

**PRIVATE DETENTION BASIN /
STORMWATER QUALITY BEST MANAGEMENT PRACTICE
MAINTENANCE AGREEMENT AND EASEMENT**

This PRIVATE DETENTION BASIN / STORMWATER QUALITY BEST MANAGEMENT PRACTICE MAINTENANCE AGREEMENT AND EASEMENT (Agreement) is made by and between EL PASO COUNTY by and through THE BOARD OF COUNTY COMMISSIONERS OF EL PASO COUNTY, COLORADO (Board or County), CHALLENGER COMMUNITIES, LLC, a Colorado limited liability company, (Developer), and FALCON HIGHLANDS METROPOLITAN DISTRICT (Metro District), a quasi-municipal corporation and political subdivision of the State of Colorado. The above may occasionally be referred to herein singularly as “Party” and collectively as “Parties.”

Recitals

A. WHEREAS, the Metro District provides various public services to certain real property in El Paso County, Colorado; and

B. WHEREAS, Developer is the owner of certain real estate (the Property) in El Paso County, Colorado, which Property is situated in the Metro District’s boundaries and legally described in Exhibit A attached hereto and incorporated herein by this reference; and

C. WHEREAS, Developer desires to plat and develop on the Property a subdivision to be known as **FALCON HIGHLANDS SOUTH FILING NO.1** (Subdivision); and

D. WHEREAS, the development of this Property will substantially increase the volume of water runoff and will decrease the quality of the stormwater runoff from the Property, and, therefore, it is in the best interest of public health, safety and welfare for the County to condition approval of this Subdivision on Developer’s promise to construct adequate drainage, water runoff control facilities, and stormwater quality structural Best Management Practices (BMPs) for the Subdivision; and

E. WHEREAS, Chapter 8, Section 8.4.5 of the El Paso County Land Development Code, as periodically amended, promulgated pursuant to Section 30-28-133(1), Colorado Revised Statutes (C.R.S.), requires the County to condition approval of all subdivisions on a developer’s promise to so construct adequate drainage, water runoff control facilities, and BMPs in subdivisions; and

F. WHEREAS, the Drainage Criteria Manual, Volume 2, as amended by Appendix I of the El Paso County Engineering Criteria Manual (ECM), as each may be periodically amended, promulgated pursuant to the County’s Colorado Discharge Permit System General Permit (MS4 Permit) as required by Phase II of the National Pollutant Discharge Elimination System (NPDES), which MS4 Permit requires that the County take measures to protect the quality of stormwater from sediment and other contaminants, requires subdividers, developers, landowners, and owners of facilities located in the County’s rights-of-way or easements to provide adequate permanent stormwater quality BMPs with new development or significant redevelopment; and

G. WHEREAS, Section 2.9 of the El Paso County Drainage Criteria Manual provides for a developer’s promise to maintain a subdivision’s drainage facilities in the event the County does not assume such responsibility; and

H. WHEREAS, developers in El Paso County have historically chosen water runoff detention basins as a means to provide adequate drainage and water runoff control in subdivisions, which basins, while effective, are less expensive for developers to construct than other methods of providing drainage and water runoff control; and

I. WHEREAS, Developer desires to construct for the Subdivision two (2) detention basin/stormwater quality BMP(s) (detention basin/BMP(s)) as the means for providing adequate drainage and stormwater runoff control and to meet requirements of the County's MS4 Permit, and to provide for operating, cleaning, maintaining and repairing such detention basin/BMP(s); and

J. WHEREAS, Developer desires to construct the detention basin/BMP(s) on property that is or will be platted as Tract E, as indicated on the final plat of the Subdivision, and a portion of certain parcels referenced as "Tract J" and "Tract JB" on a plat to be recorded in the future, as set forth on Exhibit B attached hereto (the Drainage Tract); and

K. WHEREAS, Developer shall be charged with the duty of constructing the detention basin/BMP(s) on the Drainage Tract, and the Metro District, upon acceptance of the Drainage Tract, shall be charged with the duties of operating, maintaining and repairing the detention basin/BMP(s) on the Drainage Tract; and

