Blitz Hangar Property Environmental Covenant Summary

Covenant ID: HMCOV00009

Covenant Information:

Covenant Date: October 6, 2003
Self Reporting: Yes
Media of Concern:
- Surface Water: No
- Groundwater: Yes
- Air: No
- Soil: No
- Other: No

Contaminants of Concern: trichloroethene (TCE)
Property Restrictions:
1. Non-residential use only.
2. New permanent structures must have appropriate venting.
3. No stormwater detention ponds or man made lakes shall be located on the property.
4. Groundwater shall not be used for domestic, agricultural, commercial or other use.

Site Information:

ID: N/A
Name: Blitz Hangar Property
Address: 32451 Walt Bassett Avenue
City: Pueblo
State: CO
Zip Code: 81001-4834
Legal Description: North Half of Section 30, Township 20S, Range 63W, 6.86 acres
County: Pueblo

Site Contact Information:

Name: Robert P. Jagger
Address: 503 N. Main Street
City: Pueblo
State: CO Zip Code: 81003

BLITZ HANGAR

HMCOV00009

0 85 170 Meters

Colorado Department of Public Health and Environment

This property is subject to an Environmental Covenant held by the Colorado Department of Public Health and Environment pursuant to section 25-15-321, C.R.S.

ENVIRONMENTAL COVENANT

Pueblo, a Municipal Corporation ("City") grants an Environmental Covenant ("Covenant") this 14th day of July, 2003 to the Hazardous Materials and Waste Management Division of the Colorado Department of Public Health and Environment ("the Department") pursuant to § 25-15-321 of the Colorado Hazardous Waste Act, § 25-15-101, *et seq*. The Department's address is 4300 Cherry Creek Drive South, Denver, Colorado 80246-1530.

WHEREAS, City is the owner of certain property commonly referred to as the Blitz, Hangar Property located at 32451 Walt Bassett Avenue, Pueblo, Colorado, and more particularly described in Exhibit A, attached hereto and incorporated herein by reference as though fully set forth (hereinafter referred to as "the Property"); and

WHEREAS, based upon the Limited Phase II Environmental Assessment Report and related and subsequent reports and documents ("Reports"), the Department has determined that the Property is the subject of enforcement and remedial action pursuant to the *Colorado Hazardous Waste Act ("CHWA"),* and the *Resource Conservation and Recovery Act, 42 U.S.C. §§6926, et. seq. ("RCRA").*

WHEREAS, the purpose of this Covenant is to ensure protection of human health and the environment by limiting the use of the Property to minimize any potential for offsite migration of trichloroethene and related volatile organic compounds through the groundwater.

WHEREAS, based upon the Department's review of available information and the Reports and subject to the limitation imposed by this Covenant, the Department has determined that corrective action has been completed and that contamination of the Property has been adequately controlled and will not present an unacceptable risk to human health and environment, based upon existing and potential future land use.

WHEREAS, the presence of the trichloroethene and related volatile organic compounds is not the result of any apparent activities of the City at the Property, but the City, as owner and wishing to remediate and rehabilitate the Property, agrees to subjecting the Property to this Covenant.

NOW THEREFORE, City hereby grants this Environmental Covenant to the Department, and declares that the Property as described in Exhibit A shall hereinafter be bound by, held, sold, and conveyed subject to the following requirements set forth in paragraphs 1 through 9, below,

which shall run with the Property in perpetuity and be binding on City and all parties having any right, title or interest in the Property, or any part thereof, their successors and assigns, and any persons using the land. City and all parties having any right, title or interest in the Property, or any part thereof, their successors and assigns shall hereinafter be referred to in this Covenant as OWNER.

1. Use restrictions The Property shall be subject to the following restrictions unless waived by express written consent of the Department:

(a) The Property shall be used for non-residential uses only;

(b) Any newly constructed permanent structure shall be required to have appropriate venting. For purposes of this restriction, "appropriate venting" means venting or other steps which reasonably reduce the potential escape, if any, of hazardous levels of trichloroethene or related volatile organic compounds from the soil and into the structure. This restriction does not apply to structures currently located on the Property, including the building commonly known as the Blitz Hangar;

(c) No stormwater detention ponds or man made lakes or ponds shall be located on the Property; and

(d) Groundwater on the Property shall not be removed by well or other means for domestic, agricultural, commercial or other use. For the purpose of this restriction, "groundwater" means subsurface waters in a zone of saturation which are or can be brought to the surface of the ground or to surface waters through wells, springs, seeps or other discharged areas. This limitation shall not apply to the installation or use of any monitoring well used solely to obtain samples for analysis.

2. Modifications This Covenant runs with the land and is perpetual, unless modified or terminated pursuant to this paragraph. Owner or its successors and assigns may request that the Department approve a modification or termination of the Covenant. The request shall contain information showing that the proposed modification or termination shall, if implemented, ensure protection of human health and the environment. The Department shall review any submitted information, and may request additional information. If the Department determines that the proposal to modify or terminate the Covenant will ensure protection of human health and the environment, it shall approve the proposal. No modification or termination of this Covenant shall be effective unless the Department has approved such modification or termination in writing. Information to support a request for modification or termination may include one or more of the following:

(a) a proposal to perform additional remedial work;

(b) new information regarding the risks posed by the residual contamination;

(c) information demonstrating that residual contamination has diminished;

(d) information demonstrating that the proposed modification would not adversely impact the remedy and is protective of human health and the environment; and other appropriate supporting information.

