

APPENDIX B

Task	Project Management										Subject Matter Experts										Task Total			
	Ork Olds Project Management and Review	Tara McGowan Project Management Advisory	Mike Trinity Project Management and Review	Al Juvera (tentative) Comparing CMD assets to Water LESS	Neal Ehrenfelt SOPs, Leak History, Operational Maintainability	Andrew Cripe Leak Detection	Darlene Garcia Evaluate System Assessment, Remaining Life	David Thresher Corrosion	Ron Sanchez Water Modeling	David Mora Water Quality	Dan Peterson Diastor Meter, Service Meters, AMI	Kevin Perrigo Meter Loops	Rob Smith Backflow Devices	Sean Higbee Tanks, PRVs	Tony Martinez Environmental Health & Safety	Jan Crosby Easements, Land	Mike Herrmann GIS/CAD Files, Asset Management	David Longie Stormwater Effects from Waldo Canyon Fire	Scott Shewey Accounting	Angelia Mora Principal Operations Analyst		Tara Kelly Grey Water/Non-Potable Water		
Various Tasks	16	24	30	80																		4	168	
Task 2 - Geospatial Information CAD/CIS																							24	24
Task 3 - Inflow Infiltration																							16	16
3.1 - As-built and record drawings																							16	16
3.2 - Cathodic protection data of record																							8	8
3.3 - Standard operating procedures																							8	8
3.4 - Identification of isolated areas																							8	8
3.5 - PRV operating conditions																							8	8
3.6 - Chemical dosing																							8	8
3.7 - Operation and Maintenance Manuals																							8	8
3.8 - Maintenance and inspection records																							8	8
3.9 - Leak locations and repair history																							8	8
3.10 - Water meter replacement, testing, calibration																							8	8
3.11 - Agreements to provide water service to other entities																							8	8
3.12 - Reports and Studies																							16	16
3.13 - Active environmental permits and plans																							16	16
3.14 - Overview of illicit discharges																							12	12
3.15 - List of environmental sites																							12	12
3.16 - Lists of easements and lands																							12	12
3.17 - Water quality reporting																							16	16
Task 4 - System Assessment																							8	8
4.1 - Visual assessment																							8	8
4.2 - Leak survey within last 5 years																							32	32
4.3 - Exercising of each asset to ensure operability																							8	8
4.4 - Condition rating for each asset																							4	4
4.5 - Estimate of remaining service life																							4	4
4.6 - Identification of water loss																							4	4
4.7 - Assessment of assets vulnerable to stormwater flows from Waldo Canyon scar																							4	4
4.8 - EPA site assessments of lands																							8	8
4.9 - Identification of any additional assessments required																							8	8
4.10 - Flow testing, vibration monitoring, and testing of major system components																							8	8
Task 5 - Inflow Infiltration Study																							8	8
Various Tasks																							16	16
Task 6 - Level of Knowledge in Water LSS																							40	40
6.1 - Water System Modeling																							40	40
6.2 - Fire Flows																							8	8
6.3 - Evaluate water main depth and separation																							8	8
6.4 - Evaluation of looping																							20	20
6.5 - Evaluation of access widths																							8	8
6.6 - Evaluation of access roads																							5	5
Task 7 - Review GIS/Informational Requirements																							96	96
Various Tasks																							154	154
Various Tasks																							854	854
Task Total with labor margin	\$ 645,231	\$ 496,111	\$ 1,140,791	\$ 1,011,821	\$ 559,717	\$ 188,504	\$ 1,077,420	\$ 1,058,322	\$ 386,630	\$ 1,809,172	\$ 724,461	\$ 392,311	\$ 1,248,888	\$ 866,461	\$ 3,000,538	\$ 1,693,177	\$ 4,831,351	\$ 758,007	\$ 683,451	\$ 822,977	\$ 320,251	\$ 6,829,200		

EXHIBIT 1

DISTRICT COURT, WATER DIVISION 2, PUEBLO  
COUNTY, COLORADO  
Pueblo Judicial Building  
501 North Elizabeth Street  
Pueblo, CO 81003

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**Plaintiffs:** CASCADE PUBLIC SERVICE  
COMPANY, INC., a Colorado Corporation and  
CASCADE METROPOLITAN DISTRICT NO. 1, a  
Colorado special district and municipal corporation,

**Plaintiff-Intervenor:** REALTY  
MANAGEMENT GROUP, LLC.

v.

**Defendants:** THE CITY OF COLORADO SPRINGS,  
a Colorado home-rule city and municipal corporation,  
and COLORADO SPRINGS UTILITIES, an enterprise  
of the City of Colorado Springs.

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*Counsel for Plaintiffs Cascade Public Service  
Company, Inc., Cascade Metropolitan District No. 1,  
and Realty Management Group, LLC:*  
Scotty Peck Krob, Reg. No. 10572  
Nathan Lee Krob, Reg. No. 42649  
Krob Law Office, LLC  
8400 E. Prentice Ave., Penthouse  
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*Counsel for Defendants The City of Colorado Springs  
and Colorado Springs Utilities:*  
Wynetta P. Massey, City Attorney, Reg. No. 18912  
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Case Number: 2011CW42  
Courtroom 406

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*Counsel for Intervenors Chris Reimer, Diannia  
Wagner, Susan Soloyanis, Jim Borden, Robert Pennick,  
Janice Eder, Steve Spaulding, Niente Smith:*

James R. Miller, Reg. No. 5842  
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**JOINT MOTION TO DISMISS WITH PREJUDICE**

Plaintiffs Cascade Public Service Company, Inc., Cascade Metropolitan District No. 1, and Realty Management Group, LLC; Defendants the City of Colorado Springs and its enterprise Colorado Springs Utilities; and Intervenors Chris Reimer, Diannia Wagner, Susan Soloyanis, Jim Borden, Robert Pennick, Janice Eder, Steve Spaulding, and Niente Smith; (collectively, "Parties") through their respective counsel, and pursuant to C.R.C.P. 41(a) move the Court as follows:

1. The Parties to this lawsuit have entered into a Settlement Agreement pursuant to which they have agreed, among other things, to jointly seek the dismissal of this lawsuit with prejudice and with each party bearing its own costs and fees.

2. Pursuant to C.R.C.P. 41(a), the Parties request that the Court enter an order dismissing this lawsuit with prejudice and with each part to bear its own cost and fees.

Dated: \_\_\_\_\_, 2015.

POLSINELLI PC

s/  
James R. Miller, Esq.  
Paul R. Wood, Esq.  
Thomas H. Wagner, Esq.

*Counsel for Intervenors*

KROBB LAW OFFICE, LLC

s/  
Nathan Lee Krob, Esq.  
Scotty Peck Krob, Esq.

*Counsel for Plaintiffs*

CARLSON, HAMMOND & PADDOCK L.L.C.

s/  
William A. Paddock  
Karl D. Ohlsen  
*Counsel for Defendants*

EXHIBIT 2

Original Note and Deed of Trust Returned to: Robert A. Lynn, Senior Vice President, ANB Bank
WHEN RECORDED RETURN TO: 3033 East 1st Avenue, Denver, CO 80206
Prepared/Received by: Commercial /

REQUEST FOR FULL [ ] / PARTIAL [X]
RELEASE OF DEED OF TRUST AND RELEASE BY HOLDER OF THE EVIDENCE OF DEBT WITHOUT PRODUCTION OF
EVIDENCE OF DEBT PURSUANT TO §38-39-102 (1) (a) AND (3), COLORADO REVISED STATUTES)

Cascade Public Service Company Date
31 North Tejon Suite 500, Colorado Springs, Colorado 80903 Original Grantor (Borrow)
Realty Management Group, LLC Current Address of Original Grantor,
Assuming Party, or Current Owner
[ ] Check here if current address is unknown.
ANB Bank, a Colorado state-chartered bank formerly known as American National Bank Original Beneficiary (Lender)
May 6, 2009 Date of Deed of Trust
Date of Recording and/or Re-Recording of Deed of
Trust
May 7, 2009 Recording Information
El Paso Rept. No. 209049849 Assigned: Rept. No. 21103514
County Rept. No. and/or Film No. and/or Book/Page No. and/or Torrens Reg. No.

TO THE PUBLIC TRUSTEE OF EL PASO COUNTY (The County of the Public Trustee who is the appropriate
Grantee to whom the above Deed of Trust should grant an interest in the property described in that Deed of Trust.)

PLEASE EXECUTE AND RECORD A RELEASE OF DEED OF TRUST DESCRIBED ABOVE. The indebtedness secured by the Deed
of Trust has been fully or partially paid and/or the purpose of the Deed of Trust has been fully or partially satisfied in regard to the property encumbered
by the Deed of Trust as described therein as to a full release or, in the event of a partial release, only that portion of the real property described as:
(IF NO LEGAL DESCRIPTION IS LISTED THIS WILL BE DEEMED A FULL RELEASE.)
See Exhibit A attached hereto.

