

EL PASO



COUNTY

COMMISSIONERS:
DARRYL GLENN (PRESIDENT)
MARK WALLER (PRESIDENT PRO TEMPORE)

STAN VANDERWERF
LONGINOS GONZALEZ
PEGGY LITTLETON

PLANNING AND COMMUNITY DEVELOPMENT DEPARTMENT
CRAIG DOSSEY, EXECUTIVE DIRECTOR

**TO: El Paso County Board of County Commissioners
Darryl Glenn, President**

**FROM: Raimere Fitzpatrick, AICP PM/Planner II
Gilbert LaForce, PE Engineer II
Craig Dossey, Executive Director**

**RE: Project File #: EX-17-002
Project Name: Security Water and Sanitation District Drennan Road
Connection Flow Control Station Subdivision Exemption
Parcel Nos.: 65020-00-118 and 65020-00-122**

OWNER:	REPRESENTATIVE:
Block 260, LTD 3 Widefield Boulevard Colorado Springs, CO 80911	Pinnacle Land Surveying Company, Inc. 1765 South 8 th Street, Suite 140 Colorado Springs, CO 80904

Commissioner District: 4

Planning Commission Hearing Date:	N/A
Board of County Commissioners Hearing Date	12/12/2017

EXECUTIVE SUMMARY

A request by Block 260, LTD, for Board of County Commissioner (BoCC) determination that the creation of a 10,400 square foot parcel on which an existing flow control and pump station operated by the Security Water and Sanitation District (SWSD) is not within the definition of subdivision and to release the creation of the parcel from the requirements of subdivision platting. The property will be conveyed to SWSD (SWSD) for an existing water flow control, metering, and pump facility owned and operated by SWSD. The facility is currently located within an exclusive easement granted by Block 260, LTD for the benefit of the District. Conveyance of the property will allow fee simple ownership of the property by the District. The parcel is located near the southwest corner of the intersection of Milton E. Proby Parkway and Hancock Expressway. The

2880 INTERNATIONAL CIRCLE, SUITE 110
PHONE: (719) 520-6300



COLORADO SPRINGS, CO 80910-3127
FAX: (719) 520-6695

unmanned water facility provides water from Colorado Springs Utilities (CSU) into SWSD's distribution system as an alternative water supply due to the presence of perfluorinated compounds (PFCs) found in the District's groundwater supplies in 2016. The construction of this facility provides an interconnection between the two (2) District's water supply systems which gives SWSD the ability to provide water resources to its customers from CSU's uncontaminated water resources.

Since the site is unmanned, no water or wastewater services to the existing facility is provided or proposed. Colorado Springs Utilities provides electrical service to the site. The site is not impacted by a FEMA designated floodplain as depicted on the FEMA Flood Insurance Rate Map (FIRM). The request for subdivision exemption complies with the El Paso County Land Development Code (2017), the El Paso County master plan, and C.R.S. §§30-28-101, et seq. If approved, staff recommends the conditions and notations included within Section K of this report.

A. REQUEST/WAIVERS/AUTHORIZATION

Request: A request for Board of County Commissioner determination that the creation of a 10,400 square foot parcel on which an existing flow control and pump station is not within the definition of subdivision and to release the creation of the parcel from the requirements of subdivision platting.

Waiver(s): There are no waivers associated with this request.

Authorization to Sign: Approval of the subdivision exemption includes authorization for the Planning and Community Development Director to approve the deposit of a subdivision exemption map with the Office of the El Paso County Clerk and Recorder.

B. PLANNING COMMISSION SUMMARY

Request Heard: N/A

Recommendation: N/A

Waiver Recommendation: N/A

Vote: N/A

Vote Rationale: N/A

Summary of Hearing: N/A

Legal Notice: N/A

C. APPROVAL CRITERIA

Pursuant to Section 7.2.2.E.7, Subdivision Exemptions, Standards and Criteria for Specific Exemptions, Other Subdivision Exemptions Approved by BoCC, of the Land Development Code (2017), in approving a subdivision exemption, the BoCC shall find that:

- The subdivision is consistent with and conforms to this Code and the Master Plan;
- The exemption is a division of land determined not to be within the purpose of C.R.S. §§30-28-101, et seq;
- Legal and physical access is provided to all parcels by public rights-of-way or recorded easement, acceptable to the County in compliance with this Code and the ECM;
- The size, location, and availability of services to the proposed lots or parcels are reasonable, appropriate, and customary for the proposed use; and
- No beneficial purpose would be served by requiring the platting of the subject property.

D. LOCATION

The property is located near the southwest corner of the intersection of Milton E. Proby Parkway and Hancock Expressway, and is adjacent to the zoning districts and land uses identified below.

North: City of Colorado Springs/single-family residential

South: I-2 (Limited Industrial)/vacant

East: I-2 (Limited Industrial)/manufacturing

West: A-5 (Agricultural)/active mineral extraction operation

E. BACKGROUND

SWSD requested approval of a site development plan (PCD File No. PPR-17-016) to construct a new 1,420 square foot flow control metering and pump facility on the property presently owned by Block 260 LTD. The facility is part of an overall plan to transfer water from Colorado Springs Utilities (CSU) to the District's distribution facilities. The flow control facility was the last planned component to be constructed to allow transferring water from CSU to the District. The construction of this facility provides a point of interconnection between the two (2) District's water supply systems which gives SWSD the ability to provide water resources to its customers from CSU's uncontaminated water resources. The transfer of Southern Delivery System water (surface water) is a necessary part of the short-term water distribution plan for the District. Since the discovery of PFCs in the groundwater (groundwater wells) found in 2016, the facility was an integral part in the overall plan of moving raw (untreated) surface water into the District's distribution system.

Since the need for the facility was to provide an alternate source of water supply to temporarily replace existing water supplies while the District performs mitigation of the PFCs, it was determined that the facility was part of the day-to-day operations of

the Districts' existing water supply system. As such, construction and ongoing operation of the facility do not require prior approval of a "1041 Permit", as detailed in Appendix B of the Code.

An exclusive utility easement (Reception No. 217049315) was granted to SWSD for this facility from Block 260, LTD for the purpose of locating the facility on the private property until such time that fee simple property could be conveyed to the District. A non-exclusive utility easement (Reception No. 217049316) was also granted to the District for access and the construction and maintenance of appurtenances associated with the facility which include, but are not limited to, underground pipelines, water collection distribution lines, metering devices, and manholes which will remain on Block 260, LTD owned property.

The proposed subdivision exemption will create a 10,400 square foot parcel from portions of an 11.37 acre parcel (Parcel ID No. 65020-00-118) and a 4.99 acre parcel (Parcel No. 65020-00-122). These parcels are currently included in the Parkway Commercial Center Subdivision Preliminary Plan (PCD File No. SP-15-002) and Final Plat (PCD File No. SF-15-003) applications which are currently under review. Approval of the subdivision exemption will not negatively impact the preliminary plan or final plat.