3. Conveyances Owner shall notify the Department at least fifteen (15) days in advance of any proposed grant, transfer or conveyance of any interest in any or all of the Property.

4. Incorporation of Covenant Owner agrees to incorporate either in full or by reference the restrictions of this Covenant in any leases, licenses, or other instruments granting a right to use the Property.

5. Notification for proposed construction and land use Owner shall notify the Department simultaneously when submitting any application to a local government for a building permit or change in land use.

6. Inspections The Department shall have the right of entry to the Property at reasonable times with prior notice for the purpose of determining compliance with the terms of this Covenant. Nothing in this Covenant shall impair any other authority the Department may otherwise have to enter and inspect the Property.

7. No Liability The Department does not acquire any liability under State law by virtue of accepting this Covenant.

8. Enforcement The Department may enforce the terms of this Covenant pursuant to §25-15-322. C.R.S. City may file suit in district court to enjoin actual or threatened violations of this Covenant.

9. Notices Any document or communication required under this Covenant shall be sent or directed to:

Hazardous Waste Corrective Action Unit Leader
Hazardous Materials and Waste Management Leader
Colorado Department of Public Health and the Environment
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

City has caused this instrument to be executed this ____ day of _____, 2003.

Pueblo, a Municipal Corporation

By: Dr. Bill Sova,
Dr. Bill Sova, President of the City Council

STATE OF COLORADO)
) ss:
COUNTY OF PUEBLO)

The foregoing instrument was acknowledged before me this 24th day of July, 2003 by Dr. Bill Sova as President of the city council of Pueblo, a Municipal Corporation.

Lorene M. Santistevan
Notary Public
Address: 3930 Farabaugh Ln
Pueblo, CO 81005

My commission expires: 8-21-2003

Accepted by the Colorado Department of Public Health and Environment this 6th day of October, 2003.

By: Howard Roitman

Title: Environmental Programs Director

STATE OF COLORADO)
) ss:
COUNTY OF DENVER)

The foregoing instrument was acknowledged before me this 6 day of OCTOBER, 2003 by Howard Roitman as Environmental Progs. Director of the Colorado Department of Public Health and Environment.

Claudette M. Ferris
Notary Public
Address: 4300 Cherry Creek Dr. So
Denver, CO 80246

My commission expires: October 21, 2003

A PARCEL OF LAND LOCATED IN THE NORTH HALF OF SECTION 30, TOWNSHIP 20 S, RANGE 63W OF THE 6TH PRINCIPLE MERIDIAN, ALSO BEING A PORTION OF PARCEL H OF THE PUEBLO MEMORIAL AIRPORT INDUSTRIAL PARK SUBDIVISION BOOK 2836 PAGE 665-670 AS RECORDED IN THE PUEBLO COUNTY COURT HOUSE PUEBLO, COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS.

BASIS OF BEARINGS:
BEARINGS BASED ON THE CENTER LINE OF WALT BASSET AVENUE IN THE PUEBLO MEMORIAL AIRPORT INDUSTRIAL PARK SUBDIVISION AS BEING N 88º 26’ 39” E.
THE WESTERLY POINT IS AN ALUMINUM MONUMENT AT THE INTERSECTION OF WALT BASSETT AVENUE AND FAIRCHILD STREET, THE EASTERLY POINT BEING AN ALUMINUM MONUMENT AT THE INTERSECTION OF WALT BASSETT AVENUE AND BRANIFF STREET.

COMMENCING FROM THE MONUMENT AT THE INTERSECTION OF WALT BASSETT AVENUE AND FAIRCHILD STREET, THENCE N 72º 26’ 39” W A DISTANCE OF 145.08’ TO A POINT ON THE NORTH R.OW. LINE OF WALT BASSETT AVENUE ALSO THE POINT OF BEGINNING, THENCE N 01º 28’ 35” W A DISTANCE OF 493.15’, THENCE N 88º 31’ 33” E A DISTANCE OF 606.66’, THENCE S 01º 28’ 35” E A DISTANCE OF 492.29’ TO A POINT ON THE NORTH R.O.W. LINE OF WALT BASSETT AVENUE, THENCE S 88º 26’ 39” W A DISTANCE OF 606.66’ ALONG THE NORTH R.O.W. LINE OF WALT BASSETT AVENUE TO THE P.O.B. SAID PARCEL CONTAINS APPROXIMATELY 6.86 ACRES, MORE OR LESS.

NOTE:
THE CENTERLINE INTERSECTION OF FAIRCHILD STREET AND WALT BASSETT AVENUE IS APPROXIMATELY LAT. 104º 29’ 30” LONG. 38º 17’ 00” BASED UPON NGS DEVINE, CO QUADRANGLE 7.5 MINUTE SERIES (TOPOGRAPHIC) MAP PREPARED BY USGS DATED 1960 PHOTOREVISED 1974

EXHIBIT “A”