Pursuant to §38-39-102 (3), Colorado Revised Statutes, in support of this Request for Release of Deed of Trust, the undersigned, as the holder
of the evidence of debt secured by the Deed of Trust described above, or a Title Insurance Company authorized to request the release of Deed of
Trust pursuant to §38-39-102 (3) (c), Colorado Revised Statutes, in lieu of the production or exhibition of the original evidence of debt with this
Request for Release, certifies as follows:

- 1. The purpose of the Deed of Trust has been fully or partially satisfied.
2. The original evidence of debt is not being exhibited or produced herewith.
3. It is one of the entities (check applicable box):
a. [X] The holder of the original evidence of debt that is a qualified holder, as specified in §38-39-102 (3) (a), Colorado Revised Statutes, that
agrees that is obligated to indemnify the Public Trustee for any and all damages, cost, liabilities, and reasonable attorney fees
incurred as a result of the action of the Public Trustee taken in accordance with this Request for Release;
b. [ ] The holder of the evidence of debt requesting the release of a Deed of Trust without producing or exhibiting the original evidence of
debt that delivers to the Public Trustee a Corporate Surety Bond as specified in §38-39-102 (3) (b), Colorado Revised Statutes; or
c. [ ] A Title Insurance Company licensed and qualified in Colorado, as specified in §38-39-102 (3) (c), Colorado Revised Statutes, that
agrees that it is obligated to indemnify the Public Trustee pursuant to statute as a result of the action of the Public Trustee taken in
accordance with this Request for Release and that has caused the indebtedness secured by the Deed of Trust to be satisfied in full, or in
the case of a Partial Release, to the extent required by the holder of the indebtedness.

ANB Bank, servicer for Realty Management Group, LLC, 3033 East 1st Avenue, Denver, CO 80206
Name and Address of the Holder of the Evidence of Debt Secured by Deed of Trust (Lender)
or name and address of the Title Insurance Company Authorized to Request the Release of Deed of Trust
Robert A. Lynn, Senior Vice President, ANB Bank as servicer for Realty Management Group,
Name, Title and Address of Officer, Agent, or Attorney of the Holder of the Evidence of Debt Secured by Deed of Trust (Lender)
3033 EAST FIRST AVENUE, DENVER, CO 80202

Signature Signature
State of Colorado, County of
The forgoing Request for Release was acknowledged before
me on (date) by\*
Date Commission Expires
\*If applicable, insert title of officer and name of correct owner and holder
Notary Public Witness my hand and official seal

RELEASE OF DEED OF TRUST
WHEREAS, the Grantor(s) named above, by Deed of Trust, granted certain real property described in the Deed of Trust to the Public Trustee of the
County referenced above, in the State of Colorado, to be held in trust to secure the payment of the indebtedness referred to therein; and
WHEREAS, the indebtedness secured by the Deed of Trust has been fully or partially paid and/or the purpose of the Deed of Trust has been fully
or partially satisfied according to the written request of the holder of the evidence of debt or Title Insurance Company authorized to request the release of
the Deed of Trust;
NOW THEREFORE, in consideration of the premises and the payment of the statutory sum, receipt of which is hereby acknowledged, I, as the
Public Trustee in the County named above, do hereby fully and absolutely release, cancel and forever discharge said Deed of Trust or that portion of the
real property described above in the Deed of Trust, together with all privileges and appurtenances thereto belonging.

Public Trustee
Deputy Public Trustee
(If applicable, Name and Address of Person Creating New Legal Description as Required by §38-35-106.5, Colorado Revised Statutes.)

## EXHIBIT A TO PARTIAL RELEASE OF DEED OF TRUST

The following described water rights:

1. Harmes Ditch, Priority No. 2, in the amount of 2.65 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. C.A. 16068, decreed on May 2, 1927, District Court, El Paso County, and as further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. Grantor's interest in the Harmes Ditch is equal to 0.3533 c.f.s. of the total of 2.65 c.f.s.
2. Harmes Ditch Enlargement, Priority No. 33, in the amount of 9.35 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. 16068, decreed on May 2, 1927, District Court, El Paso County, and was further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. Grantor's interest in the Harmes Ditch Enlargement is equal to 1.7 c.f.s. of the total 9.35 c.f.s.
3. Cascade Water Works, in the amount of 6.3 c.f.s., decreed on February 8, 1954, in Case No. C.A. 13801, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek.

Subject and subordinate in all respects to: (a) the laws of the State of Colorado and the regulations of the Colorado Public Utility Commission (to be effective an assignment must comply with such laws and regulations); (b) and the provisions of an agreement between the City of Colorado Springs, the Cascade Public Service Company and The Cascade Town Company dated June 14, 1990 ("Agreement"), which Agreement requires that any encumbrance of the water rights shall be specifically subject to the rights of the City of Colorado Springs under the Agreement.

4. All water rights held by Granter as the successor in interest to the Cascade Town Company, including, but not limited to Grantor's rights under agreements with the City of Colorado Springs (the "City") dated July 12, 1934 and the Agreement (dated June 14, 1990), which water rights relate to the water rights described in paragraphs 1, 2, and 3 above, the water rights decreed pursuant to such agreements with the City, as well as certain water rights often described as the "Contractual .4 cfs" and the "Bypass Flow Obligation." The Bypass Flow Obligation is a contractual obligation pursuant to the agreements with the City which is referenced in the Judgment and Decree dated September 10, 1997 entered in Case No. 91CW44, District Court, Water Division, Colorado, and requires the City to limit its diversion of water from Cascade Creek above Cascade PSC's intake so that there will be water available for the domestic, irrigation or manufacturing uses of the Secured Water Rights in Cascade Creek at Mother's Rest of at least two (2) cubic feet per second (cfs) of water from June 15 to October 15 each year and one (1) cfs of water during the remaining portions of each year. The Contractual .4 cfs is a contractual water right which requires the City to supply to Cascade PSC an amount of water not to exceed .4 cfs.

**EXHIBIT 3  
BARGAIN AND SALE DEED  
(WATER RIGHTS)**

**THIS DEED**, made this \_\_\_ day of \_\_\_\_\_, 2015, Realty Management Group, LLC, whose address is 3033 East 1st. Ave, Denver, CO 80206 (“**Grantor**”), and the City of Colorado Springs, a home rule city and Colorado municipal corporation, on behalf of its enterprise, Colorado Springs Utilities, whose address is P.O. Box 1103, Colorado Springs, CO 80947-1015 (“**Grantee**”).

**WITNESSETH**, that **Grantor**, for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold, and conveyed, and by these presents does grant, bargain, sell, convey, and confirm unto **Grantee**, **Grantee’s** successors and assigns forever, any interest it has in the following described water rights:

1. Harmes Ditch, Priority No. 2, in the amount of 2.65 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. C.A. 16068, decreed on May 2, 1927, District Court, El Paso County, and as further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. Grantor’s interest in the Harmes Ditch is equal to 0.3533 c.f.s. of the total of 2.65 c.f.s.
  
2. Harmes Ditch Enlargement, Priority No. 33, in the amount of 9.35 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. 16068, decreed on May 2, 1927, District Court, El Paso County, and was further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. Grantor’s interest in the Harmes Ditch Enlargement is equal to 1.7 c.f.s. of the total 9.35 c.f.s.

**TOGETHER** with all appurtenances thereto belonging.

**TO HAVE AND TO HOLD** the said Water Rights above-bargained and described, unto the **Grantee**, the **Grantee’s** successors and assigns forever.

**IN WITNESS WHEREOF**, the **Grantor** has executed this **BARGAIN AND SALE DEED** on the date set forth above.

*(Signatures on following page)*



**EXHIBIT 4  
SPECIAL WARRANTY DEED  
(WATER RIGHTS)**

**THIS DEED**, made this \_\_\_ day of \_\_\_\_\_, 2015, Cascade Public Service Company, whose address is 31 North Tejon, Suite 500, Colorado Springs, CO 80903 (“**Grantor**”), and the City of Colorado Springs, a home rule city and Colorado municipal corporation, on behalf of its enterprise, Colorado Springs Utilities, whose address is P.O. Box 1103, Colorado Springs, CO 80947-1015 (“**Grantee**”).

**WITNESSETH**, that **Grantor**, for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold, and conveyed, and by these presents does grant, bargain, sell, convey, and confirm unto **Grantee**, **Grantee’s** successors and assigns forever, the following described water rights:

1. Harmes Ditch, Priority No. 2, in the amount of 2.65 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. C.A. 16068, decreed on May 2, 1927, District Court, El Paso County, and as further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. Grantor’s interest in the Harmes Ditch is equal to 0.3533 c.f.s. of the total of 2.65 c.f.s.
2. Harmes Ditch Enlargement, Priority No. 33, in the amount of 9.35 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. 16068, decreed on May 2, 1927, District Court, El Paso County, and was further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. Grantor’s interest in the Harmes Ditch Enlargement is equal to 1.7 c.f.s. of the total 9.35 c.f.s.
3. All other water rights held by Grantor as the successor in interest to the Cascade Town Company, except the Cascade Water Works, in the amount of 6.3 c.f.s., decreed on February 8, 1954, in Case No. C.A. 13801, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek.