L. WHEREAS, it is the County's experience that subdivision developers and property owners historically have not properly cleaned and otherwise not properly maintained and repaired these detention basins/BMPs, and that these detention basins/BMPs, when not so properly cleaned, maintained, and repaired, threaten the public health, safety and welfare; and

M. WHEREAS, the County, in order to protect the public health, safety and welfare, has historically expended valuable and limited public resources to so properly clean, maintain, and repair these detention basins/BMPs when developers and property owners have failed in their responsibilities, and therefore, the County desires the means to recover its costs incurred in the event the burden falls on the County to so clean, maintain and repair the detention basin/BMP(s) serving this Subdivision due to the Developer's or the Metro District's failure to meet its obligations to do the same; and

N. WHEREAS, the County conditions approval of this Subdivision on the Developer's promise to construct the detention basin/BMP(s), and further conditions approval on the Metro District's promise, subject to applicable laws, to reimburse the County in the event the burden falls upon the County to so clean, maintain and/or repair the detention basin/BMP(s) serving this Subdivision; and

O. WHEREAS, the County could condition its Subdivision approval on the Developer's promise to construct a different and more expensive drainage, water runoff control system and BMPs than those proposed herein, which more expensive system would not create the possibility of the burden of cleaning, maintenance and repair expenses falling on the County; however, the County is willing to forego such right upon the performance of Developer's and the Metro District's promises contained herein; and

P. WHEREAS, the County, in order to secure performance of the promises contained herein, conditions approval of this Subdivision upon the Developer's grant herein of a perpetual Easement over a portion of the Property for the purpose of allowing the County to periodically access, inspect, and, when so necessary, to clean, maintain and/or repair the detention basin/BMP(s); and

Q. WHEREAS, Pursuant to Colorado Constitution, Article XIV, Section 18(2) and Section 29-1-203, Colorado Revised Statutes, governmental entities may cooperate and contract with each other to provide any function, services, or facilities lawfully authorized to each.

Agreement

NOW, THEREFORE, in consideration of the mutual Promises contained herein, the sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Incorporation of Recitals: The Parties incorporate the Recitals above into this Agreement.
2. Covenants Running with the Land: Developer and the Metro District agree that this entire Agreement and the performance thereof shall become a covenant running with the land, which land is legally described in Exhibit B attached hereto, and that this entire Agreement and the performance thereof shall be binding upon themselves, their respective successors and assigns, subject to the terms and conditions set forth herein.
3. Construction: Developer shall construct on the Drainage Tract the detention basin/BMP(s). Developer shall not commence construction of the detention basin/BMP(s) until the El Paso County Planning and Community Development Department (PCD) has approved in writing the plans and specifications for the detention basin/BMP(s) and this Agreement has been signed by all Parties and returned to the PCD. Developer shall complete construction of the detention basin/BMP(s) in substantial compliance with the County-approved plans and specifications for the detention basin/BMP(s). Failure to meet these requirements shall be a material breach of this Agreement and shall entitle the County to pursue any remedies available to it at law or in equity to enforce the same. Construction of the detention basin/BMP(s) shall be substantially completed within one (1) year (defined as 365 days), which one-year period will commence to run on the date the approved plat of this Subdivision is recorded in the records of the El Paso County Clerk and Recorder. Rough grading of the detention basin/BMP(s) must be completed and inspected by the PCD prior to commencing road construction.

In the event construction is not substantially completed within the one (1) year period, then the County may exercise its discretion to complete the project and shall have the right to seek reimbursement from the Developer and its respective successors and assigns for its actual costs and expenses incurred in the process of completing construction. The term actual costs and expenses shall be liberally construed in favor of the County, and shall include, but shall not be limited to, labor costs, tool and equipment costs, supply costs, and engineering and design costs, regardless of whether the County uses its own personnel, tools, equipment and supplies, etc. to correct the matter. In the event the County initiates any litigation or engages the services of legal counsel in order to enforce the provisions arising in this Section 3, the County shall be entitled to its damages and costs from Developer, including reasonable attorney fees, regardless of whether the County contracts with outside legal counsel or utilizes in-house legal counsel for the same.

