

DISTRICT COURT, CHAFFEE COUNTY, COLORADO Court Address: 142 Crestone Avenue, P.O. Box 279, Salida, CO, 81201	DATE FILED: September 4, 2015 10:46 AM CASE NUMBER: 2014CV30032 <p style="text-align: center;">⚠ COURT USE ONLY ⚠</p> Case Number: 2014CV30032 Division: 2 Courtroom:
Plaintiff(s) COLORADO DEPT OF PUBLIC HEALTH AND ENVIR v. Defendant(s) MONARCH MOUNTAIN LODGE LLC et al.	
Order: Proposed Order for Entry of Proposed Consent Order	

The motion/proposed order attached hereto: GRANTED.

Issue Date: 9/4/2015



BRIAN LOUIS GREEN
 Magistrate

<p>DISTRICT COURT, CHAFFEE COUNTY, COLORADO 142 Crestone Salida, CO 81201</p> <hr/> <p>COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, WATER QUALITY CONTROL DIVISION,</p> <p>Plaintiff,</p> <p>v.</p> <p>IMYS BOYS CONDOS, LLC, FINANCIAL CONSULTANTS, INC., and MONARCH MOUNTAIN LODGE, LLC,</p> <p>and</p> <p>INN-VESTORS, INC., HOTEL FINANCE PARTNERS INC., and MONARCH MOUNTAIN WASTEWATER CO.</p> <p>Defendants.</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>CYNTHIA H. COFFMAN, Attorney General ELLEN I. HOWARD, Asst. Attorney General* Registration Number: 46019 JERRY W. GOAD, First Asst. Attorney General* Registration Number: 11284 1300 Broadway, 7th Floor Denver, CO 80203 (720) 508-6000 *Counsel of Record</p>	<p>Case No.: 2014CV30032</p>
<p style="text-align: center;">[PROPOSED] ORDER GRANTING UNOPPOSED MOTION FOR ENTRY OF THE CONSENT ORDER AS A FINAL ORDER OF THE COURT</p>	

This matter comes before the Court on the Parties' *UNOPPOSED MOTION FOR ENTRY OF PROPOSED CONSENT ORDER AS A FINAL ORDER OF THE COURT*. The Court, having considered the motion and being otherwise fully informed of the premises, hereby GRANTS said motion. It is

therefore ORDERED that the PROPOSED CONSENT ORDER filed on August 30, 2015 is a fully enforceable FINAL ORDER of this Court.

The above captioned matter is hereby DISMISSED WITH PREJUDICE as to Defendants Monarch Mountain Lodge, LLC, Imy's Boy's Condos, LLC, and Financial Consultants, Inc.

This Court retains jurisdiction to enforce the terms of the CONSENT ORDER until it is terminated pursuant to the terms thereof. At such time as the requirements for termination of the CONSENT ORDER have been satisfied, this Court will terminate the CONSENT ORDER and dismiss the matter with prejudice.

DONE this _____ day of _____, 2015.

BY THE COURT:

District Court Judge

<p>DISTRICT COURT, CHAFFEE COUNTY, COLORADO 142 Crestone Salida, CO 81201</p> <hr/> <p>COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, WATER QUALITY CONTROL DIVISION,</p> <p>Plaintiff,</p> <p>v.</p> <p>IMYS BOYS CONDOS, LLC, FINANCIAL CONSULTANTS, INC., and MONARCH MOUNTAIN LODGE, LLC,</p> <p>and</p> <p>INN-VESTORS, INC., HOTEL FINANCE PARTNERS INC., and MONARCH MOUNTAIN WASTEWATER CO.</p> <p>Defendants.</p>	<p>DATE FILED: August 31, 2015 3:43 PM FILING ID: 806EE8F0AD356 CASE NUMBER: 2014CV30032</p> <p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>CYNTHIA H. COFFMAN, Attorney General ELLEN I. HOWARD, Asst. Attorney General* Registration Number: 46019 JERRY W. GOAD, First Asst. Attorney General* Registration Number: 11284 1300 Broadway, 7th Floor Denver, CO 80203 (720) 508-6000 *Counsel of Record</p>	<p>Case No.: 2014CV30032</p>
<p>UNOPPOSED MOTION FOR ENTRY OF THE PROPOSED CONSENT ORDER AS A FINAL ORDER OF THE COURT</p>	

Plaintiff, Colorado Department of Public Health And Environment, Water Quality Control Division (“Division”), by and through undersigned counsel, along with counsel for Defendant Monarch Mountain Lodge, LLC, and counsel for Defendants Inn-Vestors, LLC, Hotel Finance Partners, Inc., and Monarch

Mountain Lodge Wastewater Company, LLC, (hereafter, “the Parties”) hereby submit this Unopposed Motion for Entry of the Proposed Consent Order as a Final Order of the Court. As grounds for this Motion, the Parties state as follows:

1. On August 30, 2015, after several months of negotiations, and after consultation with counsel, the Parties voluntarily executed the Proposed Consent Order attached hereto as Exhibit 1.
2. The Proposed Consent Order fully and completely resolves, without trial or final adjudication of the issues of fact or law, the entire controversy between the Parties in the above captioned case.
3. Therefore, upon consent of the Parties as expressed in the Proposed Consent Order, and upon the consideration of the mutual promises contained therein, the Parties request that this Court enter a Final Order in this matter adopting the Proposed Consent Order as a Final Order of the Court.
4. Provided that the Court enters a Final Order adopting the Proposed Consent Order, the Parties intend to seek from this Court the following:
 - a. Immediate dismissal of the pending case with prejudice as to parties Monarch Mountain Lodge, LLC, Imy’s Boy’s Condos LLC, and Financial Consultants, Inc.
 - b. Termination of the Proposed Consent Order and dismissal of the case with prejudice at such time as the provisions of said Proposed Consent Order have been satisfied.
5. The Court will retain jurisdiction until the Proposed Consent Order is terminated.

Respectfully submitted this 30th day of August, 2015.

CYNTHIA H. COFFMAN
Attorney General

A duly signed original is on file at the Colorado Department of Law.

/s/ Ellen I. Howard

ELLEN HOWARD, 46019*
Assistant Attorney General
JERRY W. GOAD, 11284*
First Assistant Attorney General
Attorneys for Colorado Water Quality
Control Division
*Counsel of Record

CERTIFICATE OF SERVICE

I do hereby certify that on this 30th day of August, 2015, a copy of the foregoing **UNOPPOSED MOTION FOR ENTRY OF THE PROPOSED CONSENT ORDER AS A FINAL ORDER OF THE COURT** was served upon the following parties in the following manor:

Electronically via ICCES:

William A. Hillhouse, Esq.
John P. Justice, Esq.
Hoskin, Farina, and Kampf, P.C.
P.O. Box 27419
Denver, CO 80227

Chris Cummins, Esq.
Felt, Monson & Culichia, LLC
319 N. Weber
Colorado Springs, Colorado 80903

via US mail:

Financial Consultants, Inc., and Imy's Boy's Condos, LLC
c/o Richard R. McHose, Manager/Member
5466 Westwood Drive
West Des Moines, IA 50266

A duly signed original is on file at the Colorado Department of Law.