**TOGETHER** with all and singular, the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and all the estate, right, title interest, claim, and demand whatsoever of the **Grantor**, either in law or equity, of, in and to the above-bargained Water Rights, with the hereditaments and appurtenances.

**TO HAVE AND TO HOLD** the said Water Rights above-bargained and described with the appurtenances, unto the **Grantee**, the **Grantee’s** successors and assigns forever. And the **Grantor**, for the Grantor, the **Grantor’s** successors and assigns, does covenant and agree that



**EXHIBIT 5**  
**QUITCLAIM DEED**  
**(WATER RIGHTS)**

**THIS DEED**, made this \_\_\_ day of \_\_\_\_\_, 2015, Phillip J. Anderson, whose address is 31 North Tejon, Suite 500, Colorado Springs, CO 80903 ("**Grantor**"), and the City of Colorado Springs, a home rule city and Colorado municipal corporation, on behalf of its enterprise, Colorado Springs Utilities, whose address is P.O. Box 1103, Colorado Springs, CO 80947-1015 ("**Grantee**").

**WITNESSETH**, that **Grantor**, for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold, conveyed and quitclaimed, and by these presents does grant, bargain, sell, convey, and confirm and quitclaim unto **Grantee**, **Grantee's** successors and assigns forever, any interest it has in the following described water rights:

1. Harmes Ditch, Priority No. 2, in the amount of 2.65 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. C.A. 16068, decreed on May 2, 1927, District Court, El Paso County, and as further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. Grantor's interest in the Harmes Ditch is equal to 0.3533 c.f.s. of the total of 2.65 c.f.s.
2. Harmes Ditch Enlargement, Priority No. 33, in the amount of 9.35 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. 16068, decreed on May 2, 1927, District Court, El Paso County, and was further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. Grantor's interest in the Harmes Ditch Enlargement is equal to 1.7 c.f.s. of the total 9.35 c.f.s.

**TOGETHER** with all and singular, the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and all the estate, right, title interest, claim, and demand whatsoever of the **Grantor**, either in law or equity, of, in and to the above-bargained Water Rights, with the hereditaments and appurtenances.

**TO HAVE AND TO HOLD** the said Water Rights above-bargained and described with the appurtenances, unto the **Grantee**, the **Grantee's** successors and assigns forever.

**IN WITNESS WHEREOF**, the **Grantor** has executed this **QUITCLAIM DEED** on the date set forth above.



**EXHIBIT 6  
QUITCLAIM DEED  
(WATER RIGHTS)**

**THIS DEED**, made this \_\_\_ day of \_\_\_\_\_, 2015, Cascade Metropolitan District No. 1, a Title 32 special district and political subdivision of the state of Colorado, whose address is 141 Union Boulevard, Suite 150, Lakewood, CO 80228 ("**Grantor**"), and the City of Colorado Springs, a home rule city and Colorado municipal corporation, on behalf of its enterprise, Colorado Springs Utilities, whose address is P.O. Box 1103, Colorado Springs, CO 80947-1015 ("**Grantee**").

**WITNESSETH**, that **Grantor**, for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold, conveyed and quitclaimed, and by these presents does grant, bargain, sell, convey, and confirm and quitclaim unto **Grantee**, **Grantee's** successors and assigns forever, any interest it has in the following described water rights:

1. Harnes Ditch, Priority No. 2, in the amount of 2.65 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. C.A. 16068, decreed on May 2, 1927, District Court, El Paso County, and as further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. **Grantor's** interest in the Harnes Ditch is equal to 0.3533 c.f.s. of the total of 2.65 c.f.s.
2. Harnes Ditch Enlargement, Priority No. 33, in the amount of 9.35 c.f.s., decreed on March 6, 1882, in Case No. C.A. 751, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek, and as changed in Case No. 16068, decreed on May 2, 1927, District Court, El Paso County, and was further changed by the decree in Case No. 91CW44 entered on September 10, 1997, by the District Court for Water Division No. 2. **Grantor's** interest in the Harnes Ditch Enlargement is equal to 1.7 c.f.s. of the total 9.35 c.f.s.

**TOGETHER** with all and singular, the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and all the estate, right, title interest, claim, and demand whatsoever of the **Grantor**, either in law or equity, of, in and to the above-bargained Water Rights, with the hereditaments and appurtenances.

**TO HAVE AND TO HOLD** the said Water Rights above-bargained and described with the appurtenances, unto the **Grantee**, the **Grantee's** successors and assigns forever.

**IN WITNESS WHEREOF**, the **Grantor** has executed this **QUITCLAIM DEED** on the date set forth above.



**EXHIBIT 7  
SPECIAL WARRANTY DEED  
(WATER RIGHTS)**

**THIS DEED**, made this \_\_\_ day of \_\_\_\_\_, 2015, Cascade Public Service Company, whose address is 31 North Tejon, Suite 500, Colorado Springs, CO 80903 (“**Grantor**”), and the Cascade Metropolitan District No. 1, a Title 32 special district and political subdivision of the state of Colorado, whose address is 141 Union Boulevard, Suite 150, Lakewood, CO 80228 (“**Grantee**”).

**WITNESSETH**, that **Grantor**, for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold, and conveyed, and by these presents does grant, bargain, sell, convey, and confirm unto **Grantee**, **Grantee’s** successors and assigns forever, the following described water right:

The Cascade Water Works, in the amount of 6.3 c.f.s., decreed on February 8, 1954, in Case No. C.A. 13801, District Court, El Paso County, the source of which is Cascade Creek, tributary to Fountain Creek.

**TOGETHER** with all and singular, the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and all the estate, right, title interest, claim, and demand whatsoever of the **Grantor**, either in law or equity, of, in and to the above-bargained Water Right, with the hereditaments and appurtenances.

**TO HAVE AND TO HOLD** the said Water Rights above-bargained and described with the appurtenances, unto the **Grantee**, the **Grantee’s** successors and assigns forever. And the **Grantor**, for the **Grantor**, the **Grantor’s** successors and assigns, does covenant and agree that **Grantor** shall **WARRANT AND FOREVER DEFEND** the above-bargained Water Right in the quiet and peaceable possession of the **Grantee**, the **Grantee’s** successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through, or under the **Grantor**.

**IN WITNESS WHEREOF** the **Grantor** has executed this **SPECIAL WARRANTY DEED** on the date set forth above.

**GRANTOR:**  
**CASCADE PUBLIC SERVICE COMPANY**

By: \_\_\_\_\_  
Name: Philip J. Anderson  
Title: President





Witness my official hand and seal.

My commission expires: \_\_\_\_\_.

\_\_\_\_\_  
Notary Public

## EXHIBIT 9

### TERMINATION OF ASSIGNMENT AND AGREEMENT

This Termination of Assignment and Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2015, between the Cascade Metropolitan District No. 1 (“CMD”), a Title 32 special district and political subdivision of the state of Colorado, and the Cascade Public Service Company, Inc. (“CPSC”), a Colorado corporation, collectively referred to herein as the “Parties”.

#### RECITALS

A. The CMD was formed in 2004 in order to provide certain municipal services to the residents of Cascade, Colorado, and to own and operate the CPSC potable water system;

B. CPSC is the successor in interest to Cascade Town Company as the owner of various water rights, and the potable water system used to provide water to the residents of Cascade, Colorado;

C. The City of Colorado Springs, Cascade Town Company and CPSC entered into a Water Supply Agreement on June 14, 1990 (“1990 Agreement”), pursuant to which Utilities has provided treated water to CPSC and later to CMD;

D. CMD and the CPSC have entered into a Settlement Agreement with City of Colorado Springs and its enterprise Colorado Springs Utilities (“Utilities”) and other parties, dated March \_\_, 2015 (the “Settlement Agreement”), pursuant to which the 1990 Agreement will be terminated and Utilities and CMD will entered into a new Water Supply Agreement; and in that Settlement Agreement Utilities and CMD have further agreed that upon the satisfaction of certain conditions precedent by CMD, Utilities will assume ownership and operation CMD’s potable water distribution system that supplies Cascade, Colorado; and

E. As a condition of the Settlement Agreement with Utilities *et al.*, CMD and CPSC have agreed to terminate the Assignment and Agreement entered into between them on June 1, 2005 (“Water Supply Assignment and Agreement”) and attached hereto as Exhibit A.

#### AGREEMENT

Now, therefore, in consideration for the mutual promises and considerations contained herein and in the Settlement Agreement with Utilities *et al.*, CMD and CPSC agree as follows:

1. CMD and CPSC agree that the Water Supply Assignment and Agreement between them is hereby terminated. This termination notwithstanding, CPSC agrees that CMD remains the sole owner of the water distribution system used to provide potable water to Cascade, Colorado, and CPSC has no right, title or interest therein.

2. The 1990 Agreement has been voluntarily terminated by Utilities, CPSC and CMD. Accordingly, all rights and obligations of CPSC thereunder, the assignment of CPSC's rights under the 1990 Agreement to CMD, and CMD's assumption of CPSC's obligations under the 1990 Agreement are likewise terminated.