4. Maintenance: The Metro District agrees for itself and its successors and assigns, that following acceptance of the Drainage Tract for ownership, operation and maintenance, in accordance with the Metro District's rules, regulations and policies, including Developer's satisfactory performance of the applicable warranty period, the Metro District will regularly and routinely inspect, clean and maintain the detention basin/BMP(s) in compliance with the County-reviewed Operation and Maintenance Manual,

attached hereto as Exhibit C and incorporated herein by this reference, and otherwise keep the same in good repair, all at its own cost and expense. No trees or shrubs that will impair the structural integrity of the detention basin/BMP(s) shall be planted or allowed to grow on the detention basin/BMP(s). The Metro District agrees to make reasonable and good faith efforts to include in its annual budget sufficient funds to perform its obligations under this Agreement.

5. Creation of Easement: Developer hereby grants the County and the Metro District a non-exclusive perpetual easement upon and across the Drainage Tract described in Exhibit B. The purpose of the easement is to allow the County and the Metro District to access, inspect, clean, repair and maintain the detention basin/BMP(s); however, the creation of the easement does not expressly or implicitly impose on the County a duty to so inspect, clean, repair or maintain the detention basin/BMP(s).

6. County's Rights and Obligations: Any time the County determines, in the sole exercise of its discretion, that the detention basin/BMP(s) is not properly cleaned, maintained and/or otherwise kept in good repair, the County shall give reasonable notice to the Developer, the Metro District and their respective successors and assigns, that the detention basin/BMP(s) needs to be cleaned, maintained and/or otherwise repaired. The notice shall provide a reasonable time to correct the problem(s). Should the responsible parties fail to correct the specified problem(s), the County may enter the Drainage Tract to so correct the specified problem(s). Notice shall be effective to the above by the County's deposit of the same into the regular United States mail, postage pre-paid. Notwithstanding the foregoing, this Agreement does not expressly or implicitly impose on the County a duty to so inspect, clean, repair or maintain the detention basin/BMP(s).

7. Reimbursement of County's Costs / Covenant Running With the Land: The Developer and the Metro District agree and covenant, for themselves and their respective successors and assigns, that they will reimburse the County for its costs and expenses incurred in the process of completing cleaning, maintaining, and/or repairing the detention basin/BMP(s) pursuant to the provisions of this Agreement. The Metro District's obligations under this Section 7 are subject to the Metro District's annual appropriation of funds therefor and shall be effective following the Metro District's acceptance of the Drainage Tract in accordance with the Metro District's rules, regulations and policies, including Developer's satisfactory performance of the applicable warranty period.

The term "actual costs and expenses" shall be liberally construed in favor of the County, and shall include, but shall not be limited to, labor costs, tools and equipment costs, supply costs, and engineering and design costs, regardless of whether the County uses its own personnel, tools, equipment and supplies, etc. to correct the matter. In the event the County initiates any litigation or engages the services of legal counsel in order to enforce the provisions arising herein, the County shall be entitled to its damages and costs, including reasonable attorney's fees, regardless of whether the County contracts with outside legal counsel or utilizes in-house legal counsel for the same.

8. Contingencies of Subdivision Approval: Developer's and the Metro District's execution of this Agreement is a condition of the County's approval of the Subdivision.

The County shall have the right, in the sole exercise of its discretion, to approve or disapprove any documentation submitted to it under the conditions of this Paragraph, including but not limited to, any separate agreement or amendment, if applicable, identifying any specific maintenance responsibilities not

addressed herein. The County's rejection of any documentation submitted hereunder shall mean that the appropriate condition of this Agreement has not been fulfilled.

9. Agreement Monitored by El Paso County Planning and Community Development Department and/or El Paso County Department of Public Works: Any and all actions and decisions to be made hereunder by the County shall be made by the Director of the El Paso County Planning and Community Development Department and/or the Director of the El Paso County Department of Public Works. Accordingly, any and all documents, submissions, plan approvals, inspections, etc. shall be submitted to and shall be made by the Director of the Planning and Community Development Department and/or the Director of the El Paso County Department of Public Works.