F. ANALYSIS

1. Land Development Code Compliance

Pursuant to Section 7.2.2.E.7, of the Code, The BoCC, may, pursuant to this Code, exempt from the definition of "subdivision" any division of land the BoCC determines is not within the purposes of the definition of "subdivision". Generally, an exemption shall be consistent with one of the following criteria in order to receive an exemption from the definition of the term "subdivision":

- *The division of land creates parcels for public or quasi-public use where no dwelling units are allowed, including but not limited to: utility facility, park, open space, fire station, sheriff substation, library, metro district office, and water/sewage facility; or*
The division of land is intended to create a legal parcel that can then be conveyed by the property owner to SWSD for continued use and operation of the existing water flow control, metering, and pump station facility.
- *The division of land is effected by a deed recorded in the Clerk and Recorder that the BoCC determines is not within the purposes of the definition of subdivision.*
The division, or conveyance, of the land to SWSD has not yet occurred. Staff is recommending a condition of approval that prior to authorization to file the exemption plat for deposit with the El Paso County Clerk and

Recorder, Block 260, LTD provide a copy of the deed transferring the property to Security WSD to the Planning and Community Development Department for review. The deed shall be recorded concurrently with the exemption plat.

An exemption, not otherwise previously established by the Code as an exemption by the BoCC, is required to obtain a release from the requirements of subdivision platting, by resolution of the BoCC.

Pursuant to Section 7.2.2.E.7, of the Code, in approving an exemption, the Board shall find:

- *The exemption is consistent with and conforms to this Code and the Master Plan;*
The subdivision exemption request is consistent with and in conformance with the Code, including the submittal and review requirements set forth therein. The site is not located within the boundaries of any small area master plan.
- *The exemption is a division of land determined not to be within the purpose of C.R.S. §§30-28-101, et seq.;*
The Board of County Commissioners, in adopting the provisions of the Code, determined that the creation of parcels for the siting of public facilities outside of the definition of subdivision is not within the purposes of the referenced state statute.
- *Legal and physical access is provided to all parcels by public rights-of-way or recorded easement, acceptable to the County in compliance with this Code and the ECM;*
The parcel that is proposed to be exempted from the definition of subdivision has access to the Clearview Drive right-of-way via an existing non-exclusive easement (Reception No. 217049316) over property owned by Block 260, LTP. Approval of a driveway permit is required to establish legal access for the exemption parcel prior to depositing the exemption plat with the EL Paso County Clerk and Recorder.
- *The size, location, and availability of services to the proposed lots or parcels are reasonable, appropriate, and customary for the proposed use; and*
The facility is an unmanned site; therefore, water and wastewater services are not necessary.
- *No beneficial purpose would be served by requiring the platting of the subject property.*
Because the site is an unmanned utility facility, water and wastewater services are not necessary and minimal traffic impacts and stormwater impacts are anticipated. For those reasons, staff recommends that no

beneficial purpose will be served by requiring the platting of the subject property prior to conveyance to the District.

2. Zoning Compliance

The exemption site is located in the CR (Commercial Regional) zoning district. The facility, which is identified as a Public Utility Facility by the Code, is an allowed use in the CR zoning district. The subdivision exemption map depicts a configuration of the future parcel whereby the existing facility meets the minimum 25 foot front yard setback and the allowances for a zero lot line rear and side yard setbacks permitted in the CR zoning district when adjacent to the side and rear yards of other properties within the same zoning district. The parcel that is proposed to be created via the requested exemption will accommodate a 36.67 foot front yard setback, a 19 foot rear yard setback, and a minimum 30 foot side yard setback.

3. Policy Plan Analysis

The El Paso County Policy Plan (1998) has a dual purpose; it serves as a guiding document concerning broader land use planning issues, and provides a framework to tie together the more detailed sub-area elements of the County Master Plan. The following policy is cited for consideration:

Policy 10.2.4

Encourage the linking of systems among water providers in order to provide the highest assurance of available service.

The purpose of the flow control metering and pump facility is to connect Security Water District's system to CSU's system in order to provide water to customers within SWSD boundaries while the District seeks mitigation of the PFCs in their groundwater supplies. Conveyance of the parcel to the District allows the District to operate the facility independently of outside or third party interests. Approval of the subdivision exemption is consistent with the referenced policy and the Plan.

4. Small Area Plan Analysis

The property is not located within the boundaries of a small area plan.

5. Other Master Plan Elements

Approval of the subdivision exemption request is consistent with or does not create negative impacts to elements depicted on the El Paso County Wildlife Habitat Descriptors Map (1996), the El Paso County Parks Master Plan (2014), the Master Plan for Mineral Extraction (1996), or the El Paso County Major Transportation Corridors Plan (2011).

The applicant provided certification that there were no separate mineral rights estate holders of the property.

G. PHYSICAL SITE CHARACTERISTICS

1. Hazards

A soils and geology report is not required for a subdivision exemption; however, a review of County GIS data indicates no geologic hazards exist on the site that would negatively impact continued operation of the facility on the site.

2. Wildlife

Potential impact to wildlife, as denoted by the El Paso County Wildlife Habitat Descriptors, is low.

3. Floodplain

The parcel is outside of the FEMA 100-year floodplain, as shown on FEMA Flood Insurance Rate Map (FIRM) Panel number 08041C0763F.

4. Drainage and Erosion

The parcel is located in the Little Johnson drainage basin (FOFO3200) which was studied in 1988. Drainage fees are not applicable to subdivision exemptions.

5. Transportation

A non-exclusive utility easement (Reception No. 217049316) was granted to provide access to the site from Clear View Drive. This subdivision exemption does not impact the County's transportation network.

Pursuant to the County-wide Road Impact Fee Implementation Document (Board Resolution 16-454), road impact fees are not applicable to subdivision exemptions.

H. SERVICES

1. Water

Findings of Sufficiency: N/A

Quality: N/A

Quantity: N/A

Dependability: N/A

The facility is an unmanned site and does not require provision of potable water. Findings of water sufficiency are not required for a subdivision exemption.

2. Sanitation

The facility is an unmanned site and does not require provision of wastewater service. A finding of adequacy of the proposed method of wastewater service is not required for a subdivision exemption.

3. Emergency Services

Emergency and fire protection services are provided by Security Fire Protection District.

4. Utilities

Electrical service is provided by Colorado Springs Utilities. The site does not utilize or require natural gas service.

5. Metropolitan Districts

The property is not located within the boundaries of a metropolitan district.

6. Parks/Trails

Subdivision exemptions are not subject to park and open space dedication requirements or fees in lieu of land dedication.

7. Schools

Subdivision exemptions are not subject to school dedication requirements or fees in lieu of land dedication.

I. APPLICABLE RESOLUTIONS: See attached

J. STATUS OF MAJOR ISSUES

There are no outstanding major issues associated with this request.