3. The right of the future owners and residents of Cascade Metropolitan District No. 2 ("CMD #2") to receive potable water service from CMD under the Water Supply Assignment and Agreement are also terminated. Pursuant to the Settlement Agreement with Utilities *et al.*, potable water service for the future owners and residents of CMD #2 will be provided by the CMD pursuant to its new Water Supply Agreement with Utilities. At such time as Utilities becomes the owner and operator of CMD's water supply system, as set forth in the Settlement Agreement, Utilities has agreed to be the provider of potable water service to CMD #2.

4. Counterpart Execution. This Agreement may be executed in several counterparts, each of which may be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by facsimile or email of a PDF document, and, upon receipt, shall be deemed originals and binding upon the signatories hereto, and shall have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date set forth above.

**Cascade Metropolitan District No. 1**

**Cascade Public Service Company**

By: \_\_\_\_\_  
Michael R. Whittemore, President

By: \_\_\_\_\_  
Philip J. Anderson

Attest: \_\_\_\_\_  
Secretary or Assistant Secretary

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law

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General Counsel to the District

**Acknowledgement and Acceptance of Termination by Cascade Metropolitan District  
No. 2:**

The Cascade Metropolitan District No. 2, as an intended third party beneficiary of the Water Supply Assignment and Agreement, hereby acknowledges and agrees to the termination set forth herein and understands that potable water services will continue to be provided by CMD under the Water Supply Agreement with Utilities and, after acceptance by the system by Utilities, directly by Utilities.

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Officer of the Cascade Metropolitan District No. 2

Exhibit A to Termination of  
Assignment and Agreement

**ASSIGNMENT AND AGREEMENT  
(CASCADE METROPOLITAN DISTRICT NO. 1 AND CASCADE PUBLIC  
SERVICE COMAPNY)**

THIS AGREEMENT (the "Agreement") is made and entered into this 15<sup>th</sup> of June 2005 by and between Cascade Metropolitan District No. 1 (the "District") and Cascade Public Service Company ("CPSC").

RECITALS

A. The District is a quasi-municipal corporation and political subdivision of the State of Colorado formed in 2004 in order to provide certain municipal services to the residents of Cascade, Colorado and to own and operate a potable water system (the "System"). The District was formed in part in order to become eligible for state and/or federal grants in order to upgrade municipal water systems.

B. CPSC as a subsidiary of Cascade Town Company owns various water rights, the System, and is a party to an agreement with the City of Colorado Springs dated June 14, 1990 ("Water Delivery Agreement").

C. Pursuant to an El Paso County approved Service Plan, the District agreed to own and operate the System.

D. The District is in the process of receiving title to the System which assets have a value in excess of \$1,000,000; however, the System is in need of improvements, upgrades, and repairs.

E. Pursuant to the terms of this Agreement, the parties desire to assign a portion of the rights under the Water Delivery Agreement from CPSC to the District.

NOW THEREFORE, based upon the mutual promises and considerations contained herein, the parties agree as follows:

1. **Assignment.** For and in consideration of the mutual promises and consideration set forth herein, CPSC does hereby assign, sell, quitclaim and transfer to the District the right to receive up to 300 acre feet ("AF") annually of the water to be delivered by the City of Colorado Springs to CPSC. The District, pursuant to the Water Delivery Agreement, shall be deemed to be a "customer" of CPSC.

2. **Obligations.** Pursuant to the Water Delivery Agreement, and to the extent necessary, the District shall assume, together with CPSC, the obligations of the Water Delivery Agreement. CPSC shall be primarily responsible for such assumption of obligations and compliance with said agreement; however, the District shall cooperate with the same.

Exhibit A to Termination of  
Assignment and Agreement

3. **Consideration.** As partial consideration for this Assignment, the District agrees to accept title to the System and to own and operate the same for the benefit of the present customers of the District, the future residents of the District, and for the owners and residents of the Cascade Metropolitan District No. 2. It is recognized and agreed that there will be an intergovernmental agreement ("IGA") between the District and Cascade Metropolitan District No. 2.

4. **Obligations of CPSC.** CPSC agrees to provide the District with funds to cover operating losses until the earlier of such time as: a. the District receives grant and/or low interest funding in the amount of at least \$500,000 to repair and replace its facilities; or b. the water losses due to waste and leakage are reduced below 40% of the actual water delivered by the City to the System for two consecutive months. To this end, the District agrees to maintain operating costs at the present level (plus inflationary costs) for the types of services provided and shall not intentionally incur extraordinary capital expenditures or expenses without the consent of CPSC.

5. **Voidance.** The District <sup>Agreement</sup> recognizes and acknowledges that CPSC has the right to terminate the Water Delivery ~~System~~ and has plans to do so. The District agrees to cooperate with this termination with the understanding that CPSC will make water and water rights available to the District so that it may continue to operate and supply its customers with potable water.

6. **Miscellaneous.**

a. **Governing Law.** The validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the State of Colorado.

b. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

c. **Captions.** The captions in this Agreement are inserted for convenience of reference and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof.

d. **Assignability.** Neither party may assign its rights under this Agreement without the prior written consent of the other.

e. **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal representatives, successors and permitted assigns.

f. **Modifications; Waiver.** No waiver, modification, amendment, discharge or change of this Agreement shall be valid unless the same is in writing and signed by the party against which the enforcement of such modification, waiver, amendment, discharge or change is sought.

Exhibit A to Termination of  
Assignment and Agreement

g. Entire Agreement. This Agreement contains the entire agreement between the parties relating to the transactions contemplated hereby and all prior or contemporaneous agreements, understandings, representations or statements, oral or written, are superseded hereby.

h. Partial Invalidity. Any provision of this Agreement which is unenforceable or invalid or the inclusion of which would impair the validity, legality or enforcement of this Agreement shall be of no effect, but all the remaining provisions of this Agreement shall remain in full force and effect.

i. No Third Party Rights. Nothing in this Agreement, express or implied, is intended to confer upon any person, other than the parties hereto and their respective successors and assigns, any rights or remedies under or by reason of this Agreement.

j. Attorneys' Fees. In the event of any controversy, claim or dispute between the parties affecting or relating to the subject matter or performance of this Agreement, the prevailing party shall be entitled to recover from the non-prevailing party all of its reasonable attorneys' fees and costs incurred in such action.

k. Dispute Resolution. The parties agree that should any dispute arise over this Agreement, the same shall be resolved by binding and mandatory arbitration to be held in El Paso County, Colorado before one mutually-agreed to arbitrator who shall make all decisions concerning procedure and discovery. Should the parties be unable to agree upon said arbitrator, the same shall be appointed by an El Paso County District Court Judge. The cost of the arbitrator shall be paid equally by the parties.

CASCADE METROPOLITAN DISTRICT NO. 1

BY: \_\_\_\_\_

Its President

ATTEST:

\_\_\_\_\_  
Secretary

CASCADE PUBLIC SERVICE COMPANY

BY: \_\_\_\_\_

PL0135

## Exhibit 10

### AGREEMENT FOR SHORT-TERM WATER SERVICE

**THIS AGREEMENT** (“Agreement”) is made and entered into this \_\_\_ day of \_\_\_\_\_, 2015, by and between Colorado Springs Utilities, an enterprise of the City of Colorado Springs, a Colorado home-rule city and municipal corporation, hereinafter called “UTILITIES,” and the Cascade Metropolitan District No. 1, 141 Union Boulevard, Suite 150, Lakewood, CO 80228, hereinafter called the “DISTRICT.”

#### RECITALS

**A.** DISTRICT is a Colorado metropolitan district with service boundaries located in Unincorporated El Paso County, Colorado to the northwest of the City of Colorado Springs. DISTRICT was formed in 2004 and serves approximately 350 customers with water service;

**B.** UTILITIES currently provides treated water to DISTRICT at a master meter (“Master Meter”) pursuant to a water service agreement between the City of Colorado Springs, Cascade Public Service Company and the Cascade Town Company dated June 14, 1990 (the “1990 Agreement”), which 1990 Agreement was partially assigned to the DISTRICT by the Cascade Public Service Company on June 1, 2005 in the Assignment and Agreement (the “Water Supply Assignment and Agreement”). DISTRICT provides the treated water it receives from UTILITIES under the 1990 Agreement to its customers through a water distribution system operated and maintained by DISTRICT (“DISTRICT’s Water System”);

**C.** UTILITIES and DISTRICT desire to terminate the 1990 Agreement and replace it with a new agreement that sets forth the terms under which DISTRICT will receive treated water service from UTILITIES and the parties are entering into this Agreement to set forth the terms and conditions for UTILITIES to continue providing treated water to DISTRICT;

**D.** UTILITIES and DISTRICT are also executing a settlement agreement that, in part, sets forth the terms and conditions under which DISTRICT’s Water System would be converted to a UTILITIES owned, operated, and maintained water distribution system and UTILITIES would provide retail water service to DISTRICT’s customers (“Settlement Agreement”);

**E.** The Settlement Agreement contains the consent of Cascade Public Service Company (“CPSC”) to (1) termination of the 1990 Agreement; (2) termination of Water

Supply Assignment and Agreement ; and (3) other actions of CPSC and the DISTRICT done in connection with and to facilitate this Agreement;

**F.** Pursuant to Section 6-50 (Water Rights) of Article VI (Utilities) of the Charter of the City of Colorado Springs, as amended, the City of Colorado Springs has the authority to buy, exchange, augment, lease, own, and control water and water rights; and

**G.** UTILITIES has entered into this Agreement pursuant to Section 12.4.304 (Service; Special Contract) of Article 4 (Water Code) of Chapter 12 (Utilities) of the Code of the City of Colorado Springs 2001, as amended.