/s/Barbara Boyd

Barbara Boyd

<p>DISTRICT COURT, CHAFFEE COUNTY, COLORADO 142 Crestone Salida, CO 81201</p> <hr/> <p>COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, WATER QUALITY CONTROL DIVISION,</p> <p>Plaintiff,</p> <p>v.</p> <p>IMYS BOYS CONDOS LLC, FINANCIAL CONSULTANTS, INC., and MONARCH MOUNTAIN LODGE, LLC,</p> <p>and</p> <p>INN-VESTORS, INC., HOTEL FINANCE PARTNERS INC., and MONARCH MOUNTAIN WASTEWATER CO.</p> <p>Defendants.</p>	<p>DATE FILED: August 31, 2015 3:43 PM FILING ID: 806EE8F0AD356 CASE NUMBER: 2014CV30032</p> <p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>CYNTHIA H. COFFMAN, Attorney General ELLEN I. HOWARD, Asst. Attorney General* Registration Number: 46019 JERRY W. GOAD, First Asst. Attorney General* Registration Number: 11284 1300 Broadway, 7th Floor Denver, CO 80203 (720) 508-6000 *Counsel of Record</p>	<p>Case No.: 2014CV30032</p>
<p>[PROPOSED] CONSENT ORDER</p>	

The Colorado Department of Public Health and Environment (“Department”), through the Water Quality Control Division (“Division”), issues this Proposed Consent Order (“Consent Order”), in accordance with §§ 25-8-602 and 605, C.R.S. of the Colorado Water Quality Control Act (“the Act”) §§ 25-8-101 to 803, C.R.S., and its implementing regulations, with the express consent of defendants Monarch Mountain Lodge, LLC (“MML”), Financial Consultants, Inc. (“Financial Consultants”), Imy’s Boy’s Condos, LLC (“Imy’s Boy’s”), collectively, the “MML Former Owners,” and

Inn-Vestors, Inc. (“Inn-Vestors”), Hotel Finance Partners Inc. (“Hotel Finance Partners”), Monarch Mountain Lodge Wastewater Company (“MML Wastewater Co.”), collectively the “Monarch Mountain Lodge Partners.” The Division, the MML Former Owners, and the Monarch Mountain Lodge Partners may be referred to collectively as “the Parties.”

STATEMENT OF PURPOSE

1. The mutual objectives of the Parties in entering into this Consent Order are:
 - a. To establish compliance requirements and criteria for the interim operation of the wastewater treatment plant (“WWTP”) located at or near geographic coordinates 38.5503°, -106.2867°, near the Town of Garfield, Chaffee County, Colorado (the “Facility”); and
 - b. To establish requirements for planning, designing, commencing and completing construction of a new and/or expanded wastewater treatment plant; and
 - c. To resolve, without further litigation, the violations cited herein and the Complaint for Injunctive Relief and Penalties filed June 13, 2014 and the First Amended Complaint for Injunctive Relief and Penalties filed February 5, 2015 in the District Court for Chaffee County, Colorado (collectively, the “Lawsuit”) for the alleged violations cited therein by the Division, and the associated civil penalties.

GENERAL ALLEGATIONS

2. The Monarch Mountain Lodge (the “Lodge”) is an approximately 90-room hotel and restaurant located in the unincorporated town of Garfield in Chaffee County. The Lodge is located in Chaffee County with an address of 22720 West US Highway 50, Garfield, Colorado 81227, which lies just south of U.S. Highway 50 below the confluence of the Middle Fork of the South Arkansas River and the South Arkansas River.
3. The Lodge is associated with separate parcels of land that contain a drinking water system, sewage collection system, and the WWTP (“WWTP Parcels”). The Lodge owners currently and historically provide these services to the Lodge itself and to properties in the town of Garfield. Approximately 34 privately-owned vacation rental properties and 6-12 full time residents in Garfield rely on the Lodge owners to provide drinking water and wastewater services.

4. MML is a Colorado limited liability company and registered to conduct business in the State of Colorado.
5. Financial Consultants, Inc. (“Financial Consultants”) is an Iowa corporation and registered to conduct business in the State of Colorado.
6. Imy’s Boy’s Condos LLC (“Imy’s Boy’s”) was a Colorado limited liability company and registered to conduct business in the State of Colorado.
7. Inn-Vestors, Inc. (“Inn-Vestors”) is an Arkansas Corporation not registered to conduct business in the State of Colorado. From the period of November 4, 2014 through February 5, 2015, Inn-Vestors owned, managed and operated the Lodge. Inn-Vestors has been divested of all ownership interests in the Lodge and the WWTP, with MML Wastewater Co. and Hotel Finance Partners as its successors.
8. Monarch Mountain Lodge Wastewater Company (“MML Wastewater Co.”) is a Texas corporation registered to conduct business in the State of Colorado.
9. Hotel Finance Partners, Inc. (“Hotel Finance Partners”) is a Texas corporation registered to conduct business in the State of Colorado.
10. MML, Financial Consultants, Imy’s Boy’s, Inn-Vestors, MML Wastewater Co., and Hotel Finance Partners are each a “person” as defined by § 25-8-103(13), C.R.S. and its implementing permit regulation, 5 CCR 1002-61, § 61.2(73).
11. From the period of June 2006 through November 4, 2014, Financial Consultants owned the WWTP Parcels and the real property associated with the WWTP and office area of the Lodge.
12. From the period of June 2006 through November 4, 2014, Imy’s Boy’s owned the real property associated with the Lodge hotel and restaurant.
13. From the period of June 2006 through November 4, 2014, MML managed and operated the Lodge, with its associated business, and WWTP Parcels.
14. On November 4, 2014, the Lodge and WWTP were sold by Imy’s Boy’s and Financial Consultants. The buyer of the properties was Inn-Vestors. This transfer was executed as part of a contract to buy and sell real estate initially drafted on October 13, 2014 and amended on October 22, 2014, October 27, 2014, October 30, 2014, and November 3, 2014. The Division was not involved in the sale of the Lodge and the WWTP and was not consulted about the terms and

conditions of the sale. It takes no position as to the legal effect of any provision of the sales contract.