10. Indemnification and Hold Harmless: Developer and the Metro District agree, for themselves and their respective successors and assigns, that they will indemnify to the extent permitted by law, defend, and hold the County harmless from any and all loss, costs, damage, injury, liability, claim, lien, demand, action and causes of action whatsoever, whether at law or in equity, arising from or related to their respective intentional or negligent acts, errors or omissions or that of their agents, officers, servants, employees, invitees and licensees in the construction, operation, inspection, cleaning (including analyzing and disposing of any solid or hazardous wastes as defined by State and/or Federal environmental laws and regulations), maintenance, and repair of the detention basin/BMP(s), and such obligation arising under this Paragraph shall be joint and several. Nothing in this Paragraph shall be deemed to waive or otherwise limit the defense available to the County or Metro District pursuant to the Colorado Governmental Immunity Act, Sections 24-10-101, *et seq.* C.R.S., or as otherwise provided by law.

11. Severability: In the event any Court of competent jurisdiction declares any part of this Agreement to be unenforceable, such declaration shall not affect the enforceability of the remaining parts of this Agreement.

12. Third Parties: This Agreement does not and shall not be deemed to confer upon or grant to any third party any right to claim damages or to bring any lawsuit, action or other proceeding against either the County, the Developer, the Metro District, or their respective successors and assigns, because of any breach hereof or because of any terms, covenants, agreements or conditions contained herein.

13. Solid Waste or Hazardous Materials: Should any refuse from the detention basin/BMP(s) be suspected or identified as solid waste or petroleum products, hazardous substances or hazardous materials (collectively referred to herein as "hazardous materials"), the Developer shall take all necessary and proper steps to characterize the solid waste or hazardous materials and properly dispose of it in accordance with applicable State and/or Federal environmental laws and regulations, including, but not limited to, the following: Solid Wastes Disposal Sites and Facilities Acts, §§ 30-20-100.5 – 30-20-119, C.R.S., Colorado Regulations Pertaining to Solid Waste Disposal Sites and Facilities, 6 C.C.R. 1007-2, *et seq.*, Solid Waste Disposal Act, 42 U.S.C. §§ 6901-6992k, and Federal Solid Waste Regulations 40 CFR Ch. I. The County shall not be responsible or liable for identifying, characterizing, cleaning up, or disposing of such solid waste or hazardous materials. Notwithstanding the previous sentence, should any refuse cleaned up and disposed of by the County be determined to be solid waste or hazardous materials, the Developer and the Metro District (following conveyance for ownership) but not the County, shall be responsible and liable as the owner, generator, and/or transporter of said solid waste or hazardous materials.

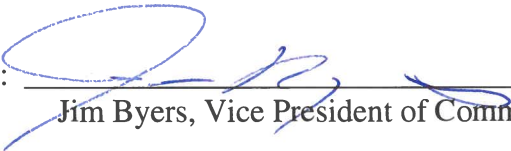
14. Applicable Law and Venue: The laws, rules, and regulations of the State of Colorado and El Paso County shall be applicable in the enforcement, interpretation, and execution of this Agreement, except that Federal law may be applicable regarding solid waste or hazardous materials. Venue shall be in the El Paso County District Court.

15. Limitation on Developer's Obligation and Liability: The obligation and liability of the Developer hereunder shall only continue until such time as the final plat for the Subdivision as described in Paragraph C of the Recitals set forth above is recorded and the Developer completes the construction of the detention basin/BMP(s) and transfers the Drainage Tract and all applicable maintenance and operation responsibilities to the Metro District.

16. Limitation on Metro District's Obligation and Liability. By execution of this agreement, the Metro District acknowledges the responsibilities to be assigned to the Metro District, and agrees to perform such duties following conveyance of the Drainage Tract from Developer to the Metro District, in accordance with the Metro District's rules, regulations and policies, including Developer's satisfactory performance of the applicable warranty period.

IN WITNESS WHEREOF, the Parties affix their signatures below.

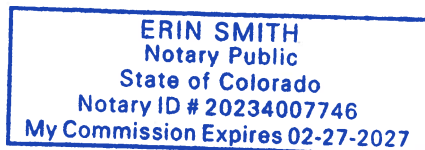
Executed this 21st day of July, 2026, by: CHALLENGER COMMUNITIES, LLC

By: 
Jim Byers, Vice President of Community Development

The foregoing instrument was acknowledged before me this 21st day of July, 2026, by Jim Byers, Vice President of Community Development, Challenger Communities, LLC.

