expiration so long as such use remains consistent with the decision that approved the existing special use. As PPAM remains in compliance with permit conditions, the renewal process is essentially an administrative process to prepare a new permit with current conditions and prepare exhibits including GIS generated maps and illustrations that reflect all authorized uses including the forth-coming PPSC.



For this type of special use on NFS lands, the authorized officer may issue a permit for a maximum term period of 30-years under the authority of the Federal Land Policy and Management Act, as Amended October 21, 1976. My recommendation of renewal of this permit incorporates a new 30-year term period through December 2050.

If additional questions or clarification is necessary, please contact me directly at omartinez@fs.fed.us or Jeff Hovermale of my staff at jhovermale@fs.fed.us or (719) 477-4201.

Sincerely,



OSCAR MARTINEZ
District Ranger

Enclosure: As noted, 2016 Letter

cc: John Brown

Permit-Number: L53306 Plan #: C105627
Address: 14115 PIKES PEAK HWY

Issued: 14-Jun-2018

Contractor: G E JOHNSON CONSTR CO, INC

Owner: UNITED STATES GOVERNMENT
 Project: NEW SUMMIT HOUSE - FOUNDATION ONLY
 (327) STORES AND OTHER RETAIL BUILDINGS/INT FINISHES

2017 PPRBC

Occupancy: M, S-1, A-2, A-3 Zone: R-T

Sqft: 32813 (66 Circuits)

Type of Construction: II-A

Setbacks: Front: Side: Side: Rear:



BUILDING	DATE	INSPECTOR	REMARKS OR CORRECTIONS
Footings			
Foundation			
Peripheral Drain			
Foundation Insulation			
Ground Beam			
Finish of Tile			
Time after rough electrical, gas and plumbing (before insulation)			
Building Insulation			
Finish			
Building Special			
Final (after final electric, plumbing, heating and fire)			
ELECTRICAL	DATE	INSPECTOR	REMARKS OR CORRECTIONS
Check in before insulating & Applied			
Service			
PLUMBING	DATE	INSPECTOR	REMARKS OR CORRECTIONS
Sewer			
Inside Water			
Outside/Inside Water			
Drain			
MCHANICAL	DATE	INSPECTOR	REMARKS OR CORRECTIONS
Gas Line			
Initial Rough			
Final			
Final			
MIC IMPROVEMENTS	DATE	INSPECTOR	REMARKS OR CORRECTIONS
SECTION			

Owner/Contractor: All Final Inspections Shall Be Approved Prior To Occupancy.
 Call Inspector When You Are Ready For Each Of Above Inspections.

This Card Must Be Posted At The Above-Stated Address So It Is
 Plainly Visible From Street And Available For Inspector's Signature