K. CONDITIONS

Should the Board of County Commissioners find that the request meets the criteria for approval outlined in Section 7.2.1, Subdivisions Exemptions, of the El Paso County Land Development Code (2017) staff recommends the following conditions:

CONDITIONS

1. The exemption plat as approved by the Board of County Commissioners shall be deposited in the El Paso County Clerk and Recorder's Office.

2. The applicant shall provide a copy of the deed transferring ownership of the exemption parcel to Security Water District for recording prior to depositing the Land Survey (exemption) Plat with the El Paso County Clerk and Recorder's Office.
3. The applicant shall obtain a driveway permit from the El Paso County Planning and Community Development Department prior to depositing the exemption map.

L. PUBLIC COMMENT AND NOTICE

The Planning and Community Development Department notified 14 adjoining property owners on November 27, 2017, for the Board of County Commissioners meeting. Responses will be provided at the hearing.

M. ATTACHMENTS

Vicinity Map
Letter of Intent
Land Survey Plat
Approved Site Development Plan
Exclusive Utility Easement (Reception No. 217049315)
Non-Exclusive Utility Easement (Reception No. 217049316)
Board of County Commissioners Resolution

SUBDIVISION EXEMPTION PLAT OF A PORTION OF THE
NE1/4, SECTION 2, T15S, R66W OF THE 6TH P.M.
LETTER OF INTENT

Owners:

Block 260, LTD
3 Widefield Boulevard
Colorado Springs, CO 80911

SURVEYING CONSULTANT:

Pinnacle Land Surveying Co., Inc.
121 County Road 5
Divide, CO 80814
719-687-7360 (John Towner)

SITE LOCATION, SIZE AND ZONING:

A portion of the Northeast One-quarter (NE1/4) of Section 2, Township 15 South (T15S), Range 66 West (R66W) of the 6TH P.M., County of El Paso, State of Colorado, near the intersection of Milton Proby Parkway and Hancock Expressway . The property contains 10,400 S.F. (0.239 acres) more or less. The property is currently zoned CR and will remain zoned CR for utility purposes.

REQUEST:

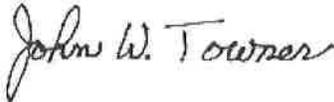
A request for a Subdivision Exemption Plat for the purposes of a Pump Station structure for the Security Water and Sanitation District.

JUSTIFICATION:

The property is currently vacant land with possible future development. The El Paso County code requires this property be platted with a Subdivision Exemption Plat for public utilities in order for this property to be in compliance with the El Paso County Regulations.

EXISTING AND PROPOSED FACILITIES, STRUCTURES, ROADS, ETC.

There are no existing structures on this property. There will be a building on this property in the future. Gas, Electric, Phone and Cable are currently available within the easements and Right-of-Ways adjoining the property. Clearview Drive, Milton Proby Parkway and Hancock Expressway are existing dedicated County Roads providing access to this property via an existing Access and Utility easement.



John W. Towner (Pinnacle Land Surveying Company, Inc.)

El Paso County Parcel Information

File Name:

Zone Map No:

PARCEL	NAME
6502000122	BLOCK 260 LTD
6502000118	BLOCK 260 LTD

ADDRESS	CITY	STATE
3 WIDEFIELD BLVD	COLORADO SPRINGS	CO
3 WIDEFIELD BLVD	COLORADO SPRINGS	CO

ZIP	ZIPLUS
80911	2126
80911	2126

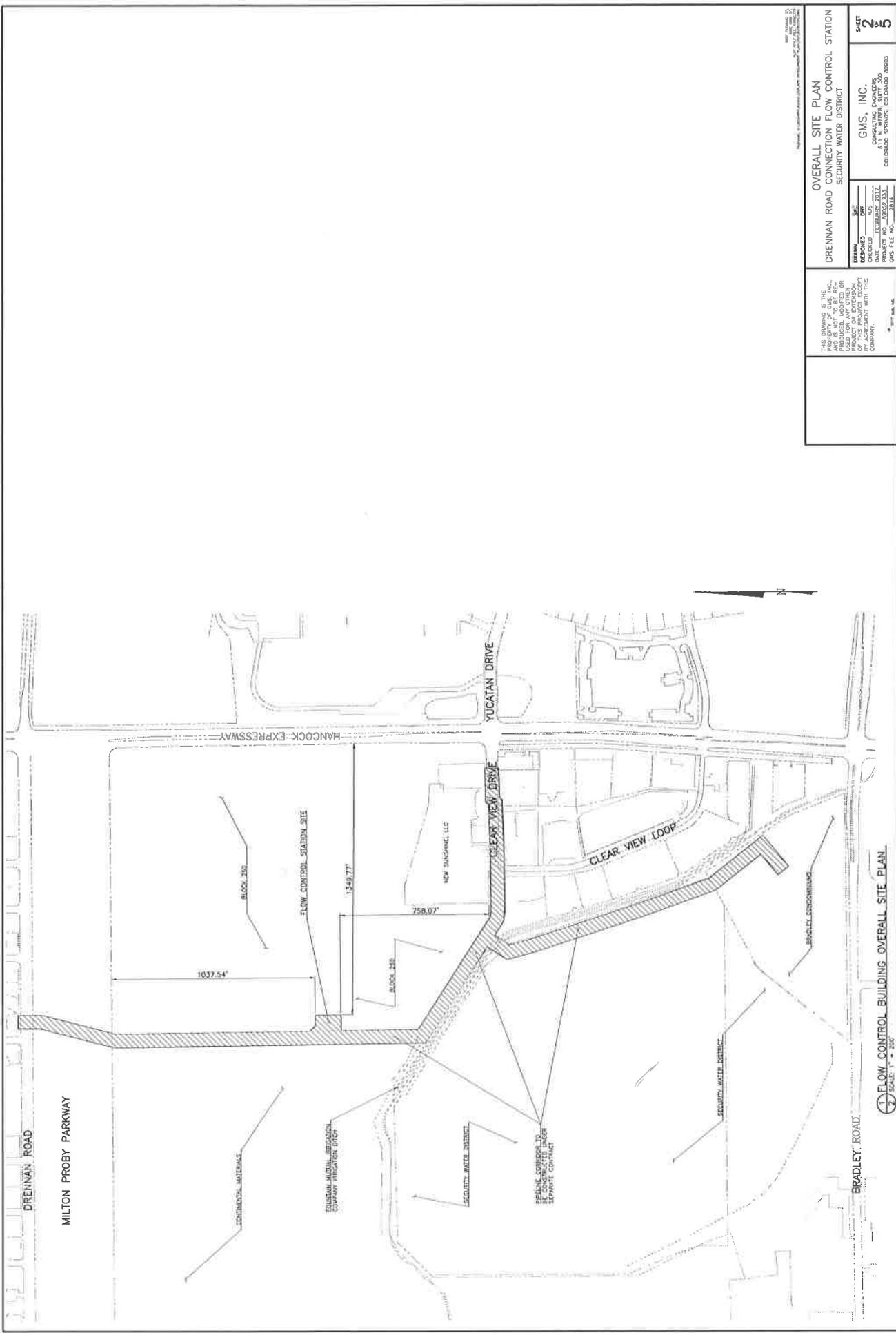
Date:



Please report any parcel discrepancies to:
 El Paso County Assessor
 1675 W Garden of the Gods Rd
 Colorado Springs, CO 80907
 (719) 520-6600



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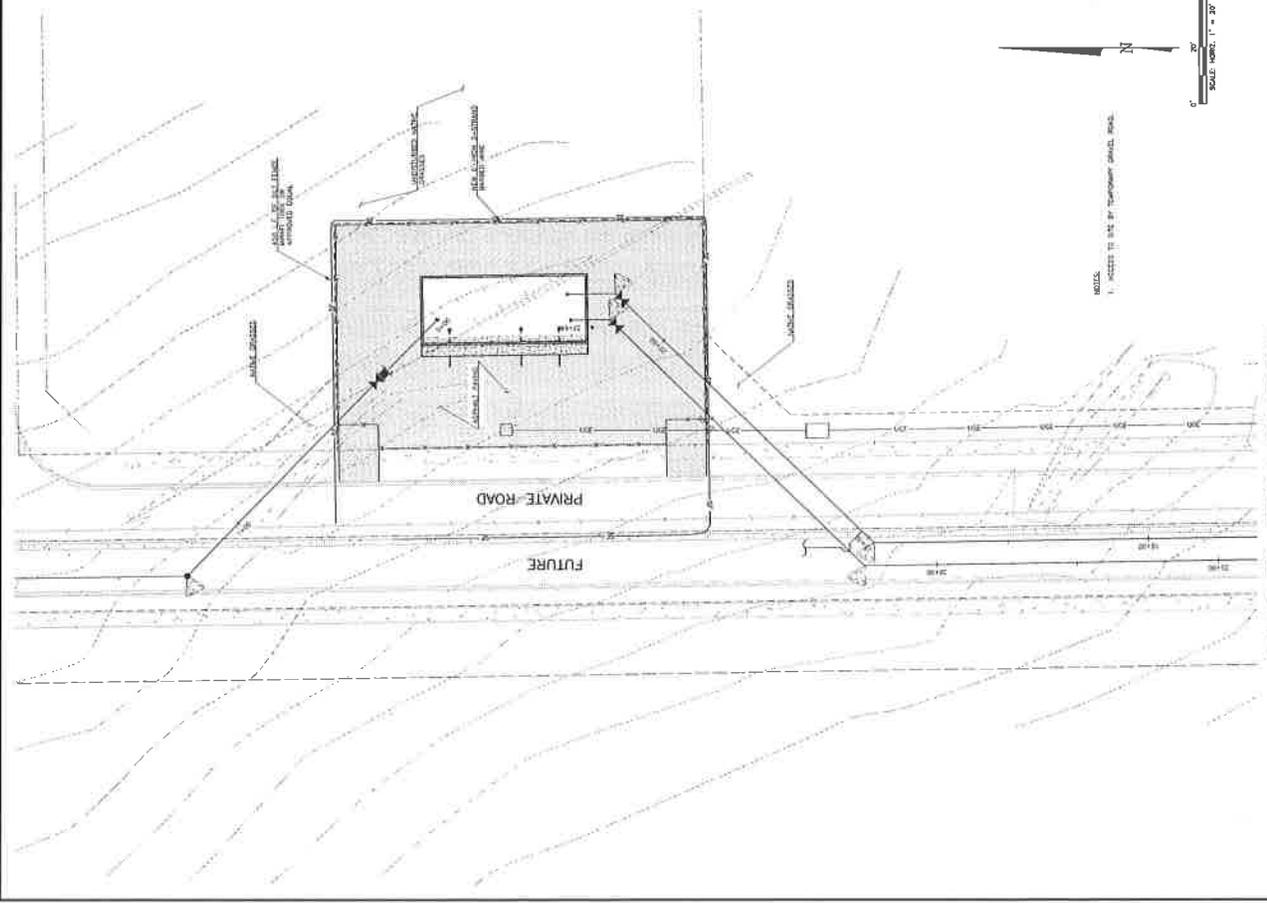
OVERALL SITE PLAN
 DRENNAN ROAD CONNECTION FLOW CONTROL STATION
 SECURITY WATER DISTRICT

DRAWN BY: [Blank]
 CHECKED BY: [Blank]
 DATE: FEBRUARY 2017
 GPS FILE NO.: 20170203

SHEET
2 OF **5**

GMS, INC.
 4175 W. WILSON ROAD
 COLORADO SPRINGS, COLORADO 80903

1 FLOW CONTROL BUILDING OVERALL SITE PLAN
 2 FLOW CONTROL BUILDING OVERALL SITE PLAN



FLOW CONTROL STATION LANDSCAPE PLAN

THIS DRAWING IS THE PROPERTY OF GMS, INC. AND IS NOT TO BE REPRODUCED OR USED FOR ANY OTHER PROJECTS WITHOUT THE WRITTEN CONSENT OF GMS, INC. BY AGREEMENT WITH THIS COMPANY.

DATE: FEBRUARY 2012
 CHECKED: JMS
 DRAWN: JMS
 GMS FILE NO.: 2011

SECURITY WATER DISTRICT
 DRENNAN ROAD CONNECTION, FLOW CONTROL STATION

FLOW CONTROL STATION LANDSCAPE PLAN

PROJECT 503

GMS, INC.
 411 N. WEBER AVE. SUITE 300
 COLORADO SPRINGS, COLORADO 80903

DATE: FEBRUARY 2012
 CHECKED: JMS
 DRAWN: JMS
 GMS FILE NO.: 2011

SECURITY WATER DISTRICT
 DRENNAN ROAD CONNECTION, FLOW CONTROL STATION

FLOW CONTROL STATION LANDSCAPE PLAN

PROJECT 503

GMS, INC.
 411 N. WEBER AVE. SUITE 300
 COLORADO SPRINGS, COLORADO 80903

GRANT OF EXCLUSIVE UTILITY EASEMENT

This Agreement for Grant of Exclusive Utility Easement and Conversion to Fee Simple Interest is entered into this 30th day of March, 2017 between:

Name: Block 260 Ltd., a Colorado limited partnership

Address: Three Widefield Blvd.
Colorado Springs, CO 80901

hereinafter referred to as "Grantor"

and the **Security Water District** and the **Security Sanitation District**, 231 Security Blvd., Colorado Springs, CO 80911, hereinafter referred to as the "Districts".

RECITALS

A. Grantor is the owner of the real property described in Exhibit A ("Grantor's Property").

B. The Districts want to acquire an easement across Grantor's Property, with the later conversion of the easement to a fee interest, for purposes of a utilities easement, and the Grantor is willing to grant such easement and conversion to a fee interest upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Grant of Easement. Grantor expressly grants and conveys to the Districts an exclusive easement over and across the Grantor's Property, the description, location and dimensions of the easement being set forth in Exhibit B attached hereto ("Easement Property"). A sketch depicting the location and dimensions of the Easement is attached hereto as Exhibit C and incorporated by this reference.

2. Purpose of Easement. The Easement to the Districts shall be for the purposes of construction, replacement, improvement, repair, maintenance, and operation of utility facilities, including but not limited to above ground facilities control structure and housing, underground pipelines, paving, metering devises, pumps, motors, manholes, valves, utilities, fixtures, water and wastewater collection and distribution lines, and fixtures, appurtenances, and attachments related thereto, together with the right of ingress and egress to and from said Easement.

3. Term of Easement. The term of the Easement shall be until the conversion of the Easement to a fee ownership interest as provided in Paragraph 9.

4. Compensation. The compensation paid by the Districts to the Grantor upon execution of this Grant in the amount of \$34,000 represents payment for the full fee simple title interest that the Districts are to receive under the terms of this Grant.

5. Use of Easement by Grantor. As the Easement is exclusive, the Grantor does not reserve any rights to the use of the Easement area. No building, structure, trees, shrubs, fences, landscaping, roads, or other improvement shall be placed or constructed on or within said Easement by the Grantor. The Districts shall have the right to remove all obstructions or improvements from the Easement that were not permitted by the terms of this Agreement or which interfere with the use and enjoyment of the Easement, without liability to Grantor.

6. District's Use and Enjoyment. Grantor agrees to not interfere with the Districts' use of the Easement or place the Districts' improvements and any appurtenances at risk of damage. No other utilities may be placed within the exclusive easement by Grantor.

7. Utilities. Part of the Districts' utilities within the Easement may consist of utility service by other utility providers, such as Colorado Springs Utilities ("Other Utility Providers"). The Districts shall have the right to grant utility easements to Other Utility Providers related to the Districts' use of the Easement and property served and/or accessed by the Easement. The utility easements to the Other Utility Providers shall be upon customary terms and shall be subject to the reasonable review and approval of the Grantor, which approval shall not be unreasonably withheld or delayed.

8. Security at Site. The Districts shall have the right to secure the Easement area. Such security may consist of fencing and locked access gates around the Easement.

9. Conversion of Easement to Fee Simple Title. The exclusive Easement granted herein shall be converted to a fee simple title interest to be granted by the Grantor to the Districts for the entirety of the Easement Property. Such conveyance shall be by warranty deed conveying marketable title to the Districts free and clear of all liens and encumbrances. The Districts shall diligently proceed through El Paso County, at its expense, to obtain approval of a subdivision exemption plat ("SEP") for the Easement Property that will allow conveyance of the Easement Property by Grantor to the Districts. The Districts will file the SEP application with the County within 120 days of this Easement Grant. The conveyance by Grantor to the Districts shall occur upon final approval of the SEP. The Grantor will cooperate with the Districts in obtaining the SEP from El Paso County for the creation of the legal tract for the Easement Property to be conveyed to the Districts. Upon such conveyance of the fee simple title of the Easement Property by Grantor to the Districts in accordance with the terms hereof, this Grant of Exclusive Utility Easement shall terminate by merger of title into the deeded conveyance of the Easement Property.

In the unlikely event that the SEP cannot be obtained by the Districts from El Paso County, then the Easement Property shall then later be platted as an easement tract in Grantor's future development and platting of the Grantor's Property, and the Easement Property shall then be conveyed by Grantor to the Districts and the Easement terminated as provided herein. In this event, the Districts shall reimburse Grantor for ad valorem real property taxes, on a pro rata

basis, for the Easement Property from the date of the SEP denial until the date of the conveyance to the Districts.

10. Review and Approval. Any utilities building upon the Easement Property shall be constructed of materials and have an appearance that complies with water utility industry and construction practices for utility structures within developed municipal type property. Grantor shall have a right of reasonable review and pre-approval of the facility for compliance with this requirement, which approval shall not be unreasonably denied or delayed.

11. Authority. All parties to this Agreement represent that they have the full power and authority to enter into and perform this Agreement, and to bind their principals.

12. Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter covered herein. All negotiations, considerations, representations and understandings between the parties are incorporated and merged herein. This Agreement may be modified or altered only by the parties' written agreement.

13. Binding Effect. The covenants, agreements, and obligations contained herein shall extend to, bind, and inure to the benefit of the parties hereto, as well as their respective personal representatives, heirs, successors, and assigns.

GRANTOR:
Block 260 Ltd., a Colorado limited partnership

By: Mark Watson
Mark Watson, General Partner

Date: 3/30/17

STATE OF COLORADO)
)ss.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 30 day of March, 2017, by Mark Watson as General Partner of Block 260 Ltd., a Colorado limited partnership.

Witness my hand and official seal.

My commission expires: July 23, 2018



Notary Public
Gordon N Wennen

GRANT OF UTILITY EASEMENT ACCEPTED AND AGREED:

By:

Security Water District

Security Sanitation District

By: Roy E. Heald
Roy E. Heald, Manager

By: Roy E. Heald
Roy E. Heald, Manager

Date: March 31, 2017

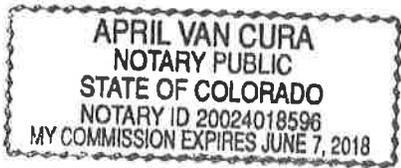
Date: March 31, 2017

STATE OF COLORADO)
)ss.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 31st day of March, 2017, by Roy E. Heald as Manager of Security Water District and Security Sanitation District.

Witness my hand and official seal.

My commission expires: 6-7-18



Notary Public

April Van Cura

EXHIBIT A
To
Grant of Utility Easement
Grantor's Property

That part of the Northeast Quarter of Section 2, Township 15 South, Range 66 West of the 6th Principal Meridian, El Paso County, Colorado, being more particularly described as follows:

Book 5919 at Page 1413 of the records of said El Paso County;

TOGETHER WITH THE FOLLOWING:

Reception No. 210003562 of said records of El Paso County.

EXHIBIT B

To

Grant of Utility Easement

Exclusive Utility Easement

Prepared by: **GMS, Inc., Consulting Engineers**

Date of Preparation: **March 11, 2017**

Revised: **March 21, 2017**

A variable width permanent, exclusive utility easement over, under and across that part of the Northeast Quarter of Section 2, Township 15 South, Range 66 West of the 6th Principal Meridian, El Paso County, Colorado, said variable width utility easement being more particularly described as follows:

Commencing at the North Quarter corner of said Section 2; thence $S00^{\circ}52'03''E$ (said bearing and all others used in this land description are relative to the north line of said Northeast Quarter of Section 2 which is assumed to bear $N89^{\circ}32'55''E$), along the west line of said Northeast Quarter of Section 2, a distance of 440.01 feet to a point on the south line of that parcel of land as described under Reception No. 209090392 of the records of said county, said line being 440 feet south of said north line of the Northeast Quarter of Section 2, said line hereinafter being referred to as the south right-of-way line of Milton Proby Parkway; thence $N89^{\circ}32'55''E$, along said south right-of-way line thereof, a distance of 1132.30 feet to the northwest corner of that parcel of land as described in Book 5013 at Page 1091 of said records; thence continue $N89^{\circ}32'55''E$, along said south right-of-way line thereof, a distance of 30.50 feet to a point on a line being 30.50 feet easterly of and parallel to the west line of said parcel of land as described in Book 5013 at Page 1091; thence $S00^{\circ}50'49''E$, along said parallel line thereof, a distance of 1038.04 feet to the Point of Beginning of said permanent, exclusive utility easement;

thence $N89^{\circ}10'34''E$, a distance of 80.00 feet;

thence $S00^{\circ}50'49''E$, a distance of 130.00 feet;

thence $S89^{\circ}10'34''W$, a distance of 80.00 feet to a point on said line being 30.50 feet easterly of and parallel to the west line of said parcel of land as described in Book 5013 at Page 1091;

thence $N00^{\circ}50'49''W$, along said parallel line thereof, a distance of 130.00 feet, more or less, to the Point of Beginning.

The above described variable width utility easement contains approximately 0.239 acres of land, more or less, and is subject to any rights-of-way or other easements as granted or reserved by instruments of record or as now existing across said described parcel of land.

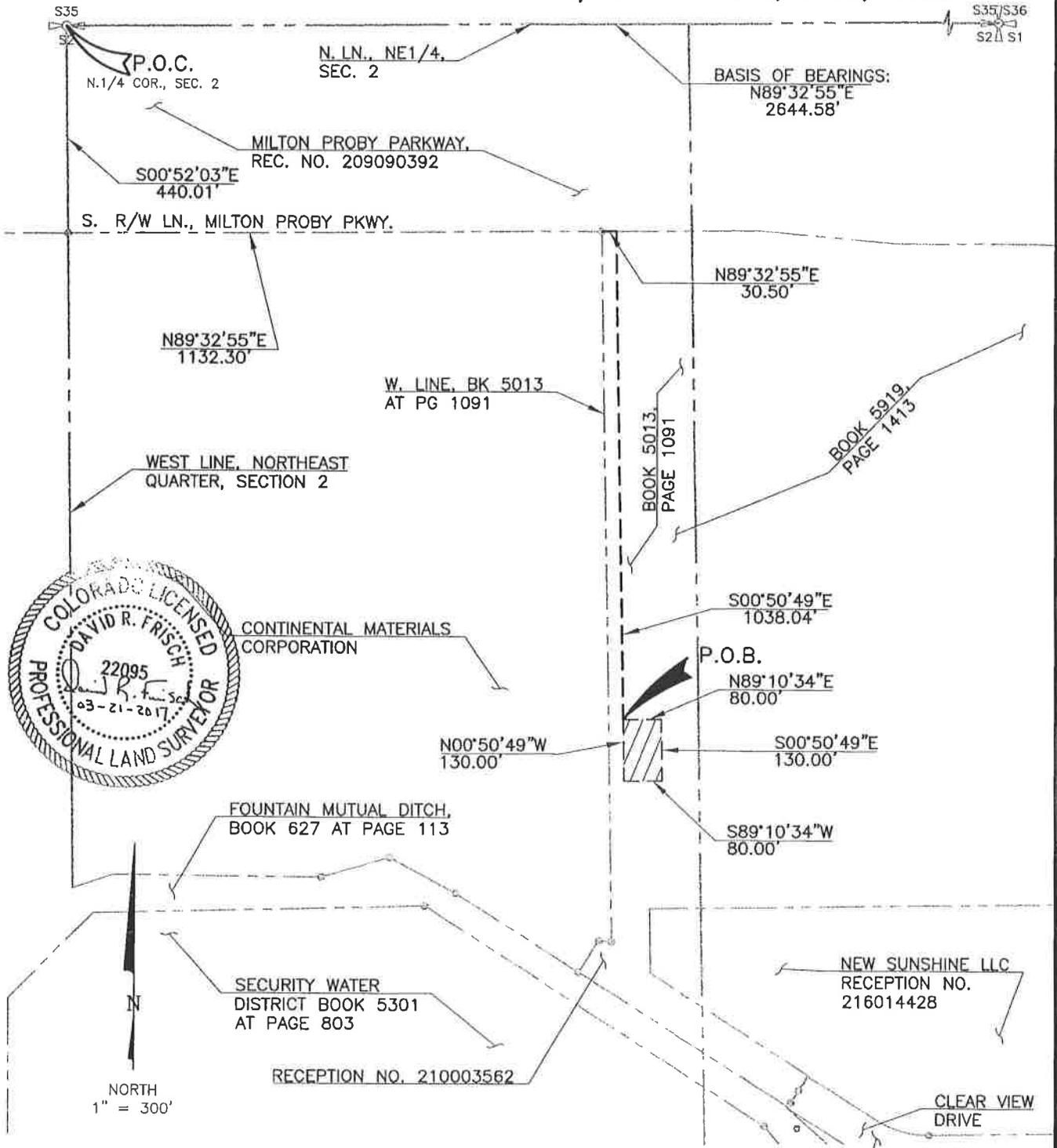
David R. Frisch, P.L.S.
Colorado Professional Land Surveyor No. 22095
For and on behalf of
GMS, Inc., Consulting Engineers
611 North Weber Street, Suite 300
Colorado Springs, CO 80903



EXHIBIT C

EASEMENT SKETCH

LOCATED IN A PORTION OF THE NE1/4, SECTION 2, T15S, R66W



NORTH
1" = 300'



PERMANENT EASEMENT
DENOTES FOUND PROPERTY CORNER
24

CLEAR VIEW
INDUSTRIAL PARK
FILING NO. 1, PLAT
BK. N-2 AT PG 19

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GMS, INC.
PROJECT NO. 82052.233
MARCH 11, 2017
DRAWN BY: MAL

GRANT OF UTILITY EASEMENT

This Agreement for Grant of a Utility Easement is entered into this 30th day of March, 2017 between:

Name: Block 260, LLP, a Colorado limited liability partnership, and
Block 260 Ltd., a Colorado limited partnership

Address: Three Widefield Blvd.
Colorado Springs, CO 809011-2126

hereinafter collectively referred to as "Grantor"

and the **Security Water District** and the **Security Sanitation District**, 231 Security Blvd., Colorado Springs, CO 80911, hereinafter referred to as the "Districts".

RECITALS

A. Grantor is the owner of the real property described in Exhibit A ("Grantor's Property").

B. The Districts want to acquire an easement across Grantor's Property for purposes of a utility easement, and the Grantor is willing to grant such easement upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Grant of Easement. Grantor expressly grants and conveys to the Districts a perpetual nonexclusive easement over and across the Grantor's Property, the description, location and dimensions of the easement being set forth in Exhibit B attached hereto. A sketch depicting the location and dimensions of the Easement is attached hereto as Exhibit C and incorporated by this reference.

2. Purpose of Easement. The Easement to the Districts shall be for the purposes of construction, replacement, improvement, repair, maintenance, and operation of utility facilities, including but not limited to underground pipelines, metering devices, pumps, motors, manholes, valves, utilities, fixtures, water and wastewater collection and distribution lines, and fixtures, appurtenances, and attachments related thereto, together with the right of ingress and egress to and from said Easement over and across Grantor's Property in the exercising of the rights granted herein.

3. Use of Easement by Grantor. The Grantor shall be entitled to use the Easement area for its own purposes of a private roadway that services the Grantor's Property ("Grantor's Road"). No building, structure, trees, shrubs, fences, landscaping, or other improvement shall be placed or constructed on or within said Easement by the Grantor without the Districts' express

written consent. Provided, however, Grantor may place typical types of paving, curbs, and gutters across the Easement as necessary for the Grantor's Road and the corresponding use and enjoyment of the Grantor's Property. The Grantor shall be responsible for the maintenance of the Grantor's Road, except for any damages caused by the District which shall be the District's obligation to repair. The Districts shall have the right to remove all obstructions or improvements from the Easement that were not permitted by the terms of this Agreement, were placed without the District's consent, or which interfere with the use and enjoyment of the Easement, without liability to Grantor. The Districts agree that if it is required to disturb the surface of the Easement for construction, maintenance, or operation of the utility facilities, it shall restore the surface to the pre-disturbance condition.

4. District's Use and Enjoyment. Grantor agrees to not use, or to allow use of, the Easement property in a way that would interfere with the Districts' use of the Easement or place the Districts' improvements and any appurtenances at risk of damage. Any other utilities placed within the nonexclusive easement (i.e., natural gas, telephone, cable, etc.) shall only be placed with the Districts' prior written consent, which consent shall not be unreasonably withheld or delayed, so that such other utilities shall not be located on top of the Districts' utility facilities or so close thereto as to interfere with or impair the Districts' access, construction, replacement, and maintenance of the utility facilities within said Easement.

5. Utilities. Part of the Districts' utilities within the Easement may consist of utility service by other utility providers, such as Colorado Springs Utilities ("Other Utility Providers"). The Districts shall have the right to grant utility easements to Other Utility Providers related to the Districts' use of the Easement and property served and/or accessed by the Easement. The utility easements to the Other Utility Providers shall be upon customary terms and shall be subject to the reasonable review and approval of the Grantor, which approval shall not be unreasonably withheld or delayed.

6. Authority. All parties to this Agreement represent that they have the full power and authority to enter into and perform this Agreement, and to bind their principals.

7. Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter covered herein. All negotiations, considerations, representations and understandings between the parties are incorporated and merged herein. This Agreement may be modified or altered only by the parties' written agreement.

8. Binding Effect. The covenants, agreements, and obligations contained herein shall extend to, bind, and inure to the benefit of the parties hereto, as well as their respective personal representatives, heirs, successors, and assigns.

GRANTOR:

Block 260, LLP,
a Colorado limited liability partnership

By: *Mark Watson*
Mark Watson, General Partner

Date: 03/30/17

STATE OF COLORADO)
)ss.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 30 day of March, 2017, by Mark Watson as General Partner of Block 260, LLP, a Colorado limited liability partnership.

Witness my hand and official seal.

My commission expires: July 23, 2018



Notary Public

Gordon N. Wennen

GRANTOR:
Block 260 Ltd., a Colorado limited partnership

By: *Mark Watson*
Mark Watson, General Partner

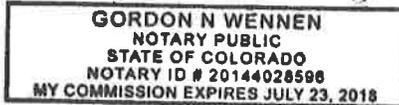
Date: 3/30/17

STATE OF COLORADO)
)ss.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 30 day of March, 2017, by Mark Watson as General Partner of Block 260 Ltd., a Colorado limited partnership.

Witness my hand and official seal.

My commission expires: July 23, 2018



Notary Public

Gordon N Wennen

GRANT OF UTILITY EASEMENT ACCEPTED AND AGREED:

Security Water District

Security Sanitation District

By: Roy E. Heald
Roy E. Heald, Manager

By: Roy E. Heald
Roy E. Heald, Manager

Date: March 31, 2017

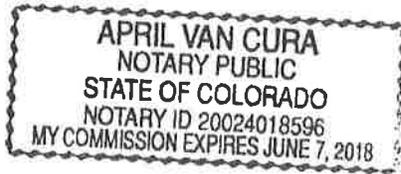
Date: March 31, 2017

STATE OF COLORADO)
)ss.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 31st day of March, 2017, by Roy E. Heald as Manager of Security Water District and Security Sanitation District.

Witness my hand and official seal.

My commission expires: 6-7-18



Notary Public

April Van Cura

EXHIBIT A

To

Grant of Utility Easement

Grantor's Property

That part of the Northeast Quarter of Section 2, Township 15 South, Range 66 West of the 6th Principal Meridian, El Paso County, Colorado, being more particularly described as follows:

Book 5919 at Page 1413 of the records of said El Paso County;

TOGETHER WITH THE FOLLOWING:

Reception No. 210003562 of said records of El Paso County.

EXHIBIT B

To

Grant of Utility Easement

Non-Exclusive Utility Easement

Prepared by: **GMS, Inc., Consulting Engineers**

Date of Preparation: **March 11, 2017**

Revised: **March 21, 2017**

A variable width permanent, non-exclusive utility easement over, under and across that part of the Northeast Quarter of Section 2, Township 15 South, Range 66 West of the 6th Principal Meridian, El Paso County, Colorado, said variable width utility easement being more particularly described as follows:

Commencing at the North Quarter corner of said Section 2; thence $S00^{\circ}52'03''E$ (said bearing and all others used in this land description are relative to the north line of said Northeast Quarter of Section 2 which is assumed to bear $N89^{\circ}32'55''E$), along the west line of said Northeast Quarter of Section 2, a distance of 440.01 feet to a point on the south line of that parcel of land as described under Reception No. 209090392 of the records of said county, said line being 440 feet south of said north line of the Northeast Quarter of Section 2, said line hereinafter being referred to as the south right-of-way line of Milton Proby Parkway; thence $N89^{\circ}32'55''E$, along said south right-of-way line thereof, a distance of 1132.30 feet to the Point of Beginning, said point being the northwest corner of that parcel of land as described in Book 5013 at Page 1091 of said records;

thence continue $N89^{\circ}32'55''E$, along said south right-of-way line thereof, a distance of 30.50 feet to a point on a line being 30.50 feet easterly of and parallel to the west line of said parcel of land as described in Book 5013 at Page 1091;

thence $S00^{\circ}50'49''E$, along said parallel line thereof, a distance of 1011.14 feet;

thence $S45^{\circ}50'49''E$, a distance of 38.05 feet;