NOW, THEREFORE, for good and valuable consideration including the foregoing recitals, it is agreed as follows:

1. **Term:** This Agreement will be effective on April 1, 2015, and will remain in effect for a period of twenty-five (25) years. This Agreement will automatically renew for additional twenty-five (25) year terms unless otherwise terminated by the DISTRICT pursuant to Section 8, below. In no event will the term of this Agreement extend beyond a term of one hundred (100) years. Notwithstanding the foregoing, this Agreement will automatically terminate and cease to be effective on the date UTILITIES begins to provide retail potable water service to DISTRICT's customers pursuant to the Settlement Agreement.
2. **Replacement of 1990 Agreement:** DISTRICT and UTILITIES agree that upon its effective date, this Agreement takes the place of the 1990 Agreement and the Water Supply Assignment and Agreement in their entirety and the 1990 Agreement and the Water Supply Assignment and Agreement are voluntarily terminated.
3. **Potable Water Service:** During the term of this Agreement, UTILITIES agrees to convey, treat and deliver through UTILITIES' system to the Master Meter potable water in an annual volume not to exceed 200 acre-feet and at an average daily flow rate of not greater than 0.40 c.f.s. The water delivered to DISTRICT under this paragraph will be made up of UTILITIES' owned potable water.
4. **Metering for Potable Water Service:** The volume of potable water delivered under this Agreement will be measured by the Master Meter utilizing the Automatic Meter Reader ("AMR") technology installed on the Master Meter. Within thirty (30) days of the execution of this Agreement, and every year this Agreement is in effect thereafter, UTILITIES will verify the accuracy of the Master Meter and the AMR technology then in place utilizing industry standard testing methods. In the event of a discrepancy between the actual Master Meter readings and the AMR readings, the Master Meter readings shall

control. UTILITIES will have the right to change the type of meter and associated technology used to measure the volume of treated water delivered hereunder as necessary to meet industry standards and/or its operational requirements. UTILITIES shall provide DISTRICT with ninety (90) days advanced notice of such a change in metering or associated measurement technology. Notwithstanding the foregoing, if there is a failure of the Master Meter or AMR, Utilities may replace the Master Meter and/or AMR and will provide DISTRICT with notice of such replacement within fourteen (14) days of such replacement.

5. **Payment for Potable Water Service:** DISTRICT will pay UTILITIES the rate of \$0.057 per cubic foot of potable water delivered under this Agreement. That amount is subject to adjustments in accordance with any changes to the outside the city limits potable water tariffs determined by the Colorado Springs City Council. UTILITIES will bill DISTRICT monthly for the monthly volume of potable water delivered, which volume will be determined by the Master Meter as of the last day of each month. DISTRICT will pay all monthly invoices within 30 days of receipt thereof. In lieu of a deposit, all accounts under the DISTRICT name will elect to participate in eBilling and Autopay. If the DISTRICT does not participate in Autopay or at any time during this agreement elects to be removed from the program, a deposit will be assessed as outlined in UTILITIES Rules and Regulations, which may be changed from time to time by the Colorado Springs City Council.

6. **Drinking Water Quality Regulatory Compliance:** The treated water provided by UTILITIES to DISTRICT under this Agreement will be potable water which complies with the Federal Safe Drinking Water Act and the applicable Colorado Primary Drinking Water Regulations. Pursuant to section 1.8 of the Colorado Primary Drinking Water Regulations, UTILITIES' responsibility regarding the quality of water furnished to DISTRICT extends only up to the Master Meter. DISTRICT agrees that its system constitutes a Consecutive System and, in accordance with section 1.9 of the Colorado Primary Drinking Water Regulations, DISTRICT is responsible for all monitoring and reporting requirements of water within DISTRICT's system. DISTRICT will be responsible for obtaining any applicable permits from any permitting authority or approvals from the Colorado Department of Public Health and Environment necessary to fulfill this Agreement. The DISTRICT must provide copies of such permits and approvals to UTILITIES.

6.1. In the event that DISTRICT fails to comply with the Colorado Primary Drinking Water Regulations, UTILITIES in its sole discretion may interrupt delivery of potable water under this Agreement without UTILITIES having any liability to DISTRICT or any third party, including DISTRICT's customers, until the DISTRICT

complies with those regulations. In the event that UTILITIES fails to comply with the Colorado Primary Drinking Water Regulations, UTILITIES must inform DISTRICT in the same manner as other customers, and DISTRICT will have the option of immediately terminating treated potable water service. The provisions of this paragraph 6 shall not apply after the date of DISTRICT's termination of potable water service under this Agreement.

7. **Right to Elect to Receive Raw Water:** Within five (5) years of the date that the DISTRICT notifies UTILITIES, pursuant to the Settlement Agreement, that the DISTRICT does not intend to pursue system conversion, or eight (8) years from the Effective Date of the Settlement Agreement, whichever occurs later, DISTRICT may elect to build its own water treatment plant and terminate its right to treated potable water service from UTILITIES under this Agreement. DISTRICT must give UTILITIES notice of its intent to build its own treatment plant and terminate its right to potable water service from UTILITIES. The notice must contain a date certain for termination of potable water service from UTILITIES and the date must be not less than one (1) year or more than two (2) years after the date notice is given. If the right to elect to build its own treatment plant and terminate treated potable water service from UTILITIES under this Agreement is not exercised by DISTRICT within the time provided above, then DISTRICT can only terminate treated water service from UTILITIES under this Agreement with UTILITIES' consent.

8. **Provision of Raw Water Upon District's Election to Terminate Potable Water Service:** If DISTRICT gives notice to UTILITIES of its election to build its own treatment plant and terminate its right to potable water service from UTILITIES under this Agreement, then on the effective date of the termination of potable water service, UTILITIES will provide up to 200 acre-feet annually, at rates of flow up to 0.4 c.f.s., of raw, untreated water available from its old North Slope pipeline at a location in the same general area as the former connection used by the Cascade Town Company in the NE 1/4 of Section 27, Township 13 South, Range 68 West of the 6th P.M. DISTRICT will be solely responsible for all costs for the connection to the pipeline and all costs associated with construction and maintenance of the structures necessary to deliver the raw water to its water system. DISTRICT will also be solely responsible for treating the raw water, complying with all applicable water quality regulations, and delivering water to its customers. The raw water will be furnished by UTILITIES without cost to DISTRICT and is delivered "as-is" without any warranty of any kind, express or implied, as to its quality or suitability for any particular use. Within ninety (90) days prior to the date for termination of treated water service, DISTRICT will work with representatives of UTILITIES to develop an annual schedule for delivery of the 200 acre-feet of raw water that will be binding on all parties. The schedule of delivery shall be reviewed and

amended in writing as needed by the parties at least sixty (60) days prior to the expiration of each calendar year during which UTILITIES is delivering raw water to DISTRICT under this Agreement.

8.1. The source of the raw water will be the following water rights owned by UTILITIES: 0.3533 c.f.s. of Harmes Ditch priority No. 2 and 1.7 c.f.s. of Harmes Ditch priority No. 33, originally decreed in Civil Action No. 16068, District Court, El Paso County, Colorado, and changed to a new point of diversion on Cascade Creek by the decree entered on September 10, 1997, in Case No. 91CW44, by the District Court for Water Division No. 2. If the amount of water available in-priority to those water rights is less than 200 acre-feet or 0.4 c.f.s., then UTILITIES will use other water rights it owns to provide enough additional water to ensure a total delivery of 200 acre-feet annually of raw water at rates of flow up to 0.4 c.f.s. to DISTRICT. In no event will UTILITIES be required to deliver more than 200 acre-feet of raw water to DISTRICT in any calendar year.

8.2. Alternate Supply: The DISTRICT understands that from time to time the old North Slope pipeline may be down for maintenance, both planned and unplanned, and UTILITIES may need to provide water through another pipeline or from a different source during such outages. UTILITIES will provide notice of such outages, the source of water to be provided during the outage, and the method by which the water will be delivered to the DISTRICT as soon as UTILITIES becomes aware of an unplanned outage and no less than 60 days before a planned outage is scheduled.

9. **Limitation on Place of Use:** The treated and raw water provided by UTILITIES under this Agreement may be used only to serve water to DISTRICT's customers located in Sections 22 and 23, the W ½ of the SW ¼ of Section 24, the portions of the NW ¼ of the SE ¼ and the NE ¼ of the SE ¼ of Section 26 lying North of U.S. Highway 24, the North ½ and the SW ¼ of Section 26, and the North ½ and the E ½ of the SE ¼ of Section 27, Township 13 South, Range 68 West of the 6th P.M.