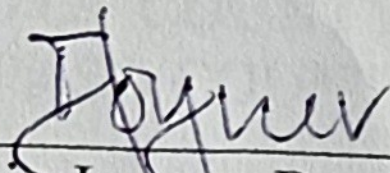
Witness my hand and official seal.

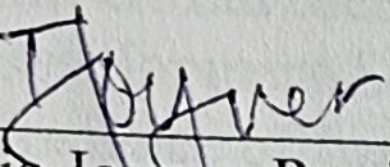
My commission expires: 2-27-2027




Notary Public

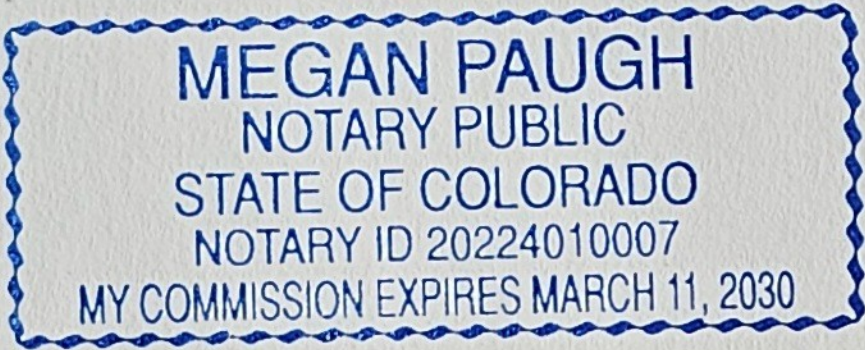
Executed this 13th day of August, 2026, by:
FALCON HIGHLANDS METROPOLITAN DISTRICT

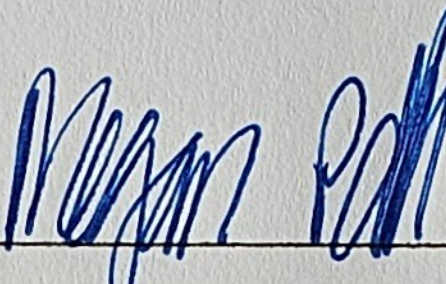
By: 
Tonia Joyner, President

Attest:
By: 
Tonia Joyner, President

The foregoing instrument was acknowledged before me this 13 day of August,
2026, by Tonia Joyner, President, FALCON HIGHLANDS METROPOLITAN DISTRICT.

Witness my hand and official seal.
My commission expires: March 11, 2030




Notary Public

Executed this _____ day of _____, 20____, by:

BOARD OF COUNTY COMMISSIONERS
OF EL PASO COUNTY, COLORADO

By: _____

Gilbert LaForce, Engineering Manager
Development Services, Department of Public Works
Designee of Joshua Palmer, County Engineer
Authorized signatory pursuant to Resolution No. 24-145

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, Engineering Manager, El Paso County Department of Public Works.

Witness my hand and official seal.

My commission expires: _____

Notary Public

Approved as to Content and Form:

Assistant County Attorney

EXHIBIT A
Legal Description of Subdivision

PROPERTY DESCRIPTION - FALCON HIGHLANDS SOUTH FILING NO. 1

A PARCEL OF LAND LOCATED WITHIN SECTION 12, TOWNSHIP 13 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BASIS OF BEARINGS: BEARINGS ARE BASED ON THE WEST LINE OF THE SOUTHWEST ONE-QUARTER OF SECTION 12, TOWNSHIP 13 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, MONUMENTED AT THE SOUTH END (SOUTHWEST CORNER OF SAID SECTION 12) BY A RECOVERED 3-1/4 INCH ALUMINUM CAP STAMPED "AZTEC CONSULTANTS PLS 38256" AND AT THE NORTH END (WEST ONE-QUARTER CORNER OF SAID SECTION 12) BY A RECOVERED 3-1/4" ALUMINUM CAP IN RANGE BOX STAMPED "PLS 4842", WHICH IS ASSUMED TO BEAR NORTH 00°23'31" WEST 2,627.59 FEET, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;