15. The real estate contract, as amended, addressed this pending litigation. Paragraph 30 of the October 13th version of the contract states, in part:

The Buyer will take full responsibility for any and all fees, penalties, fines, liens, assessments or judgments levied against the sellers for the violations sellers have created and assessed by the CDPHE and any attorney fees that may be assessed by the Colorado State Attorney General's Office... The provisions of this Paragraph 30 shall survive the closing.

16. The October 30, 2014 version of the contract added an additional provision, stating:

Buyer will perform the remedial work the State requires subsequent to closing at Buyer's expense and hold the Sellers and Monarch Mountain Lodge, LLC (MML) harmless from any further responsibility to satisfy the State requirements. Buyer agrees to enter into an agreement with the CDPHE under which Buyer authorizes CDPHE to proceed directly and solely against Buyer to enforce such obligations and any obligations that the Buyer may assume to settle Case No. 2014CV30032 and CDPHE releases Sellers and Monarch Mountain Lodge, LLC ("MML") with respect to that case or the waste water treatment facility.

17. Inn-Vestors took title to the Lodge on November 4, 2014.
18. Inn-Vestors transferred title to the WWTP Parcels and Lodge to Hotel Finance Partners on February 5, 2015.

DIVISION'S FINDINGS OF FACT AND DETERMINATION OF VIOLATIONS

19. The WWTP consists of an influent wet well/holding basin, aeration basin, a clarifier, a chlorine contact basin, and a de-chlorination vault. The WWTP is rated to accept and treat an average of 0.037 million gallons of wastewater per day and an average of 58 pounds per day of 5-day biological oxygen demand ("BOD5"), in accordance with the Division site location approval dated March 25, 2015.
20. The WWTP discharges the treated wastewater, called "effluent," from an "outfall" into the South Arkansas River. The South Arkansas River continues its course

for approximately 18 miles before reaching the city of Salida, which utilizes the river as a source for its drinking water supply.

21. Colorado law prohibits any person from discharging pollutants into state waters without first obtaining a permit from the Department. § 25-8-501(1), C.R.S. and 5 CCR 1002-61, § 61.3(1)(a). Even properly treated effluent still contains some pollution, so discharging treated wastewater from a WWTP into the South Arkansas River is considered a discharge of pollutants into state waters, and can only be done in accordance with a Colorado Discharge Permit System (“CDPS”) Permit.
22. The South Arkansas River is a “state water” as defined by § 25-8-103(19), C.R.S., and its implementing permit regulation, 5 CCR 1002-61, § 61.2 (102).
23. The WWTP is the subject of CDPS Permit Number CO-0028444 (the “Permit”). The Permit authorizes the discharge of properly treated wastewater from the WWTP through Outfall 001A into the South Arkansas River, subject to certain terms and conditions that are designed to protect the beneficial uses of the South Arkansas River. These terms and conditions include, but are not limited to: limitations on the maximum amount of allowable pollution that can be contained in the effluent that is discharged to the South Arkansas River (i.e., effluent limitations); requirements to monitor the quality (pollutant content) and quantity of the wastewater flowing into the WWTP (i.e., plant influent); requirements to monitor the quality (pollutant content) and quantity of the effluent being discharged from the WWTP; to submit those monitoring results monthly to the Department on a Discharge Monitoring Report form (“DMR”); and to ensure that the WWTP is being properly maintained and operated.
24. The Permit was issued to MML for a five-year term on March 27, 2007. The Permit was administratively extended on May 7, 2012, in accordance with § 24-4-104(7), C.R.S. The administratively extended Permit was transferred from MML to MML Wastewater Co. and Hotel Finance Partners (as co-permittees) on April 9, 2015. The Permit was renewed and re-issued on July 1, 2015 to MML Wastewater Co. and Hotel Finance Partners and became effective August 1, 2015.
25. Pursuant to 5 CCR 1002-61, § 61.8, a permit holder must comply with all the terms and conditions of the Permit, and violations of such terms and conditions as specified in the Permit or its subsequent amendments may be subject to civil and criminal liability pursuant to §§ 25-8-601-612, C.R.S.

26. Pursuant to § 25-9-110(2)(a), C.R.S., and 5 CCR 1003-2, § 100.18.1(a), no owner of a wastewater treatment facility shall allow the facility to be operated without the direct supervision of an operator-in-responsible-charge certified in a classification equivalent to or higher than the classification of the facility as specified in 5 CCR 1003-2, § 100.4-.8.
27. On November 18, 2013, the Department issued Notice of Violation/Cease and Desist Order Number DO-131118-1 (the “NOV/CDO”) and Operator Certification Notice of Violation, Number OW-131118-1 (“ORC NOV”) to MML for alleged violations of the Water Quality Control Act, regulations thereunder, the Water and Wastewater Facility Operators Certification Statute, and regulations thereunder, respectively, based on its failure to meet the terms and conditions of the Permit and operator certification requirements. Specifically, MML was cited for exceeding the effluent limitations in the Permit, failing to properly monitor the plant influent and effluent, failing to submit DMRs, failing to properly operate and maintain the WWTP, failing to provide chlorination/dechlorination of the effluent prior to discharge, failing to maintain records, and failing to operate the facility with a certified operator-in-responsible-charge.
28. The NOV/CDO and ORC NOV also contained required corrective actions which prescribed actions that MML must take to return to compliance. MML was required to: 1) cease and desist from all violations of the Water Quality Control Act; 2) ensure that all DMRs are submitted to the Department as required by the Permit; 3) provide a summary of all influent and effluent data; 4) retain the services of a professional engineer to perform an evaluation of the facility and recommend measures to ensure that the WWTP provides adequate wastewater treatment and, based on this evaluation; 5) submit a report to the Department outlining specific measures that MML will implement to ensure MML complies with the terms and conditions of the Permit; 6) submit monthly progress reports to the Department by the end of each calendar month, and; 7) provide written notice to the Department if MML becomes aware of any situation that causes MML to be unable to comply with the NOV/CDO. In addition, the ORC NOV required MML to take corrective actions to retain an operator-in-responsible-charge properly certified to operate the WWTP, and submit documentation to the Department indicating that the WWTP was being operated under adequate supervision.
29. MML did not respond to the NOV/CDO nor did MML submit an answer in response to the NOV/CDO and ORC NOV as required by § 25-8-603, C.R.S. and § 25-9-110(3) C.R.S., respectively, and MML failed to complete the required corrective actions. MML did not request a hearing, making the NOV/CDO and ORC NOV final agency actions.

30. Following the sale of the Lodge and WWTP to Inn-Vestors, an engineering evaluation of the WWTP (dated December 16, 2014) was provided to the Division. This report contained the following finding regarding the WWTP:

The facility presently appears to be in very poor condition and appears to pose safety risks to the operators and trespassing general public....[the] facility appears to possess no means to properly operate and control the extended aeration activated sludge (EAAS) wastewater treatment process. In its current condition, the facility will likely not be able to meet its effluent discharge limits. Immediate improvements in both operations and infrastructure are necessary to return the facility to compliance with the terms and conditions of the discharge permit....The existing facility also does not have sufficient permitted capacity to treat wastewater from a fully occupied MML [Lodge] and adjacent service area.

31. The engineering evaluation recommended a number of short-term improvements to immediately address deficiencies in the WWTP so as to improve process control and operation of the WWTP and so that safety and security concerns could be addressed. The engineering evaluation further concluded that the long-term solution to address the WWTP deficiencies was construction of a new wastewater treatment plant to comply with the site location and design approval requirements outlined in § 25-8-702, C.R.S. and 5 CCR 1002-22 and to comply with any current and future CDPS permit.
32. Between January 6, 2015 and March 11, 2015, Monarch Mountain Lodge Partners and its representatives pumped untreated wastewater directly from the WWTP and hauled it to the City of Salida's wastewater treatment facility for disposal. Pumping wastewater from the plant prevented untreated wastewater (sewage) from being discharged from the WWTP to the South Fork of the Arkansas River while short-term improvements to the WWTP were being implemented.
33. Beginning February 2015, Monarch Mountain Lodge Partners made a number of the short-term improvements suggested in the Capacity Decrease Evaluation to the WWTP. On February 12, 2015, Monarch Mountain Lodge Partners opened the Lodge and began accepting guests. Monarch Mountain Lodge Partners resumed discharging from the WWTP on or about March 26, 2015.

AGREEMENT AND ORDER

34. Based on the foregoing factual and legal determinations, pursuant to its authority under §§ 25-8-602 and 605, C.R.S., and in satisfaction of the civil

penalties associated with the alleged violations cited herein and in the NOV/CDO and ORC NOV, the Court orders, and Monarch Mountain Lodge Partners agree to comply with all provisions of this Consent Order, including all requirements set forth below.

35. The MML Former Owners and Monarch Mountain Lodge Partners agree to the terms and conditions of this Consent Order. Monarch Mountain Lodge Partners, as successor in interests and pursuant to the contractual agreement described above and indemnity agreement provided below, agrees that this Consent Order constitutes a final, non-appealable corrective action order issued pursuant to §§ 25-8-602 C.R.S. and a final cease and desist order issued pursuant to §§ 25-8-605, C.R.S. and is an enforceable requirement of the Act. Monarch Mountain Lodge Partners also agrees not to challenge directly or collaterally, in any judicial or administrative proceeding brought by the Division or by Monarch Mountain Lodge Partners against the Division:
 - a. The issuance of this Consent Order;
 - b. The factual and legal determinations made by the Division herein; and
 - c. The Division's authority to bring, or the court's jurisdiction to hear, any action to enforce the terms of this Consent Order under the Act.
36. The Parties agree not to contest the Division's findings of fact and determination of violations in the NOV and ORC NOV and agree to the requirements herein.
37. Notwithstanding the above, neither the MML Former Owners nor the Monarch Mountain Lodge Partners admit any of the factual or legal determinations made by the Division herein. The MML Former Owners and Monarch Mountain Lodge Partners expressly reserve their individual rights to deny any of the Division's factual or legal determinations or defend themselves in any third party proceeding relating to the information identified in this Consent Order.

Third Party Indemnification

38. Monarch Mountain Lodge Partners reiterates, affirms and assumes all prior agreements to indemnify and hold harmless the MML Former Owners with respect to the responsibility for and expenses for completion of any required remedial work associated with the WWTP, including, but not limited to, the repair, replacement, and/or construction and operation of WWTP facilities, and payment of the civil penalty assessed under paragraph 45 of this Order and Agreement. This paragraph applies to Monarch Mountain Lodge Partners and the MML Former Owners only. The Division takes no position on this issue.

Compliance Requirements

39. Monarch Mountain Lodge Partners shall, at all times, implement measures to maintain compliance with the Act and the terms and conditions of the Permit.

40. Monarch Mountain Lodge Partners shall comply with the following schedule for financing, design and construction of a new and/or expanded wastewater treatment plant capable of accepting and treating the hydraulic and organic loading from the town of Garfield and a fully occupied Lodge and restaurant and discharging treated wastewater in compliance with the Permit.
 - a. By no later than December 31, 2015, Monarch Mountain Lodge Partners shall provide documentation to the Division that it has retained the services of a professional engineer registered in the state of Colorado and experienced in domestic wastewater treatment to design a new and/or expanded wastewater treatment plant. The documentation shall include, at a minimum, a copy of the individual or entity's qualifications and a copy of the written contract or agreement for services, including a copy of the scope of services to be provided;
 - b. By no later than December 31, 2015, Monarch Mountain Lodge Partners shall submit to the Division its financing plan identifying the anticipated funding mechanism(s) for design and construction of the new and/or expanded wastewater treatment plant, specifically addressing whether private or public entity financing is anticipated;
 - c. By no later than March 31, 2016, Monarch Mountain Lodge Partners shall submit to the Division an application for Preliminary Effluent Limitations (PELs) to support the design of the new and/or expanded wastewater treatment plant;
 - d. By no later than September 30, 2016, Monarch Mountain Lodge Partners shall submit to the Division a complete site location and design approval application package for the new and/or expanded wastewater treatment plant in accordance with § 25-8-702, C.R.S. and 5 CCR 1002-22;
 - e. By no later than September 30, 2016, Monarch Mountain Lodge Partners shall submit to the Division a complete CDPS permit application for the new and/or expanded wastewater treatment plant;
 - f. By no later than August 1, 2017, Monarch Mountain Lodge Partners shall initiate construction of the new and/or expanded wastewater treatment plant. Monarch Mountain Lodge Partners

shall notify the Division that construction has begun within five (5) calendar days of initiating construction. *Monarch Mountain Lodge Partners shall not initiate construction until such time as it has obtained the necessary site location and design approval(s) as required by § 25-8-702, C.R.S. and 5 CCR 1002-22, or unless otherwise specifically authorized, in writing, by the Division. For purposes of this requirement, “construction” means the erection or physical placement of materials, equipment, piping, earthwork, or buildings which are to be part of a domestic wastewater treatment works, as defined by § 25-8-702, C.R.S. and 5 CCR 1002-22;*