10. **Limitations on Use of Water:** DISTRICT agrees not to use the treated or raw water provided pursuant to this Agreement, directly or indirectly, to furnish water outside the geographic area described in paragraph 9 above or to any entity or person other than the residential, commercial, and industrial customers of DISTRICT. DISTRICT agrees not to knowingly use the water provided pursuant to this Agreement, directly or indirectly, to furnish water for the commercial cultivation of marijuana without UTILITIES' prior written approval.

11. **No Reuse of Water:** Neither DISTRICT nor its customers have the right to recapture, reuse, or make a succession of uses of treated or raw water provided under this

Agreement; and upon completion of the first use, all control over the treated or raw water furnished hereunder reverts completely to UTILITIES. UTILITIES retains the legal ownership of and the right to use, reuse, successively use, and dispose of all reusable return flows, if any, resulting from the DISTRICT's one-time use of the treated or raw water provided by UTILITIES under this Agreement.

12. **Water Use Restrictions:** DISTRICT agrees to establish formal restrictions regarding the use of water by its customers that are no less restrictive than the water use restrictions UTILITIES imposes on its customers and to declare and enforce such restrictions as directed by UTILITIES at any time during the term of this Agreement, consistent with Section 12.4.602 of the City Code of the City of Colorado Springs.

13. **Compliance with Rules:** DISTRICT agrees to comply with all applicable ordinances, resolutions, regulations, rules, and policies concerning the use of UTILITIES' water system.

14. **Water Rights Unaffected:** No water rights are being transferred to or from UTILITIES or DISTRICT under this Agreement.

15. **Regional Cooperation:**

15.1. DISTRICT acknowledges and agrees to support the Fountain Creek Watershed, Flood Control, and Greenway District to the extent authorized under Colorado Revised Statutes § 32-1-1001, *et seq.*

15.2. DISTRICT irrevocably commits not to serve treated or raw water provided under this Agreement to property located outside of the place of use set forth in paragraph 9, which is in the natural drainage of the Arkansas River or to market, transfer, wheel, or otherwise provide water to properties or entities located outside the natural drainage of the Arkansas River Basin.

15.3. DISTRICT agrees to support and cooperate with the City of Colorado Springs, El Paso County, and other regional entities having jurisdiction over stormwater detention and retention on Fountain Creek and to take whatever actions that are within DISTRICT's legal authority to insure that stormwater in the Fountain Creek Basin does not increase above existing conditions, it being understood that DISTRICT has no express authority with respect to regulation or control of stormwater or funding of stormwater projects.

15.4. DISTRICT agrees not to oppose any studies of a flood control dam or dams on Fountain Creek, it being understood that this Agreement creates no obligation for the DISTRICT to fund or participate in any such projects.

15.5. DISTRICT agrees, upon UTILITIES' request, to support UTILITIES in its efforts to obtain any federal, state and local permits or approvals Utilities believes are necessary or beneficial for UTILITIES to provide DISTRICT with water service.

16. **Water Conservation Plan:** DISTRICT agrees to comply with any applicable laws that require it to prepare and/or implement a water conservation plan and to provide a copy to UTILITIES within six months of the adoption of the plan. DISTRICT agrees to abide by and enforce the water conservation plan to the extent required by law.

17. **No Assignment Without Consent; No Third Party Beneficiary:** The rights or obligations contained in this Agreement cannot be assigned by either party without the prior written consent by the other party. Notwithstanding anything herein to the contrary, upon written notice to DISTRICT, UTILITIES may assign this Agreement without consent to the City of Colorado Springs, Colorado. Nothing herein is to be construed to give any rights or benefits hereunder to anyone other than UTILITIES and DISTRICT.

18. **Legal Notice:** Notices under this Agreement, other than DISTRICT's requests for water and UTILITIES' responses to such requests, must be given in writing, signed by an authorized representative of the party giving notice. Telephonic or email notice is not acceptable. Notices must be delivered by facsimile, by courier service delivery (such as Federal Express), or by first-class mail postage prepaid to one of the two (2) people specified below at the following addresses and telephone numbers.

**A. For UTILITIES**

i. Chief Water Services Officer: Gary Bostrom

Courier Service Address:

Colorado Springs Utilities

ATTN: Chief Water Services Officer

121 S. Tejon St., 5th Floor

Colorado Springs, CO 80903

United States Postal Service Address:

Colorado Springs Utilities

ATTN: Chief Water Services Officer

P.O. Box 1105

Colorado Springs, CO 80947-0950

Fax: (719) 668-4158.

ii. City Attorney's Office - Utilities Division

Courier Service Address:

Colorado Springs Utilities  
ATTN: City Attorney's Office – Utilities Division  
121 S. Tejon St., 4th Floor  
Colorado Springs, CO 80903

United States Postal Service Address:

Colorado Springs Utilities  
ATTN: City Attorney's Office – Utilities Division  
P.O. Box 1104  
Colorado Springs, CO 80947-0940  
Fax: (719) 668-8048.

**B. For DISTRICT**

i. Leon Gomes  
Cascade Metropolitan District No. 1  
141 Union Boulevard, Suite 150  
Lakewood, CO 80228  
(303) 987-0835

With a copy to:

WHITE BEAR ANKELE TANAKA & WALDRON  
Attorneys at Law  
ATTN: Jennifer Gruber Tanaka, Esq.  
2154 East Commons Avenue, Suite 2000  
Centennial, Colorado 80122  
Phone: (303) 858-1800  
Fax: (303) 858-1801  
jtanaka@wbapc.com

If a party wishes to change the person(s) to receive notice, notice of such change must be provided to each party in accordance with this paragraph.

19. **Default:** If any party defaults in meeting the terms and conditions of this Agreement, the non-defaulting party must provide the defaulting party with written notice of the default. The notice of default must contain sufficient information to enable the defaulting party to identify and seek to cure the alleged default. The defaulting party will have thirty (30) days from the date it receives notice of default or such greater period as reasonably necessary to cure the specific default. If the default is not cured within the

applicable period, the non-defaulting party has the right to terminate this Agreement and will have all rights and remedies provided by law.

20. **Governing Law, Jurisdictional and Venue:** This Agreement must be construed in accordance with the laws of the State of Colorado (except for its conflict of law provisions) as well as the Colorado Springs City Charter and the City Code. The place of performance and transaction of business is the County of El Paso, State of Colorado. In the event of litigation, the exclusive venue and place of jurisdiction will be the State of Colorado and, more specifically, El Paso County, Colorado, and, if necessary, for exclusive federal questions, the United States District Court for the District of Colorado.

21. **Force Majeure:** Neither party is liable for delays in performing its obligations to the extent the delay is caused by an unforeseeable condition beyond its reasonable control without fault or negligence including strikes, riots, wars, floods, fires, explosions, acts of nature, acts of government, or labor disturbance.

22. **Entire Agreement; Modifications to be in Writing:** This Agreement, including any and all appendices and exhibits attached hereto, contains the entire understanding between the parties. No modification, amendment, notation, or other alteration to this Agreement is valid or of any force or effect unless mutually agreed to by the parties in writing as an addendum to this Agreement. At the time of the execution of this Agreement, there are no other terms, conditions, requirements, or obligations affecting this Agreement which are not specifically set forth herein. Email and all other electronic (including voice) communications from UTILITIES, except as otherwise specifically provided herein, in connection with this Agreement, are for informational purposes only. No such communication is intended by UTILITIES to constitute either an electronic record or an electronic signature or to constitute any agreement by UTILITIES to conduct a transaction by electronic means. UTILITIES hereby expressly disclaims any such intention or agreement.

23. **No Precedent; Severability:** The parties agree that this Agreement is based solely on unique conditions existing at the time of execution and does not constitute a precedent or standard for any future agreement, and does not vest any rights in either party or any third party for novation, renewal, modification, or addition of any other rights or services on account of this Agreement. Any provision or part of this Agreement held to be void or unenforceable under any laws or regulations will be deemed stricken, and all remaining provisions will continue to be binding upon the parties, and the parties agree that this Agreement must/will be reformed to replace such stricken provision with a new provision that comes as close as possible to expressing the lawful purpose of the stricken provision.

24. **Utilities Performance Subject to Annual Appropriation of Funds:** In accord with the Colorado Springs City Charter, performance of UTILITIES' obligations under this Agreement is expressly subject to appropriation of funds by the City Council. In the event funds are not appropriated in whole or in part sufficient for performance of UTILITIES' obligations under this Agreement, or appropriated funds may not be expended due to City Charter spending limitations, then this Agreement will thereafter become null and void by operation of law, and UTILITIES will thereafter have no liability for compensation or damages to DISTRICT in excess of UTILITIES' authorized appropriation for this Agreement or the applicable spending limit, whichever is less. UTILITIES will notify DISTRICT as soon as reasonably practicable in the event of non-appropriation or in the event a spending limit becomes applicable.