BEGINNING AT THE SOUTHEAST CORNER OF FALCON HIGHLANDS FILING NO. 2, RECORDED JULY 14, 2006 IN THE RECORDS OF THE EL PASO COUNTY CLERK AND RECORDER UNDER RECEPTION NUMBER 206712369, FROM WHENCE THE SOUTHWEST CORNER OF SAID SECTION 12 BEARS SOUTH 46°21'15" WEST 1,710.04 FEET;

THENCE ON THE EXTERIOR OF SAID FALCON HIGHLANDS FILING NO. 2 THE FOLLOWING (24) TWENTY-FOUR COURSES:

1. NORTH 00°29'36" WEST 29.99 FEET TO A POINT OF CURVE;
2. ON THE ARC OF A 1,025.00 FOOT RADIUS CURVE TO THE LEFT, HAVING A CENTRAL ANGLE OF 16°55'34" AND AN ARC LENGTH OF 302.80 FEET;
3. NORTH 17°24'20" WEST 554.86 FEET TO A POINT OF CURVE;
4. ON THE ARC OF A 1,030 FOOT RADIUS CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 20°57'59" AND AN ARC LENGTH OF 376.91 FEET;
5. SOUTH 86°13'54" EAST 54.48 FEET;
6. SOUTH 31°51'00" EAST 85.17 FEET;
7. SOUTH 52°36'41" EAST 76.95 FEET;
8. SOUTH 73°19'02" EAST 65.73 FEET;
9. SOUTH 74°06'49" EAST 291.13 FEET;
10. SOUTH 79°13'17" EAST 145.07 FEET;
11. SOUTH 85°23'13" EAST 145.17 FEET;
12. NORTH 88°52'41" EAST 145.19 FEET;
13. NORTH 83°36'10" EAST 131.74 FEET;
14. SOUTH 10°35'23" WEST 114.54 FEET;
15. SOUTH 31°38'08" EAST 124.91 FEET;
16. SOUTH 62°45'04" EAST 116.47 FEET;
17. NORTH 85°18'48" EAST 119.21 FEET;
18. NORTH 46°48'48" EAST 296.18 FEET;
19. NORTH 34°36'03" WEST 203.48 FEET;
20. NORTH 62°18'11" EAST 203.67 FEET;

21. SOUTH 85°51'10" EAST 75.24 FEET;
22. SOUTH 72°16'09" EAST 30.02 FEET TO A POINT ON CURVE;
23. ON THE ARC OF AN 810.00 FOOT RADIUS CURVE TO THE LEFT WHOSE CENTER BEARS NORTH 72°16'30" WEST, HAVING A CENTRAL ANGLE OF 00°31'58" AND AN ARC LENGTH OF 7.53 FEET;
24. SOUTH 72°48'14" EAST 60.00 FEET TO A POINT ON CURVE;

THENCE ON THE ARC OF A 870.00 FOOT RADIUS CURVE TO THE RIGHT WHOSE CENTER BEARS NORTH 33°00'44" WEST, HAVING A CENTRAL ANGLE OF 31°38'22" AND AN ARC LENGTH OF 480.42 FEET;

THENCE SOUTH 48°49'55" WEST 938.77 FEET TO A POINT OF CURVE;

THENCE ON THE ARC OF A 595.00 FOOT RADIUS CURVE TO THE RIGHT HAVING A CENTRAL ANGLE OF 40°40'29" AND AN ARC LENGTH OF 422.40 FEET;

THENCE SOUTH 89°30'24" WEST 167.45 FEET TO THE POINT OF BEGINNING.

CONTAINING 23.592 ACRES (1,027,669 SQUARE FEET), MORE OR LESS.

EXHIBIT B
Legal Description of Detention Basin

TRACT E, FALCON HIGHLANDS SOUTH FILING NO. 1

and

A PARCEL OF LAND LOCATED WITHIN TRACTS J AND JB OF FALCON HIGHLANDS
FILING NO. 3, TO BE RECORDED AT A FUTURE DATE.