- g. By no later than December 31, 2017, Monarch Mountain Lodge Partners shall complete construction and place the new and/or expanded wastewater treatment plant on-line. Monarch Mountain Lodge Partners shall notify the Division immediately upon commencement of a discharge; and
 - h. By no later than January 30, 2018, Monarch Mountain Lodge Partners shall submit to the Division the required close out documents, including: 1) 30-day notice of substantial completion; 2) construction application; 3) resolution letter; 4) 30-day notice of contractor’s final payment; 5) final project budget summary; and, 6) any other loan condition documents (if applicable).
41. Should Monarch Mountain Lodge Partners determine that a public entity such as a special district is necessary for the efficient financing and construction of the new and/or expanded wastewater treatment plant described herein, Monarch Mountain Lodge Partners shall consult with the Division to address the milestones associated with special district formation and how those milestones impact the time schedule outlined in paragraph 40 above. Consistent with Paragraph 72 herein, the time schedule outlined in paragraph 40 may be modified as appropriate but by no means will the schedule extend beyond November 1, 2018.
42. By no later than October 31, 2015, Monarch Mountain Lodge Partners shall submit to the Division an interim measures plan to ensure that during construction of the new and/or expanded wastewater treatment plant, the hydraulic and organic loading to the current WWTP will not exceed the approved capacity and that the discharge from the current WWTP complies with the Permit. The interim measures plan shall include, but not be limited to: measures for limiting the generation of wastewater from the Lodge (e.g., limiting the occupancy rate, limiting meals served at the restaurant, etc.); controlling excessive infiltration/ inflow (“I/I”) to the collection system; standard operating procedures for maintenance of the current WWTP; identification of auxiliary

treatment works; and/or approval from the City of Salida to haul and dispose of sewage from the WWTP at the City of Salida's wastewater treatment facility. If any of the measures require Division site location and design approval, Monarch Mountain Lodge Partners shall timely file a complete site location and/or design approval request in accordance with § 25-8-702, C.R.S. and 5 CCR 1002-22. Monarch Mountain Lodge Partners shall not initiate construction until such time as it has obtained the necessary site location and design approval(s) as required by § 25-8-702, C.R.S. and 5 CCR 1002-22, or unless otherwise specifically authorized, in writing, by the Division. For purposes of this requirement, "construction" means the erection or physical placement of materials, equipment, piping, earthwork, or buildings which are to be part of a domestic wastewater treatment works, as defined by § 25-8-702, C.R.S. and 5 CCR 1002-22.

43. Monarch Mountain Lodge Partners shall submit quarterly progress reports to the Division outlining efforts taken to achieve compliance with this Consent Order. The first report shall be submitted to the Division on or before December 31, 2015. At a minimum, each report shall outline activities undertaken in the current reporting period and planned activities for the next quarter to remain in compliance with this Consent Order and shall include, as necessary, updates to the financing plan outlined in Paragraph 40.b.
44. All documents submitted under this Consent Order shall use the same titles as stated in this Consent Order, and shall reference both the number of this Consent Order and the number of the paragraph pursuant to which the document is required. No plan submitted for Division approval under this Consent Order may be implemented unless and until written approval is received from the Division. Any approval by the Division of a plan submitted under this Consent Order is effective upon receipt by Monarch Mountain Lodge Partners. All approved plans, including all procedures and schedules contained in the plans, are hereby incorporated into this Consent Order, and shall constitute enforceable requirements under the Act.

CIVIL PENALTY

45. Based upon the factors set forth in § 25-8-608(1), C.R.S., and consistent with Department policies for violations of the Act, Monarch Mountain Lodge Partners shall pay the Department One Hundred Sixty Five Thousand Two Hundred Eighty Five Dollars (\$165,285.00) in complete and full satisfaction of all civil penalties sought or alleged by the Department and Division in the Lawsuit. Method of payment shall be by certified or cashier's check drawn to the order of the "Colorado Department of Public Health and Environment," and delivered to:

Kelly Morgan
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CWE-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530

SCOPE AND EFFECT OF CONSENT ORDER

46. The Parties agree and acknowledge that this Consent Order constitutes a full and final settlement of the civil penalties associated with the violations cited herein and in the NOV/CDO and ORC NOV.
47. The Parties' obligations under this Consent Order are limited to the matters expressly stated herein or in approved submissions required hereunder. All submissions made pursuant to this Consent Order are incorporated into this Consent Order and become enforceable under the terms of this Consent Order as of the date of approval by the Division.
48. The Division's approval of any submission, standard, or action under this Consent Order shall not constitute a defense to, or an excuse for any subsequent violation of any requirement of this Consent Order or the Act.
49. Notwithstanding paragraph 37 above, and notwithstanding Monarch Mountain Lodge Partners' status as the successor in interest to MML Former Owners against whom the violations alleged in the enforcement orders, and this litigation, was initiated, the violations described in this Consent Order will constitute part of Monarch Mountain Lodge Partners' compliance history.
50. Monarch Mountain Lodge Partners shall comply with all applicable Federal, State, and/or local laws in fulfillment of its obligations hereunder and shall obtain all necessary approvals and/or permits to conduct the activities required by this Consent Order. The Division makes no representation with respect to approvals and/or permits required by Federal, State, or local laws other than those specifically referred to herein.

**LIMITATIONS, RELEASES AND RESERVATION OF RIGHTS AND
LIABILITY**

51. Upon the effective date of this Consent Order, and during its term, this Consent Order shall stand in lieu of any other enforcement action by the Division with respect to civil penalties for the specific instances of violations cited herein and in the Amended Complaint. The Division reserves the right to bring any action to enforce this Consent Order, including actions for penalties or the collection thereof, and/or injunctive relief.
52. This Consent Order does not grant any release of liability for any violations not specifically cited herein.
53. Upon full payment and satisfaction of the penalty the Lawsuit is dismissed with prejudice against the MML Former Owners, without, however, affecting the rights of the Division to proceed against Monarch Mountain Lodge Partners as provided in this Consent Order.
54. Monarch Mountain Lodge Partners reserves its rights and defenses regarding the Facility other than proceedings to enforce this Consent Order.
55. Each Party shall bear its own fees and costs with respect to the Lawsuit.
56. Nothing in this Consent Order shall preclude the Division from imposing additional requirements necessary to protect human health or the environment and to effectuate the purposes of the Consent Order. Nor shall anything in this Consent Order preclude the Division from imposing additional requirements in the event that additional information is discovered that indicates such requirements are necessary to protect human health or the environment.
57. Monarch Mountain Lodge Partners releases and covenants not to sue the State of Colorado or its employees, agents or representatives as to all common law or statutory claims or counterclaims or for any injuries or damages to persons or property resulting from acts or omissions of Monarch Mountain Lodge Partners, or those acting for or on behalf of Monarch Mountain Lodge Partners, including its officers, employees, agents, successors, representatives, contractors, consultants or attorneys in carrying out activities pursuant to this Consent Order. Monarch Mountain Lodge Partners shall not hold out the State of Colorado or its employees, agents or representatives as a party to any contract entered into by Monarch Mountain Lodge Partners in carrying out activities pursuant to this Consent Order. Nothing in this Consent Order shall constitute an express or implied waiver of immunity otherwise applicable to the State of

Colorado, its employees, agents or representatives.

OFFSITE ACCESS

58. To the extent any plan submitted by Monarch Mountain Lodge Partners requires access to property not owned or controlled by Monarch Mountain Lodge Partners, Monarch Mountain Lodge Partners shall use its best efforts to obtain site access from the present owners of such property to conduct required activities, and to allow Division access to such property to oversee such activities. In the event that site access is not obtained when necessary, Monarch Mountain Lodge Partners shall notify the Division in writing regarding its best efforts and its failure to obtain such access.

SITE ACCESS AND SAMPLING

59. The Division shall be permitted to oversee any and all work being performed under this Consent Order. The Division shall be permitted access to the Facility property at any time work is being conducted pursuant to this Consent Order and during reasonable business hours during any period work is not being conducted, for the purposes of determining Monarch Mountain Lodge Partners' compliance with the Act, the Regulations, and this Consent Order. The Division shall be permitted to inspect work sites, operating and field logs, contracts, manifests, shipping records, and other relevant records and documents relating to this Consent Order or any requirement under this Consent Order and to interview Monarch Mountain Lodge Partners personnel and contractors performing work required by this Consent Order. Nothing in this paragraph limits or impairs the Division's statutory authorities to enter and inspect the Facility.
60. The Division may conduct any tests necessary to ensure compliance with this Consent Order and to verify the data submitted by Monarch Mountain Lodge Partners. Monarch Mountain Lodge Partners shall notify the Division in writing of any sampling activities undertaken pursuant to any plan or requirement of this Consent Order a minimum of seventy-two (72) hours prior to the sampling being conducted, and shall provide split samples to the Division upon request.
61. Monarch Mountain Lodge Partners shall notify the Division in writing of any excavation, construction (including the construction of monitoring wells) or other investigatory or remedial activities undertaken pursuant to any plan or requirement of this Consent Order a minimum of seventy-two (72) hours prior to beginning the excavation, construction, or required activity. Monarch Mountain Lodge Partners shall provide the Division any blueprint, diagram, construction

or other permits for any construction activity undertaken pursuant to this Consent Order upon request.

FORCE MAJEURE

62. Monarch Mountain Lodge Partners shall perform the requirements of this Consent Order within the schedules and time-limits set forth herein and in any approved plan unless the performance is prevented or delayed by events that constitute a force majeure. A force majeure is defined as any event arising from causes which are not reasonably foreseeable, which are beyond the control of Monarch Mountain Lodge Partners, and which cannot be overcome by due diligence.
63. Within seventy-two (72) hours of the time that Monarch Mountain Lodge Partners knows or has reason to know of the occurrence of any event which Monarch Mountain Lodge Partners has reason to believe may prevent Monarch Mountain Lodge Partners from timely compliance with any requirement under this Consent Order Monarch Mountain Lodge Partners shall provide verbal notification to the Division. Within seven (7) calendar days of the time that Monarch Mountain Lodge Partners knows or has reason to know of the occurrence of such event, Monarch Mountain Lodge Partners shall submit to the Division a written description of the event causing the delay, the reasons for and the expected duration of the delay, and actions which will be taken to mitigate the duration of the delay.
64. The burden of proving that any delay was caused by a force majeure shall at all times rest with Monarch Mountain Lodge Partners. If the Division agrees that a force majeure has occurred, the Division will so notify Monarch Mountain Lodge Partners. The Division will also approve or disapprove of Monarch Mountain Lodge Partners' proposed actions for mitigating the delay. If the Division does not agree that a force majeure has occurred, or if the Division disapproves of Monarch Mountain Lodge Partners' proposed actions for mitigating the delay, it shall provide a written explanation of its determination to Monarch Mountain Lodge Partners. Pursuant to the Dispute Resolution section, within fifteen (15) calendar days of receipt of the explanation, Monarch Mountain Lodge Partners may file an objection.
65. Delay in the achievement of one requirement shall not necessarily justify or excuse delay in the achievement of subsequent requirements. In the event any performance under this Consent Order is found to have been delayed by a force majeure, Monarch Mountain Lodge Partners shall perform the requirements of this Consent Order that were delayed by the force majeure with all due diligence.

DISPUTE RESOLUTION

66. If the Division determines that a violation of this Consent Order has occurred; that a force majeure has not occurred; that the actions taken by Monarch Mountain Lodge Partners to mitigate the delay caused by a force majeure are inadequate; that Monarch Mountain Lodge Partners Notice of Completion should be rejected pursuant to paragraph 73, the Division shall provide a written explanation of its determination to Monarch Mountain Lodge Partners. Within fifteen (15) calendar days of receipt of the Division's determination, Monarch Mountain Lodge Partners shall:
- a. Submit a notice of acceptance of the determination; or
 - b. Submit a notice of dispute of the determination.

If Monarch Mountain Lodge Partners fails to submit either of the above notices within the specified time, it will be deemed to have accepted the Division's determination.

67. If the Division disapproves or approves with modifications any original or revised plan submitted by Monarch Mountain Lodge Partners pursuant to this Consent Order, the Division shall provide a written explanation of the disapproval or approval with modifications. Within fifteen (15) calendar days of receipt of the Division's approval with modifications or disapproval of the plan, Monarch Mountain Lodge Partners shall:
- a. In the case of an approval with modifications only, submit a notice of acceptance of the plan as modified and begin to implement the modified plan;
 - b. In the case of disapproval only, submit a revised plan for Division review and approval. Monarch Mountain Lodge Partners may not select this option if the Division has included in its disapproval an alternate plan that shall be implemented by Monarch Mountain Lodge Partners; or
 - c. Submit a notice of dispute of the disapproval or approval with modifications.

If Monarch Mountain Lodge Partners fails to do any of the above within the specified time, Monarch Mountain Lodge Partners shall be deemed to have failed to comply with the Consent Order, and the Division may bring an enforcement action, including an assessment of penalties.

68. If Monarch Mountain Lodge Partners submits a revised plan, the plan shall

respond adequately to each of the issues raised in the Division's written explanation of the disapproval or approval with modifications. The Division may determine that failure to respond adequately to each of the issues raised in the Division's written explanation constitutes a violation of this Consent Order. The Division shall notify Monarch Mountain Lodge Partners in writing of its approval, approval with modifications, or disapproval of the revised plan. If the Division disapproves the revised plan, it may include in its disapproval a plan for implementation by Monarch Mountain Lodge Partners. Such disapproval and plan shall be deemed effective and subject to appeal in accordance with the Act and the Colorado State Administrative Procedures Act, §§ 24-4-101 through 108, C.R.S. (the "APA"), unless Monarch Mountain Lodge Partners submits a notice of dispute, pursuant to paragraph 66 above, of the Division's disapproval and plan for implementation. All requirements and schedules of the Division's plan shall not become effective pending resolution of the dispute.

69. If Monarch Mountain Lodge Partners files any notice of dispute pursuant to paragraph 66, 67 or 68 the notice shall specify the particular matters in the Division's determination that Monarch Mountain Lodge Partners seeks to dispute, and the basis for the dispute. Matters not identified in the notice of dispute shall be deemed accepted by Monarch Mountain Lodge Partners. The Division and Monarch Mountain Lodge Partners shall have thirty (30) calendar days from the receipt by the Division of the notification of dispute to reach an agreement. If agreement cannot be reached on all issues within this thirty (30) calendar day period, the Division shall confirm or modify its decision within an additional fourteen (14) calendar days, and the confirmed or modified decision shall be deemed effective and subject to appeal in accordance with the Act and the APA.

NOTICES

70. Unless otherwise specified, any report, notice or other communication required under the Consent Order shall be sent to:

For the Division:

Kelly Morgan
Colorado Department of Public Health and Environment
Water Quality Control Division
Mail Code: WQCD-CWE-B2
4300 Cherry Creek Drive South
Denver, Colorado 80246-1530
Telephone: 303-692-3634
E-mail: kelly.morgan@state.co.us

For Monarch Mountain Lodge Partners:
Daniel Lee "Bo" Ritz, Jr.
Hotel Finance Partners, Inc.
1400 Broadfield Blvd., Ste. 200
Houston, Texas 77084
Telephone: 832-487-7742
E-mail: bo.ritz@inspirevalue.com

OBLIGATIONS UNAFFECTED BY BANKRUPTCY

71. The obligations set forth herein are based on the Division's policy and regulatory authority. These obligations require specific performance by Monarch Mountain Lodge Partners of corrective actions carefully designed to prevent on-going or future harm to public health or the environment, or both. Enforcement of these obligations is not stayed by a petition in bankruptcy. Monarch Mountain Lodge Partners agrees that the penalties set forth in this Consent Order are not in compensation of actual pecuniary loss. Further, the obligations imposed by this Consent Order are necessary for Monarch Mountain Lodge Partners and the Facility to achieve and maintain compliance with State law.

MODIFICATIONS

72. This Consent Order may be modified only upon mutual written agreement of the Parties, and to the extent Monarch Mountain Lodge Partners has agreed to indemnify MML Former Owners, as provided herein, provisions of this Consent Order concerning only the obligations of Monarch Mountain Lodge Partners, and agreement of the Division, may be modified by written agreement of those parties alone, without MML Former Owners' participation in such modification.

COMPLETION OF REQUIRED ACTIONS

73. Monarch Mountain Lodge Partners shall submit a Notice of Completion to the Division upon satisfactory completion of all requirements of this Consent Order. The Division shall either accept or reject Monarch Mountain Lodge Partners' Notice of Completion in writing within thirty (30) calendar days of receipt. If the Division rejects Monarch Mountain Lodge Partners' Notice of Completion, it shall include in its notice a statement identifying the requirements that the Division considers incomplete or not satisfactorily performed and a schedule for completion. Monarch Mountain Lodge Partners shall, within fifteen (15) calendar days of receipt of the Division's rejection, either:

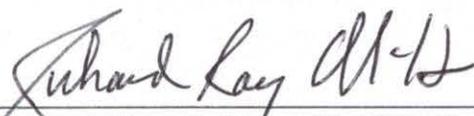
- d. Submit a notice of acceptance of the determination; or
- e. Submit a notice of dispute.

If Monarch Mountain Lodge Partners fails to submit either of the above notices within the specified time, it will be deemed to have accepted the Division's determination.

BINDING EFFECT AND AUTHORIZATION TO SIGN

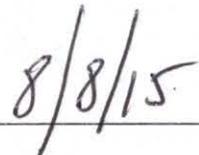
74. This Consent Order is binding upon both the MML Former Owners and the Monarch Mountain Lodge Partners and their corporate subsidiaries or parents, their officers, directors, employees, successors in interest, and assigns. The undersigned warrant that they are authorized to legally bind their respective principals to this Consent Order. Monarch Mountain Lodge Partners agrees to provide a copy of this Consent Order to any contractors and other agents performing work pursuant to this Consent Order and require such agents to comply with the requirements of this Consent Order. In the event that a party does not sign this Consent Order within thirty (30) calendar days of the other party's signature, this Consent Order becomes null and void. This Consent Order may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Consent Order.

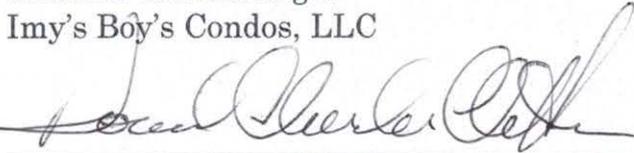
FOR MML FORMER OWNERS:



Richard Ray McHose, President
Financial Consultants, Inc., and as
Member and Manager
Imy's Boy's Condos, LLC

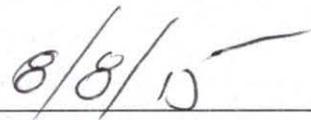
Date:



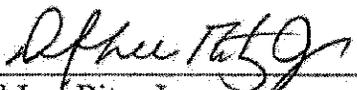


Donald Charles McHose, Member and Manager
Imy's Boy's Condos, LLC, and as Member and Manager,
Monarch Mountain Lodge, LLC

Date:



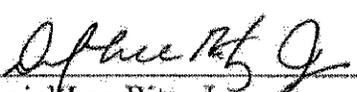
FOR MONARCH MOUNTAIN LODGE PARTNERS:



Date: 8/27/15
Daniel Lee Ritz, Jr.
Director, Hotel Finance Partners, Inc.

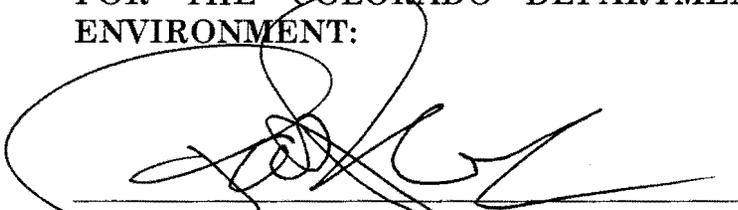


Date: 8/28/15
Charles K. Wilkerson
Executive Vice President, Inn-Vestors, Inc.



Date: 8/27/15
Daniel Lee Ritz, Jr.
Member, Monarch Mountain Lodge Wastewater Co.

FOR THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT:



Patrick J. Pfaltzgraff, Director
WATER QUALITY CONTROL DIVISION

Date:

26 Aug 15

DISTRICT COURT, CHAFFEE COUNTY, COLORADO Court Address: 142 Crestone Avenue, P.O. Box 279, Salida, CO, 81201	DATE FILED: September 4, 2015 10:45 AM CASE NUMBER: 2014CV30032 <p style="text-align: center;">⚠ COURT USE ONLY ⚠</p>
Plaintiff(s) COLORADO DEPT OF PUBLIC HEALTH AND ENVIR v. Defendant(s) MONARCH MOUNTAIN LODGE LLC et al.	
Order: Proposed Order for Stay	

The motion/proposed order attached hereto: GRANTED.

Issue Date: 9/4/2015



BRIAN LOUIS GREEN
 Magistrate

<p>DISTRICT COURT, CHAFFEE COUNTY, COLORADO 142 Crestone Salida, CO 81201</p> <hr/> <p>COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, WATER QUALITY CONTROL DIVISION,</p> <p>Plaintiff,</p> <p>v.</p> <p>IMYS BOYS CONDOS, LLC, FINANCIAL CONSULTANTS, INC., and MONARCH MOUNTAIN LODGE, LLC,</p> <p>and</p> <p>INN-VESTORS, INC., HOTEL FINANCE PARTNERS INC., and MONARCH MOUNTAIN WASTEWATER CO.</p> <p>Defendants.</p>	<p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>CYNTHIA H. COFFMAN, Attorney General ELLEN I. HOWARD, Asst. Attorney General* Registration Number: 46019 JERRY W. GOAD, First Asst. Attorney General* Registration Number: 11284 1300 Broadway, 7th Floor Denver, CO 80203 (720) 508-6000 *Counsel of Record</p>	<p>Case No.: 2014CV30032</p>
<p>[PROPOSED] ORDER GRANTING UNOPPOSED MOTION FOR STAY</p>	

THIS MATTER having come before the Court on the Unopposed Motion to Stay All Court Deadlines Pending Court Order on Approval of Settlement, and the Court being fully advised herein, hereby ORDERS as follows:

The Unopposed Motion is GRANTED, and all upcoming court deadlines are hereby STAYED pending the Court's Order on Approval of Settlement.

DONE this ____ day of _____, 2015.

BY THE COURT:

District Court Judge

Attachment to Order - 2014CV30032

<p>DISTRICT COURT, CHAFFEE COUNTY, COLORADO 142 Crestone Salida, CO 81201</p> <hr/> <p>COLORADO DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, WATER QUALITY CONTROL DIVISION,</p> <p>Plaintiff,</p> <p>v.</p> <p>IMYS BOYS CONDOS, LLC, FINANCIAL CONSULTANTS, INC., and MONARCH MOUNTAIN LODGE, LLC,</p> <p>and</p> <p>INN-VESTORS, INC., HOTEL FINANCE PARTNERS INC., and MONARCH MOUNTAIN WASTEWATER CO.</p> <p>Defendants.</p>	<p>DATE FILED: August 31, 2015 3:43 PM FILING ID: 806EE8F0AD356 CASE NUMBER: 2014CV30032</p> <p style="text-align: center;">▲ COURT USE ONLY ▲</p>
<p>CYNTHIA H. COFFMAN, Attorney General ELLEN I. HOWARD, Asst. Attorney General* Registration Number: 46019 JERRY W. GOAD, First Asst. Attorney General* Registration Number: 11284 1300 Broadway, 7th Floor Denver, CO 80203 (720) 508-6000 *Counsel of Record</p>	<p>Case No.: 2014CV30032</p>
<p>UNOPPOSED MOTION TO STAY ALL COURT DEADLINES PENDING COURT ORDER ON APPROVAL OF SETTLEMENT</p>	

Plaintiff, Colorado Department of Public Health And Environment, Water Quality Control Division (the “Division”), by and through undersigned counsel, along with counsel for Defendant Monarch Mountain Lodge, LLC, and counsel for Defendants Inn-Vestors, LLC, Hotel Finance Partners Inc., and Monarch

Mountain Lodge Wastewater Company, LLC (hereafter, “the Parties”) hereby submit this Joint Motion for Entry of the Proposed Consent Order as a Final Order of the Court. As grounds for this Motion, the Parties state as follows:

C.R.C.P. 121 § 1-15(8) Certificate: All parties to this litigation have conferred regarding this motion. Both parties jointly agree to this motion and the relief requested herein.

1. The Parties have settled this case, contingent upon Court approval. The Parties are filing, contemporaneously herewith, a Joint Motion for Entry of Proposed Consent Order as a Final Order of the Court. In light of this settlement, the parties respectfully request that the Court stay all upcoming deadlines pending its order on approval of the settlement.

2. “A trial court generally has discretion to grant or deny a stay.” *In Application for Water Rights of United States of America*, 101 P.3d 1072, 1080 (Colo. 2004). “This discretion derives from the power inherent in every court to control the disposition of the causes on its docket with economy of time and effort for itself, for counsel, and for litigants.” *Id.* at 1080-81 (internal quotation marks omitted).

3. Here, the parties would be prejudiced if forced to continue litigation. The parties have reached settlement of this matter, and are awaiting the pending Court’s order on the settlement. If this motion is not granted, the Parties will be subject to the Courts Order for Alternative Dispute Resolution and/or be forced to prepare for the February 2016 trial.

4. Accordingly, good cause exists to stay this action pending the Court’s order on the approval of the settlement.

A proposed order is attached for the convenience of the Court.

Respectfully submitted this 30th day of August, 2015.

CYNTHIA H. COFFMAN
Attorney General

A duly signed original is on file at the Colorado Department of Law.

/s/ Ellen I. Howard

ELLEN I. HOWARD, 46019*

Assistant Attorney General

JERRY W. GOAD, 11284*

First Assistant Attorney General

Attorneys for Colorado Water Quality

Control Division

*Counsel of Record

CERTIFICATE OF SERVICE

I do hereby certify that on this 30th day of August, 2015, a copy of the foregoing **UNOPPOSED MOTION TO STAY ALL COURT DEADLINES PENDING COURT ORDER ON APPROVAL OF SETTLEMENT** was served upon the following parties in the following manor:

Electronically via ICCES:

William A. Hillhouse, Esq.
John P. Justice, Esq.
Hoskin, Farina, and Kampf, P.C.
P.O. Box 27419
Denver, CO 80227

Chris Cummins, Esq.
Felt, Monson & Culichia, LLC
319 N. Weber
Colorado Springs, Colorado 80903

via US mail:

Financial Consultants, Inc., and Imy's Boy's Condos, LLC
c/o Richard R. McHose, Manager/Member
5466 Westwood Drive
West Des Moines, IA 50266

A duly signed original is on file at the Colorado Department of Law.

/s/Barbara Boyd

Barbara Boyd