25. **District's Performance Subject to Annual Appropriation and Budget.** The DISTRICT does not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The performance of those obligations of the DISTRICT pursuant to this Agreement requiring budgeting and appropriation of funds are subject to annual budgeting and appropriations. UTILITIES expressly understands and agrees that the DISTRICT's obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board and does not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. This Agreement is not intended to be and must not be construed or interpreted as a delegation of governmental powers by the DISTRICT, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the DISTRICT or statutory debt limitation including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. This Agreement must not be construed to pledge or to create a lien on any class or source of DISTRICT funds. The DISTRICT's obligations under this Agreement are subject to annual budgeting and appropriations, and will remain subject to the same for the entire term of this Agreement. Notwithstanding the forgoing, if the DISTRICT fails to appropriate sufficient funds to meet its obligations under this Agreement, at its sole discretion UTILITIES may unilaterally terminate this Agreement and will have no further obligation to perform hereunder.

26. **Governmental Immunity.** Nothing in this Agreement waives, limits, or otherwise modifies, in whole or in part, any governmental immunity that may be available by law to the DISTRICT or UTILITIES, their respective officials, employees, contractors, or agents, or any other person acting on behalf of the DISTRICT or UTILITIES and, in particular, governmental immunity afforded or available to either the DISTRICT or UTILITIES pursuant to the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101, *et seq.*

27. **Counterpart Execution.** This Agreement may be executed in several counterparts, each of which will be deemed an original, but all of which together constitute one and the same Agreement. Executed copies hereof may be delivered by facsimile or email of the document, and, upon receipt, are deemed originals and binding upon the signatories hereto, and will have the full force and effect of the original for all purposes, including the rules of evidence applicable to court proceedings.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates sets forth below.

**COLORADO SPRINGS UTILITIES**

**CASCADE METROPLITAN  
DISTRICT NO. 1**

\_\_\_\_\_  
Jerry Forte  
Chief Executive Officer

\_\_\_\_\_  
Michael Whittemore  
President

Date:

Date:

APPROVED AS TO FORM:

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA &  
WALDRON  
Attorneys at Law

\_\_\_\_\_  
Michael J. Gustafson  
City Attorney's Office – Utilities Division

\_\_\_\_\_  
General Counsel to the District

Exhibit 11

Escrow Agreement

Date:

Escrow Number:

Closer:

The undersigned deposit with Land Title Guarantee Company, a Colorado Corporation, as Escrow Holder (the "Escrow Holder"), the items set forth in Schedule A, to be held by Escrow Holder subject to the terms of this Escrow Agreement, the General Provisions to the Escrow Agreement and the Special Instructions in Schedule B (collectively, the "Escrow Agreement").

All cash deposits must be accompanied by a Form W-9 Request for Taxpayer Identification Number.

**"Schedule A"**

(List of Deposited Documents attached as Schedule A)

from

**"Schedule B"**

(Special Instructions attached as Schedule B)

- Special Instruction No. 1 (Repairs) Attached
- Special Instruction No. 1a (Completions) Attached
- Special Instruction No. 2 (Lender Completion Instructions) Attached
- Special Instruction No. 3 (Indemnity Agreement – Cash Deposit) Attached
- Special Instruction No. 4 (Depository Instructions) Attached
- Special Instruction No. 5 (F.I.R.P.T.A.)
- Special Instruction No. 6 (Resolution of Miscellaneous Issues)
- All others (See attached Schedule "B")

**Schedule C**

(Sample Joint Written Instructions)

The parties to the Escrow Agreement, by their signature below, acknowledge and agree that they have read, and will be bound by the Escrow Agreement, including the General Provisions to the Escrow Agreement, and the Special Instructions in Schedule B.

**Colorado Springs Utilities (Buyer)**

**Cascade Metropolitan District No. 1 (Seller)**

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

Phone #: \_\_\_\_\_

Fax #: \_\_\_\_\_

Fax #: \_\_\_\_\_

Email: \_\_\_\_\_

Email: \_\_\_\_\_

Contact: \_\_\_\_\_

Contact: \_\_\_\_\_

**Cascade Public Service Company (Seller)**

**Realty Management Group, LLC (Seller)**

By: \_\_\_\_\_  
Philip J. Anderson, President

By: \_\_\_\_\_

Address: \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

Phone #: \_\_\_\_\_

Fax #: \_\_\_\_\_

Fax #: \_\_\_\_\_

Email: \_\_\_\_\_  
Contact: \_\_\_\_\_

Fax #: \_\_\_\_\_  
Email: \_\_\_\_\_  
Contact: \_\_\_\_\_

Escrow Fees to be as Follows:

\_\_\_\_\_  
Philip J. Anderson, individually (Seller)

(a) Set up fee \_\_\_\_\_  
(c) Miscellaneous \_\_\_\_\_

Address: \_\_\_\_\_

Phone #: \_\_\_\_\_

Fax #: \_\_\_\_\_

Email: \_\_\_\_\_

Contact: \_\_\_\_\_

Note: After the issuance of four (4) checks, a fee of \$10.00 per check will be made for each additional check.

Note: After the issuance of four (4) checks, a fee of \$10.00 per check will be made for each additional check.

Any correspondence regarding this escrow shall be addressed to:

Received of the Escrow Deposit and acceptance of the Escrow Agreement hereby acknowledged by:  
Land Title Guarantee Company-Escrow Holder

**Land Title Guarantee Company**  
**5975 Greenwood Plaza Blvd.**  
**Greenwood Village, CO 80111**  
**Attn: Escrow Coordinator**  
**Phone: 303-321-1880**  
**Fax: 303-399-8193**

By: \_\_\_\_\_

**Land Title Guarantee Company  
General Provisions to the Escrow Agreement**

**1. Notices.**

Any notices required or permitted to be given under the Escrow Agreement shall have been deemed to have been served:

- i. one business day after the notice is hand delivered with proof of receipt by the addressee, or
- ii. one business day after transmission by facsimile evidencing confirmation of receipt by the receiving facsimile machine, or
- iii. one business day after transmission by email evidencing confirmation of receipt by the receiving email address, or
- iv. if reputable overnight courier (such as United Parcel Service or Federal Express) is used, on the immediately following business day after notice is sent for overnight delivery, or
- v. if the United States Mail is used, on the third business day after the notice is deposited in the United States Mail, postage prepaid;

Provided in each case such notice is addressed to the parties at the addresses given on the first page of this Escrow Agreement.

**2. Reliance on Notice.**

Escrow Holder may act in reliance upon any writing or instrument or signature which Escrow Holder, in good faith, believes to be genuine, and may assume the validity and accuracy of any statement or assertion contained in such a writing or instrument, and may assume that any person purporting to give any writing, notice, advice or instruction in connection with the provisions hereof has been duly authorized so to do.

**3. Laws Relating to Unclaimed Funds.**

Seller and Buyer are hereby advised that unclaimed funds may be payable to the State at some future date pursuant to unclaimed property laws, and should Escrow Holder pay any such funds held in the Escrow Deposit, Escrow Holder shall be released from all further responsibility under the Escrow Agreement and shall not be liable to any party so long as such payment was made pursuant to applicable law.

**4. Escrow Deposit and Interest Earned on Escrow Deposit.**

- a. In the event that the Escrow Deposit consists partly or entirely of money, then during the period the Escrow Holder is in possession of the Escrow Deposit, the money will be deposited in an FDIC insured institution (the "Institution").
- b. Upon receipt or written direction of the parties along with a completed W-9, funds will be invested in an interest bearing account.
- c. Deposits of \$100,000.00 or more may be directed by the parties hereto to other types of investments, or the Escrow Holder may invest the Escrow Deposit in Repurchase Agreements for U.S. Treasury obligations or other Federal agency issued securities.
- d. Escrow Holder shall not be responsible for maximizing the yield on the Escrow Deposit. Under no circumstances shall Escrow Holder be liable for loss of funds due to bank or other Institution failure, including employees or agents thereof, suspension or cessation of business, or any action or inaction on the part of the bank or other institution, or any delivery service transporting funds to and from the institution.
- e. All parties hereto shall execute and deliver to Escrow Holder all forms required by federal, state or other governmental agencies relative to taxation matters and Escrow Holder will file appropriate 1099 or other required forms.

**5. Fees and Expenses of Escrow Holder.**

- a. The Escrow Holder shall be entitled to reimbursement in full, or may demand payment in advance, for all costs, expenses, charges, fees or other payments made or to be made by Escrow Holder in the performance of Escrow Holder's duties and obligations under the Escrow Agreement.
- b. The parties to the Escrow Agreement are jointly and severally liable for the payment to Escrow Holder of all fees and expenses. Escrow Holder is hereby authorized and directed to reimburse to itself in payment of fees or expenses from any funds in the Escrow Deposit, whether from principal or interest or both, at any time, and from time to time, as the same may be due and owing.
- c. Escrow Holder is hereby authorized to withhold any fees or expenses from any disbursement or distribution of Escrow Deposit to any Party hereto or to the Clerk of the Court upon interpleader.
- d. In the event that the Escrow Deposit shall consist of documents only and not funds, Escrow Holder may refuse to distribute any such documents or to otherwise act under this Agreement until all accrued but unpaid fees and expenses have been paid in full.