thence $S89^{\circ}10'34''W$, a distance of 26.91 feet to a point on said line being 30.50 feet easterly of and parallel to the west line of that parcel of land as described in Book 5013 at Page 1091;

thence $S00^{\circ}50'49''E$, along said parallel line thereof, a distance of 130.00 feet;

thence $N89^{\circ}10'34''E$, a distance of 39.14 feet;

thence $S44^{\circ}09'07''W$, a distance of 41.21 feet;

thence $S00^{\circ}50'49''E$, a distance of 317.85 to a point of curvature;

thence along the arc of a non-tangential curve concave to the southwest whose chord bears S26°47'14"E, through a central angle of 49°10'17", a radius of 70.00 feet for an arc distance of 60.07 feet to a point on the westerly extension of a southwesterly line of that parcel of land as described under Reception No. 216014428 of said records;

thence S57°21'06"E, along said westerly extension thereof and along said southwesterly line of that parcel of land as described under Reception No. 216014428, a distance of 416.27 feet to the northwest corner of Clear View Drive as platted in Clear View Industrial Park Filing No. 1 as recorded under Plat Book N-2 at Page 19 of said records;

thence S32°38'54"W, along the westerly line of said Clear View Drive, a distance of 80.00 feet to a point on the northeasterly line of the Fountain Mutual Irrigation Company channel as described in Book 627 at Page 113 of said records;

thence N57°21'06"W, along said northeasterly line of the Fountain Mutual Irrigation Company channel, a portion of said line being a southerly line of that parcel of land as described under Reception No. 210003562 of said records, a distance of 527.07 feet to the southwesterly corner of said parcel of land as described under Reception No. 210003562;

thence along the westerly and northerly lines of said parcel of land as described under Reception No. 210003562 by the following two courses, respectively:

- 1) N32°38'54"E, a distance of 76.85 feet;
- 2) N89°09'11"E, a distance of 28.16 feet to the northeast corner of said parcel of land as described under Reception No. 210003562, said point being on the southerly extension of said west line of that parcel of land as described in Book 5013 at Page 1091;

thence N00°50'49"W, along said southerly extension thereof and along said west line of that parcel of land as described in Book 5013 at Page 1091, a distance of 1509.11 feet, more or less, to the Point of Beginning.

The above described variable width utility easement contains approximately 2.167 acres of land, more or less, and is subject to any rights-of-way or other easements as granted or reserved by instruments of record or as now existing across said described parcel of land.

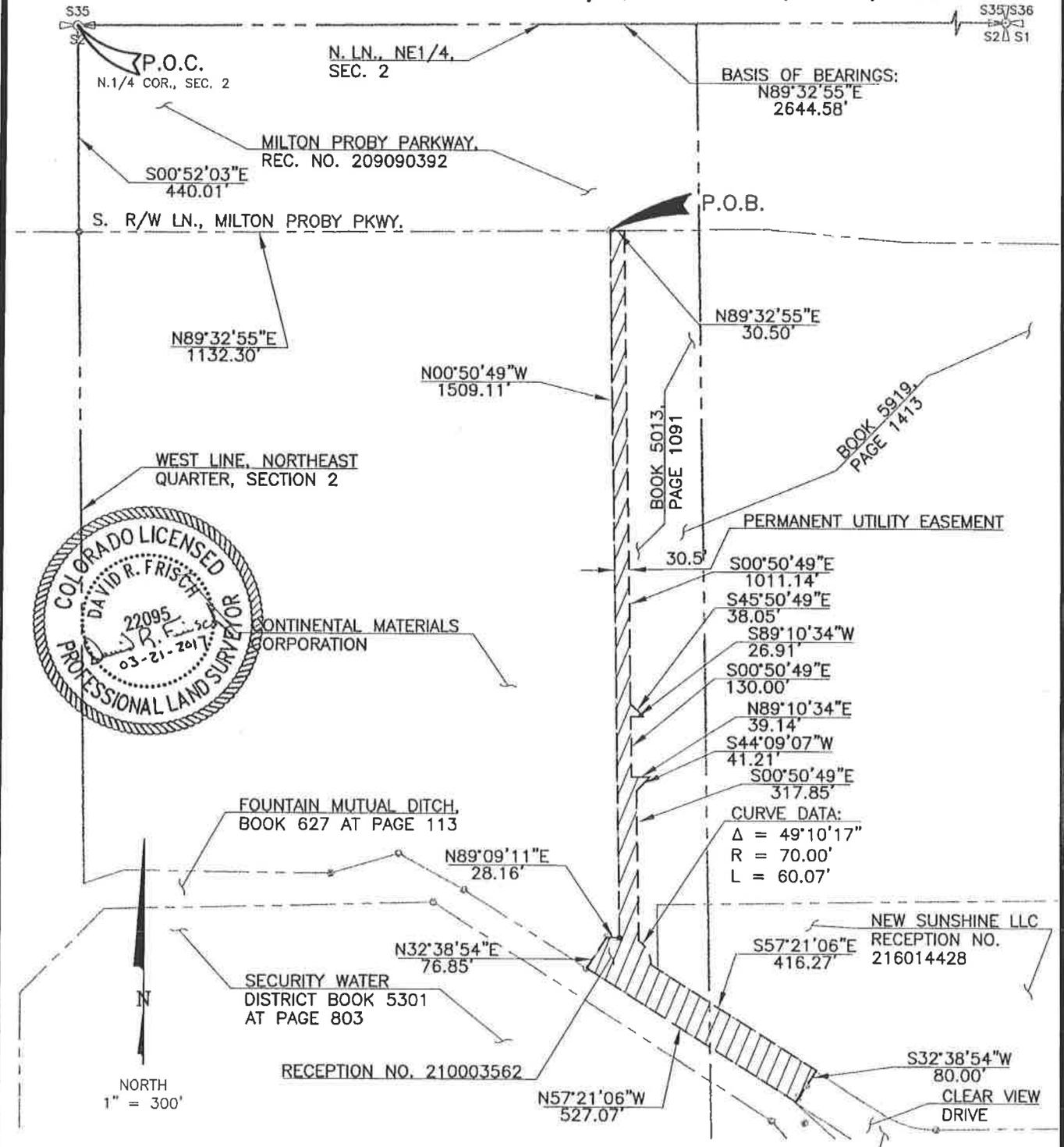
David R. Frisch, P.L.S.
Colorado Professional Land Surveyor No. 22095
For and on behalf of
GMS, Inc., Consulting Engineers
611 North Weber Street, Suite 300
Colorado Springs, CO 80903



EXHIBIT C

EASEMENT SKETCH

LOCATED IN A PORTION OF THE NE1/4, SECTION 2, T15S, R66W



GMS, INC.
 PROJECT NO. 82052.233
 MARCH 11, 2017
 DRAWN BY: MAI



PERMANENT EASEMENT

• DENOTES FOUND PROPERTY CORNER

CLEAR VIEW INDUSTRIAL PARK
 FILING NO. 1, PLAT BK. N-2 AT PG 19

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