**6. Non-liability of Escrow Holder.**

- a. Escrow Holder shall not be liable for any mistakes of fact, or errors of judgment, or for any acts or omissions of any kind unless caused by the willful misconduct or gross negligence of Escrow Holder.
- b. Escrow Holder shall not be liable for any taxes, assessments or other governmental charges which may be levied or assessed upon the Escrow Deposit or any part thereof, or upon the income therefrom.
- c. Escrow Holder may rely upon the advice of counsel and upon statements of accountants, brokers or other persons reasonably believed by it in good faith to be expert in the matters upon which they are consulted, and for any reasonable action taken or suffered in good faith based upon such advice or statements.

**7. Indemnity of Escrow Holder.**

The Seller and Buyer, to the extent allowed by law, agree to:

- i. indemnify Escrow Holder for, and hold it harmless against, any and all liability by the Escrow Holder by reason of this Escrow Agreement, or in connection with Escrow Agent's performance of its duties hereunder, except for Escrow Holder's own willful misconduct or gross negligence, and
- ii. reimburse Escrow Holder for all its expenses, including, but not necessarily limited to, attorneys' fees and court costs incurred pursuant to this Escrow Agreement.

**8. Request for Written Instructions.**

- a. Escrow Holder may at any time, and from time to time, request the Seller and Buyer to provide written instructions concerning the propriety of a proposed payment of the Escrow Deposit, distribution of documents, or other action or refusal to act by Escrow Holder.
- b. Should the Seller and Buyer fail to provide such written instructions within a reasonable time, Escrow Holder may take such action, or refuse to act, as it may deem appropriate and shall not be liable to anyone for such action or refusal to act.
- c. Notwithstanding the foregoing, should the terms of the Escrow Agreement be complied with, in the judgment of Escrow Holder, then the Escrow Holder may disburse any funds, distribute documents, or take such action without specific further written instructions from any Party.

**9. Disputes and Interpleader.**

- a. In the event of any dispute between the Parties as to either law or fact, or in the event any of the parties hereto fail, for any reason, to fully receipt and acquit the Escrow Holder in writing, Escrow Holder may refuse, in its discretion, to carry out said escrow instructions or to deliver any funds, documents, or property in its hand to anyone and in so doing shall not become liable to demand.
- b. Escrow Holder shall be entitled to continue, without liability, to refrain and refuse to act:
  - i. until all the rights of the adverse claimants have been finally adjudicated by a court having jurisdiction over the Parties and the items affected hereby, after which time the Escrow Holder shall be entitled to act in conformity with such adjudication; or
  - ii. until all differences shall have been adjusted by agreement and Escrow Holder shall have been notified thereof and shall have been directed in writing signed jointly or in counterpart by the parties and all persons making adverse claims or demand, at which time Escrow Holder shall be protected in acting in compliance therewith.
- c. Escrow Holder also has the right to interplead into a court of competent jurisdiction at the expense of the Parties.

**10. Resignation of Escrow Holder.**

- a. Escrow Holder may resign under this Agreement by giving written notice to all of the parties hereto, effective 30 days after the date of said notice.
- b. Upon the appointment by the parties of a new escrow holder or custodian, or upon written instructions to Escrow Holder for other disposition of the Escrow Deposit, Escrow Holder shall, after retention of its accrued escrow fees and expenses, if any, shall deliver the Escrow Deposit within a reasonable period of time as so directed, and shall be relieved of any and all liability hereunder arising thereafter.

**11. Applicable Law.**

This Agreement shall be governed by the laws of the State of Colorado.

**12. Counterparts/Third Party Beneficiaries.**

The Escrow Agreement may be executed in any number of counterparts, each of which when so executed shall constitute the entire agreement between the Seller and Buyer. The Seller and Buyer acknowledge and agree that there are no intended or unintended third party beneficiaries who may rely upon or benefit from the provisions of this agreement.

**13. Electronic Signature and Notices.**

The execution of this Escrow Agreement, and any other notice required or permitted under this Escrow Agreement, may be given and transmitted by electronic means (including email, facsimile, or similar transmission) and shall be deemed effective for all purposes. Documents with original signatures are not required. If original signatures are required by any party, this request must be made prior to execution of this Escrow Agreement or any other notice, to ensure compliance with the request.

Exhibit 11

**SCHEDULE A to Escrow Agreement  
Documents Deposited with Escrow Agent**

1. Realty Management Group, LLC Partial Release of Deed of Trust – Water Rights.
2. Realty Management Group, LLC Bargain and Sale Deed to the City of Colorado Springs and its enterprise Colorado Springs Utilities – Water Rights.
3. Cascade Public Service Company Special Warranty Deed to the City of Colorado Springs and its enterprise Colorado Springs Utilities – Water Rights.
4. Philip J. Anderson Quit Claim Deed to the City of Colorado Springs and its enterprise Colorado Springs Utilities – Water Rights.
5. Cascade Metropolitan District No. 1 Quit Claim Deed to the City of Colorado Springs and its enterprise Colorado Springs Utilities – Water Rights.
6. Cascade Public Service Company Special Warranty Deed to Cascade Metropolitan District No. 1 – Water Right.
7. Philip J. Anderson Quit Claim Deed to Cascade Metropolitan District No. 1 – Water Right.

## **SCHEDULE B – Special Instructions**

The parties to this Escrow Agreement, excluding the Escrow Agent, are parties to a March 2015 Settlement Agreement entered into among the Cascade Public Service Company, Inc. (“CPSC”); the Cascade Metropolitan District No. 1 (“CMD”); Realty Management Group, LLC (“RMG”); the City of Colorado Springs and its enterprise Colorado Springs Utilities (“Utilities”); Philip J. Anderson (“Anderson”); and Chris Reimer, Diannia Wagner, Susan Soloyanis, Jim Borden, Robert Pennick, Janice Eder, Steve Spaulding, and Niente Smith (collectively “Intervenors”). This Escrow Agreement is part of the Settlement Agreement and is intended to effectuate agreements between certain of the parties set forth in the Settlement Agreement. The Intervenors are not parties to this Escrow Agreement.

The purpose of this Escrow Agreement is for the Escrow Agent to hold the documents identified in Schedule A, which documents will be delivered to the Escrow Agent at the First Closing as defined in the Settlement Agreement. The documents will be held by the Escrow Agent until receipt of written instruction from the parties to this Escrow Agreement, or until December 31, 2015, whichever occurs first.

Pursuant to the Settlement Agreement, by the Second Closing, as defined therein, the parties will have executed joint written instructions authorizing and directing the Escrow Agent to record the escrowed documents in the public records of the office of the El Paso County Clerk and Recorder in order set forth in Schedule A, and upon completion of recordation, to deliver (1) the recorded original of the Partial Release of Deed of Trust to Utilities; and (2) the recorded original of each deed to the respective Grantee. Utilities will be responsible for delivering the joint written instructions to the Escrow Agent. A sample form of joint written instructions is attached hereto as Schedule C, and by mutual agreement the parties hereto can modify the joint written instructions to the Escrow Agent.

If the Parties have not delivered joint written instructions to Escrow Agent on or before December 31, 2015, then the Escrow Agent must deliver documents 1 and 2 on Schedule A to RMG; documents 3 and 5 on Schedule A to CMD; and documents 4, 6 and 7 on Schedule A to Anderson.

**SCHEDULE C – Sample Joint Written Instructions**

Land Title Guarantee Company  
5975 Greenwood Plaza Blvd.  
Greenwood Village, CO 80111  
Attn: Escrow Coordinator

Re: Joint Written Instructions to Escrow Agent for Escrow Number: \_\_\_\_\_

Dear Sir/Madam:

This letter is the Joint Written Instruction of Cascade Public Service Company, Inc.; the Cascade Metropolitan District No. 1; Realty Management Group, LLC; the City of Colorado Springs and its enterprise Colorado Springs Utilities; and Philip J. Anderson concerning the document held in escrow by you under Escrow Number \_\_\_\_\_. We hereby authorize and direct you to record the escrowed documents in the public records of the office of the El Paso County Clerk and Recorder in order set forth in Schedule A to the Escrow Agreement, and upon completion of recordation, to deliver the recorded original Partial Release of Deed of Trust to Colorado Springs Utilities, the recorded originals of each deed to the respective Grantee and deliver the recorded Termination of Water Supply Agreement and Assignment to Cascade Metropolitan District, all at the addresses set forth on the Escrow Agreement.

Thank you for your assistance.

**COLORADO SPRINGS UTILITIES**

**CASCADE METROPOLITAN DISTRICT  
NO. 1**

\_\_\_\_\_  
Jerry Forte, Chief Executive Officer  
Date:

\_\_\_\_\_  
President  
Date:

**REALTY MANAGEMENT GROUP, LLC**

**CASCADE PUBLIC SERVICE COMPANY**

\_\_\_\_\_  
Date:

\_\_\_\_\_  
Philip J. Anderson, President  
Date:

\_\_\_\_\_  
Philip J. Anderson, individually  
Date: