

**PEAK CENTER ADDITION NO. 1  
ANNEXATION AGREEMENT**

THIS ANNEXATION AGREEMENT "Agreement", dated this \_\_\_ day of \_\_\_\_\_, 2020, is between the City of Colorado Springs, a home rule city and Colorado municipal corporation ("City"), and Peaks Recovery Centers, LLC, a Colorado limited liability company ("Owner" or "Property Owner").

I.  
INTRODUCTION

The Owner owns all of the real property located in El Paso County, Colorado, identified and described on the legal description attached as Exhibit A (the Property).

The growth of the Colorado Springs metropolitan area makes it likely that the Property will experience development in the future. The Owner will be required to expend substantial amounts of funds for the installation of infrastructure needed to service the Property and, therefore, desires to clarify Owner's obligations for installation of or payment for any off-site infrastructure or improvements and with regard to the City's agreements with respect to provision of services to the Property and cost recoveries available to Owner. Subject to the terms and conditions set forth in this Agreement, both the City and Owner wish to annex the Property into the City to ensure its orderly development. In consideration of the mutual covenants contained in this Agreement, the receipt and sufficiency of which are acknowledged by each of the parties, the City and Owner agree as follows.

II.  
ANNEXATION

The Owner has petitioned the City for annexation of the Property as set forth in Exhibit A. The annexation will become effective upon final approval by the City Council and the recording of this annexation agreement, the annexation plat, the Peak Center Addition No. 1 Annexation special warranty deed and irrevocable consent to the appropriation, withdrawal, and use of groundwater as forth in Exhibit B and the annexation ordinance with the El Paso County Clerk and Recorder.

All references to the Property or to the Owner's Property are to the Property described in Exhibit A except as otherwise indicated.

III.  
LAND USE

As provided in City Code, the Manager of the City Planning and Development Department has waived the requirement of submission of a land use master plan for this annexation because it meets the criteria in City Code Section 7.5.403B. The Peaks Recovery Concept Plan for the Property, City file number CPC CP 20-00033 (the "Concept Plan") has been proposed and submitted to the City for approval concurrently with this Agreement.

IV.  
ZONING

A. Zoning. The Planning and Community Development Department of the City agrees to recommend that the initial zone for the Owner's Property shall be OC/SS, (Office Complex with Streamside Overlay) upon annexation. While zoned OC (Office Complex) a development plan shall be required for any future development on the Property. Due to the proximity of the Property to the United States Air Force Academy (USAF) the Owner acknowledges the Property shall also be established with an Avigation Easement over the entire Property. Owner acknowledges and understands that the City Council determines what an appropriate zone is for the Property, and this recommendation does not bind the Planning Commission or City Council to adopt the recommended zone for the Property.

B. Change of Zoning. Any future change of zone request shall conform to the Concept Plan, as approved or as amended by the City in the future. Rezoning in accord with the zones reflected on the Concept Plan will occur prior to actual development of the site.

C. Subdivision. Prior to, or in connection with the City's review and approval of a development plan, the Owner will submit to the City for approval a replat of the Property (the "Subdivision Plat") in accordance with the City Code.

V.  
PUBLIC FACILITIES

A. General. As land is annexed into the City it is anticipated that land development will occur. In consideration of this land development, the City requires public facilities and improvements to be designed, extended, installed, constructed, dedicated and conveyed as part of the land development review and construction process. Public facilities and improvements are those improvements to property which, after being constructed by the Owner and accepted by the City, shall be maintained by the City or another public entity. Generally, the required public facilities and improvements and their plan and review process, design criteria, construction standards, dedication, conveyance, cost recovery and reimbursement, assurances and guaranties, and special and specific provisions are addressed in Chapter 7, Article 7 of the City Code (the "Subdivision Code"). Public facilities and improvements include but are not necessarily limited to: 1.) Utility facilities and extensions for water, wastewater, fire hydrants, electric, gas, streetlights, telephone and telecommunications (For water, wastewater, gas and electric utility service, refer to Chapter 12 of the City Code and Section VI. "Utilities Services" and Section VII. "Water Rights" of this Agreement.); 2.) Streets, alleys, traffic control, sidewalks, curbs and gutters, trails and bicycle paths; 3.) Drainage facilities for the best management practice to control, retain, detain and convey flood and surface waters; 4.) Arterial roadway bridges; 5.) Parks; 6.) Schools; and 7.) Other facilities and improvements warranted by a specific land development proposal.

It is understood that all public facilities and improvements shall be subject to the provisions of the Chapter 7, Article 7 of the City Subdivision Code, unless otherwise specifically provided for under the terms and provisions of this Agreement. Those specifically modified public facilities and improvements provisions are as follows:

B. Metropolitan Districts. N/A

C. Streets, bridge and Traffic Control. To the extent set forth in this Agreement, the Owner agrees to construct, at the Owner's expense, those street, bridge and/or traffic improvements adjacent to or within the Property. These improvements shall also include mutually acceptable dedications of right-of-way and easements, and extension of streets and right-of-way. The provisions of City Code §§ 7.7.706 (Reimbursements) and 7.7.1001-1006 (Arterial Roadway Bridges) are excluded. City participation or reimbursement for Arterial Streets and Arterial Bridges within the Property will not be allowed.

1. On-Site or Adjacent Streets: Owner agrees to comply with timing and phasing of construction responsibilities outlined specifically on the Concept Plan, CPC CP 20-00033 and any subsequent amendments or any development plan for the Property. Owner shall dedicate additional eight (8) feet of right-of-way, for a total of twenty (20) feet of right-of-way along Old Ranch Road. In addition, the developer will be responsible for public roadway improvements along Old Ranch Road adjacent to the development or the property public roadway improvements include but not limited to curb, gutter, asphalt, and sidewalk.
  2. Off-Site Streets and Bridges: N/A
  3. Traffic Control Devices: N/A
    - a. Street Cost Recovery: N/A
- D. Drainage. Final Drainage Report shall be prepared and submitted by the Owner to the City and approved by the City Engineer. Final Drainage Reports and Plans shall be prepared and submitted by the Owner to the City and approved by the City Engineer, prior to recording subdivision plats . Owner shall comply with all drainage criteria, standards, policies and ordinances in effect at the time of development, including but not limited to the payment of any drainage, arterial bridge and detention pond fees and the reimbursement for drainage facilities constructed. Owner shall be responsible for conformance with the Kettle Creek Drainage Basin Planning Study.
- E. Parks: Any residential uses are subject to park fees remitted at the time of subdivision plat.
- F. Schools: The Property as being established as a Human Service Establishment, recovery center, will be subject to school fees which will be due at the time of Subdivision Platting.
- G. Improvements Adjacent to Park and School Lands. N/A

## VI.

### UTILITY SERVICES

A. Colorado Springs Utilities' (UTILITIES) Services: UTILITIES's water, non-potable water, wastewater, electric, streetlight, and natural gas services ("Utility Service" or together as "Utility Services") are available to eligible customers upon connection to UTILITIES's facilities or utility systems on a "first-come, first-served" basis, provided that (among other things) the City and UTILITIES determine that the applicant meets all applicable requirements of the City's Code of Ordinances ("City Code"), UTILITIES Tariffs, Utilities Rules and Regulations ("URRs"), and Line Extension and Service Standards ("Standards") for each application for Utility Service. In addition, the availability of Utility Services is contingent upon the terms detailed herein and the dedication or conveyance of real and personal property, public rights-of-way, private rights-of-way, or easements that UTILITIES determines are required for the extension of any proposed Utility Service from UTILITIES's utility system facilities that currently exist or that may exist at the time of the proposed extension or connection.

Owner shall ensure that the connections and/or extensions of Utility Services to the Property are in accordance with this Agreement and with the requirements of City Code and UTILITIES's Tariffs, URRs, and Standards, and Pikes Peak Regional Building Department codes in effect at the time of Utility Service connection and/or extension. Owner acknowledges responsibility for the costs of any extensions or utility system improvements that are necessary to provide Utility Services to the Property or to ensure timely development of integrated utility systems serving the Property and areas outside the Property as determined by UTILITIES.

Owner acknowledge that UTILITIES' connection requirements shall include Owner's payment of all applicable development charges, recovery-agreement charges, advance recovery-agreement charges, aid-to-construction

charges and other fees or charges applicable to the requested Utility Service. Because recovery agreement charges, advance recovery-agreement charges, and aid-to-construction charges may vary over time and by location, Owner is responsible for contacting UTILITIES's Customer Contract Administration at (719) 668-8111 to ascertain which fees or charges apply to the Property in advance of development of the Property.

B. Dedications and Easements: Notwithstanding anything contained in Article XI. of this Agreement to the contrary, Owner, at Owner's sole cost and expense, shall dedicate by plat and/or convey by recorded document, all property (real and personal) and easements that UTILITIES determines are required for any utility-system facilities necessary to serve the Property or to ensure development of an integrated utility system. UTILITIES shall determine the location and size of all property necessary to be dedicated or otherwise conveyed.

Owner shall provide UTILITIES all written, executed conveyances (including the Deed) prior to or at the time of platting or prior to the development of the Property as determined by UTILITIES.

Further, all dedications and conveyances of real property must comply with the City Code, the City Charter, and UTILITIES Tariffs, URRs, and Standards, and shall be subject to UTILITIES's environmental review. Neither the City nor UTILITIES has any obligation to accept any real property interests. All easements by separate instrument shall be conveyed using UTILITIES's then-current Permanent Easement Agreement form without modification unless approved by UTILITIES.

If Owner, with prior written approval by UTILITIES, relocate, require relocation, or alter any existing utility facilities within the Property, then the relocation or alteration of these facilities shall be at the Owner's sole cost and expense. If UTILITIES determines that Owner's relocation or alteration requires new or updated easements, then Owner shall convey those easements prior to relocating or altering the existing utility facilities using UTILITIES's then-current Permanent Easement Agreement form without modification unless approved by UTILITIES. UTILITIES will only relocate existing gas or electric facilities during time frames and in a manner that UTILITIES determines will minimize outages and loss of service.

C. Extension of Utility Facilities by UTILITIES:

1. Natural Gas and Electric Facilities: Subject to the provisions of this Article, City Code, and UTILITIES Tariffs, URRs, and Standards, UTILITIES will extend electric and gas service to the Property if UTILITIES, in its sole discretion, determines there will be no adverse effect to any Utility Service or utility easement. Owner shall cooperate with UTILITIES to ensure that any extension of gas or electric facilities to serve the Property will be in accordance with City Code and UTILITIES Tariffs, URRs, and Standards. UTILITIES, in its sole discretion, may require Owner to enter into a Revenue Guarantee Contract for the extension of any electric service or facilities, including any necessary electric transmission or substation facilities. If any portion of the Property is located outside UTILITIES's electric service territory prior to annexation, then upon annexation:

1. Owner shall be solely responsible for providing the just compensation for electric distribution facilities and service rights specified in C.R.S. §§ 40-9.5-204 plus all costs and fees, including but not limited to, attorneys' fees that UTILITIES incurs as a result of or associated with the acquisition of such electric service territory; and plus all costs and fees, including but not limited to, attorneys' fees that UTILITIES incurs as a result of or associated with the acquisition of such electric service territory; and. Owner shall pay within 30 days of Owner's receipt of an invoice for the following:
  - a. The former electric service provider the just compensation specified in C.R.S. §§ 40-9.5-204 (1) (a) and 40-9.5-204 (1) (b).
  - b. UTILITIES the just compensation specified in C.R.S. §§ 40-9.5-204 (1) (c) and 40-9.5-204 (1) (d).
2. Owner shall be solely responsible for all costs: (a) to remove any existing electric distribution facilities within the Property that were previously installed by the then-current electric service

provider ("Existing Facilities"); and (b) to convert any overhead electric lines to underground service lines ("Conversion") as determined by UTILITIES.

3. If the former electric service provider removes the Existing Facilities, then Owners shall pay the former electric service provider directly for the removal of any Existing Facilities, if requested.
4. Owner shall also pay for any Conversion required by UTILITIES as a result of such annexation concurrent with the execution of a contract between the Owner and UTILITIES that specifies the terms of Conversion.

2. Water and Wastewater Facilities: In accordance with City Code, UTILITIES shall be responsible for the construction of centralized water and wastewater treatment facilities needed to serve the Property. In the event UTILITIES or other developers design and construct other water or wastewater system improvements UTILITIES determines are needed to ensure an integrated water or wastewater system is available to serve the Property, Owner shall be required to pay cost recovery for the engineering, materials, and installation costs incurred by UTILITIES or the other developer in its design, construction, upgrade, or improvement of any water pump stations, water suction storage facilities, water transmission and distribution pipelines, or other water system facilities and appurtenances and any wastewater pump stations, wastewater pipeline facilities, or other wastewater collection facilities and appurtenances.

D. Water and Wastewater System Extensions by Owner: Owner must extend, design, and construct all potable and non-potable water system facilities and appurtenances, and all wastewater collection system facilities, wastewater pump stations, and any water or wastewater service lines to and within the Property at Owner's sole cost and expense in accordance with City Code and UTILITIES's Tariffs, URRs, and Standards in effect at the time either (i) UTILITIES requires connection of the Property to water and/or wastewater service(s) pursuant to the terms of this Agreement and/or under its authority pursuant to City Code, or (ii) at the time of each specific request for water and/or wastewater service(s) made by the Owner. Consistent with City Code § 7.7.1102 (B), Owner shall complete the design and installation, and obtain preliminary acceptance of such utility facilities, prior to UTILITIES's approval of Owner's water and wastewater service requests. Notwithstanding the above requirements, UTILITIES may enter into cost-sharing agreements with Owner for water and wastewater system expansions based on a determination of benefit to UTILITIES, in UTILITIES's sole discretion

E. Limitation of Applicability: The provisions of this Agreement set forth the requirements of the City and UTILITIES in effect at the time of the annexation of the Property. These provisions shall not be construed as a limitation upon the authority of the City or UTILITIES to adopt different ordinances, rules, regulations, resolutions, policies or codes which change any of the provisions set forth in this Agreement so long as these provisions apply to the City generally and are in accord with the then-current tariffs, rates, regulations and policies of UTILITIES. City Code, UTILITIES's Tariffs, URRs and Standards shall govern the use of all Utilities Services.

F. Southeastern Colorado Water Conservancy District: Notice is hereby provided that upon annexation, and as a condition of receiving water service from UTILITIES, the Property must be included in the boundaries of the Southeastern Colorado Water Conservancy District ("District") pursuant to C.R.S. § 37-45-136 (3.6) as may be amended, and the rules and procedures of the District. Further, notice is hereby provided that, after inclusion of the Property into the boundaries of the District, the Property shall be subject to a property tax mill levy or other payment in lieu of taxes for the purposes of meeting the financial obligations of the District. The Owner acknowledges that water service for the Property will not be made available by UTILITIES until the Property is formally included within the boundaries of the District. District inclusion requires consent by the Bureau of Reclamation ("Reclamation"). The Owner shall be responsible for taking all actions necessary for

inclusion of the Property into the boundaries of the District, including but not limited to, any action required to obtain Reclamation's consent to include the Property into the District.

## VII. WATER RIGHTS

As provided in the Deed, which is attached to this Agreement as Exhibit B, and hereby incorporated by reference, Owner will grant to the City, all right, title and interest to any and all groundwater underlying or appurtenant to and used upon the Property, and any and all other water rights appurtenant to the Property (collectively referred to as "the Water Rights"), together with the sole and exclusive right to use the Water Rights and all rights of ingress and egress required by the City to appropriate, withdraw and use the Water Rights. The Deed conveying the Water Rights shall be executed by the Owner concurrently with this Agreement and shall be made effective upon the date of the City Council's final approval of the annexation of the Property. The Deed shall be recorded concurrent with the recording of the Agreement, Annexation Plat, and annexation ordinance at the El Paso County Clerk and Recorder's office.

Furthermore, pursuant to C.R.S. § 37-90-137(4), as now in effect or hereafter amended, on behalf of Owner and all successors in title, Owner irrevocably consents to the appropriation, withdrawal and use by the City of all groundwater underlying or appurtenant to and used upon the Property.

In the event the City chooses to use or further develop the Water Rights that have been conveyed, Owner agree to provide any and all easements required by the City prior to the construction and operation of any City well or water rights related infrastructure on the Property. Wells constructed by the City outside the Property may withdraw groundwater under Owner's Property without additional consent from Owner.

Upon annexation of the Property, any wells or groundwater developed by Owner prior to annexation will become subject to UTILITIES's applicable Tariffs, URRs, Standards, and rates as amended in the future. Owner's uses of groundwater shall be subject to approval by the City and UTILITIES, and shall be consistent with City Code, UTILITIES's Tariffs, URRs, Standards, and the City's resolutions and policies for the use of groundwater now in effect or as amended in the future.

Notwithstanding the forgoing, subject to approval of City Council, the Owner shall be permitted to continue using the existing wells on the Property as long as the use of the groundwater withdrawn therefrom is consistent with the terms specified in Colorado Division of Water Resources Well Permit Nos. 179482 and 53329-A ("Well Permits") and may continue until such time as any circumstance(s) arises that causes the well(s) to no longer serve the Property in substantially the same manner as it would be served by UTILITIES's water supply system. Such circumstances include, but are not limited to: non-compliance with the terms of the Well Permits, an increase in water demands, a proposed change in use of the Property, the addition of a fire suppression system(s), and/or additional development on the Property, such as renovations, remodeling, or construction of new buildings or facilities that involve new or modified water service connections.

At such time, the Owner shall: (1) disconnect the wells and connect to UTILITIES's water supply system in accordance with City Code and UTILITIES's Water Line Extension and Service Standards; (2) plug and abandon the wells in accordance with all applicable regulations; and (3) provide notice of such plugging and abandonment to UTILITIES. If after connection to UTILITIES's water supply system, the Owner desires to continue use of the wells exclusively for non-potable irrigation purposes in accordance with the conditions of approval of the Well Permits, then the Owner shall provide UTILITIES with prior written notification of such non-potable irrigation use, and provisions (2) and (3) of this section shall not apply to any wells being used for non-potable irrigation, provided however, that the Owner makes such modifications to the wells as necessary to comply with UTILITIES's cross-connection requirements and receives UTILITIES's written confirmation that such non-potable use complies with UTILITIES's cross-connection requirements and is consistent with the

conditions of approval of the Well Permits. No commingling of the wells and UTILITIES's potable water supply will be permitted. City Council approval of the annexation ordinance consenting to the terms of this paragraph is a condition precedent to Owner's continued use of the wells for any purpose.

VIII.

FIRE PROTECTION

The Owner understands and acknowledges that the Property is located within the boundaries of the Donald Wescott Fire Protection District (the "Fire District") and may be excluded from the boundaries of the Fire District under the provisions applicable to special districts, Article 1 of Title 32 C.R.S., in conformance with contractual agreements, and as otherwise provided by law. Upon request by the City, the person who owns the Property at the time of the City's request agrees to apply to the Fire District for exclusion of the Property from the Fire District. The Owner understands and acknowledges that the Owner, its heirs, assigns and successors in title are responsible for seeking any exclusion from the Fire District and that the City has no obligation to seek exclusion of any portion of the Property from the Fire District.

IX.

FIRE PROTECTION FEE

The Owner agrees to pay a fee of \$1,894.00 per gross acre of the entire annexed area as their share of the capital cost of a new fire station and the initial apparatus purchase required to service this annexation as well as adjacent areas of future annexation. The Fire Protection Fee will be due prior to recordation of the annexation plat and this agreement. The City agrees as future annexations occur within the service area of the proposed fire station the owners of future annexations will be required to pay a per-acre fee to the City for the capital improvements to the fire station.

X.

POLICE SERVICE FEE

The Owner agrees to pay a fee of \$677.00 per gross acre of the entire annexed area as Owner's share of the capital cost of a new police station and the initial equipment purchase required to service this annexation as well as adjacent areas of future annexation. The Police Service Fee will be due prior to recordation of the annexation plat and this agreement. The City agrees as future annexations occur within the service area of the proposed police station the owners of future annexations will be required to pay a per-acre fee to the City for the capital improvements to the police station.

XI.

PUBLIC LAND DEDICATION

Owner agrees that all land dedicated or deeded to the City for municipal or utility purposes, including park and school sites, shall be platted and all applicable development fee obligations paid.

Owner agrees that any land dedicated or deeded to the City for municipal or utility purposes, including park and school sites, shall be free and clear of liens and encumbrances. All fees that would be applicable to the platting of land that is to be dedicated to the City (including park and school land) shall be paid by Owner. Fees will be required on the gross acreage of land dedicated as of the date of the dedication in accord with the fee requirements in effect as of the date of the dedication. All dedications shall be platted by the Owner prior to conveyance, unless otherwise waived by the City.

In addition, any property dedicated by deed shall be subject to the following:

- A. All property deeded to the City shall be conveyed by General Warranty Deed.
- B. Owner shall convey the property to the City within 30 days of the City's written request.
- C. Any property conveyed to the City shall be free and clear of any liens and/or encumbrances.

D. All property taxes levied against the property shall be paid by the Owner through the date of conveyance to the City.

E. An environmental assessment of the property must be provided to the City for review and approval, unless the City waives the requirement of an assessment. Approval or waiver of the assessment must be in writing and signed by an authorized representative or official of the City.

XII.  
SPECIAL PROVISIONS

Not applicable.

XIII.  
ORDINANCE COMPLIANCE

Owner will comply with all tariffs, policies, rules, regulations, ordinances, resolutions and codes of the City which now exist or are amended or adopted in the future, including those related to the subdivision and zoning of land, except as expressly modified by this Agreement. This Agreement shall not be construed as a limitation upon the authority of the City to adopt different tariffs, policies, rules, regulations, ordinances, resolutions and codes which change any of the provisions set forth in this Agreement so long as these apply to the City generally.

XIV.  
ASSIGNS AND DEED OF TRUST HOLDERS

Where used in this Agreement, the term "the Owner" or "Property Owner," shall also mean any of the heirs, executors, personal representatives, transferees, or assigns of the Owners and all these parties shall have the right to enforce and be enforced under the terms of this Agreement as if they were the original parties hereto. Rights to specific refunds or payments contained in this Agreement shall always be to the Owners unless specifically assigned to another person.

The undersigned financial institution ("Financial Institution") by executing this Agreement expressly accepts and approves this Agreement and agrees that in the event that it should become the owner of the Property through foreclosure or otherwise to bound by the terms and conditions of this Agreement to the same extent that the Owner is subject to the terms of this Agreement. In the event the Financial Institution becomes owner of the Property, any provisions in the deed of trust or other agreements pertaining to the Property in conflict with this Agreement shall be subordinate to and superseded by the provisions of this Agreement.

XV.  
RECORDING

This Agreement shall be recorded with the Clerk and Recorder of El Paso County, Colorado, and constitute a covenant running with the land. This Agreement shall be binding on future assigns of the Owner and all other persons who may purchase land within the Property from the Owner or any persons later acquiring an interest in the Property. Any refunds made under the terms of this Agreement shall be made to the Owner and not subsequent purchasers or assigns of the Property unless the purchase or assignment specifically provides for payment to the purchaser or assignee and a copy of that document is filed with the City.



XVI.  
AMENDMENTS

This Agreement may be amended by any party, including their respective successors, transferees, or assigns, and the City without the consent of any other party or its successors, transferees, or assigns so long as the amendment applies only to the property owned by the amending party. For the purposes of this article, an amendment shall be deemed to apply only to property owned by the amending party if this Agreement remains in full force and effect as to property owned by any non-amending party.

Any amendment shall be recorded in the records of El Paso County, shall be a covenant running with the land, and shall be binding on all persons or entities presently possessing or later acquiring an interest in the property subject to the amendment unless otherwise specified in the amendment."

XVII.  
HEADINGS

The headings set forth in the Agreement for the different sections of the Agreement are for reference only and shall not be construed as an enlargement or abridgement of the language of the Agreement.

XVIII.  
DEFAULT AND REMEDIES

If either Owner or City fails to perform any material obligation under this Agreement, and fails to cure the default within thirty (30) days following notice from the non-defaulting party of that breach, then a breach of this Agreement will be deemed to have occurred and the non-defaulting party will be entitled, at its election, to either cure the default and recover the cost thereof from the defaulting party, or pursue and obtain against the defaulting party an order for specific performance of the obligations under this Agreement and, in either instance, recover any actual damages incurred by the non-defaulting party as a result of that breach, including recovery of its costs and reasonable attorneys' fees incurred in the enforcement of this Agreement, as well as any other remedies provided by law.

XIX.  
GENERAL

Except as specifically provided in this Agreement, City agrees to treat Owner and the Property in a non-discriminatory manner relative to the rest of the City. In addition, any consent or approval required in accord with this Agreement from the City shall not be unreasonably withheld, conditioned or delayed. City agrees not to impose any fee, levy or tax or impose any conditions upon the approval of development requests, platting, zoning or issuance of any building permits for the Property, or make any assessment on the Property that is not uniformly applied throughout the City, except as specifically provided in this Agreement or the City Code. If the annexation of the Property or any portion of the Property is challenged by a referendum, all provisions of this Agreement, together with the duties and obligations of each party, shall be suspended, pending the outcome of the referendum election. If the referendum challenge to the annexation results in the disconnection of the Property from the City, then this Agreement and all its provisions shall be null and void and of no further effect. If the referendum challenge fails, then Owner and City shall continue to be bound by all terms and provisions of this Agreement.

XX.  
SEVERABILITY

If any provision of this Agreement is for any reason and to any extent held to be invalid or unenforceable, then neither the remainder of the document nor the application of the provisions to other entities, persons or circumstances shall be affected.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the \_\_\_\_\_ day and \_\_\_\_\_ year first written above.

CITY OF COLORADO SPRINGS

BY: \_\_\_\_\_  
John Suthers, Mayor



ATTEST:

BY: \_\_\_\_\_  
Sarah B. Johnson, City Clerk

APPROVED AS TO FORM:

BY:  \_\_\_\_\_  
Benjamin J. Bolinger  
Office of the City Attorney

OWNER:

PEAKS RECOVERY CENTERS, LLC, a Colorado limited liability company  
2270 La Montana Way, Colorado Springs, CO 80918

By: Sober Solutions, LLC, its manager

By: Christopher Burns, its manager

Sign:  manager

ACKNOWLEDGMENT

STATE OF Colorado )

) ss.

COUNTY OF El Paso )

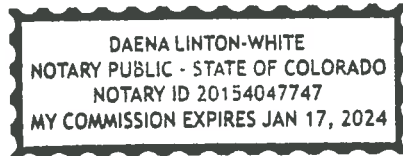
The foregoing instrument was acknowledged before me this 16<sup>th</sup> day of October, 2020, by Christopher Burns, as manager of Sober Solutions LLC, for and on behalf of Peaks Recovery Centers, LLC, a Colorado limited liability company.

Witness my hand and official seal.

My Commission Expires: January 17, 2024



Notary Public



**EXHIBIT A**  
**LEGAL DESCRIPTION**

**LEGAL DESCRIPTION** – Peak Center Addition Filing No. 1 Annexation May 21, 2020

A TRACT OF LAND BEING A PORTION OF LOTS 6, 7 AND 8, BLOCK B, AMENDED FILING OF SPRING CREST, A SUBDIVISION RECORDED IN BOOK B-2 AT PAGE 20 AT RECEPTION

No. 136096 IN THE RECORDS OF THE OFFICE OF THE EL PASO COUNTY CLERK AND RECORDER, TOGETHER WITH A PORTION OF OLD RANCH ROAD, SAID TRACT BEING A PART OF THE NORTHWEST QUARTER OF SECTION 28 AND THE NORTHEAST QUARTER

OF SECTION 29, ALL IN TOWNSHIP 12 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPLE

MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, SAID TRACT FURTHER DESCRIBED AS FOLLOWS:

**"COMMENCING"** AT THE NORTH WEST CORNER OF SAID LOT 8, AND CONSIDERING THE NORTHERLY LINE OF SAID LOT 8 TO BEAR NORTH 86°56'40" EAST, WITH ALL BEARINGS CONTAINED HEREIN, RELATIVE THERETO; THENCE NORTH 86°56'40" EAST, ALONG SAID NORTHERLY LINE, A DISTANCE OF 307.00 FEET TO THE NORTHEAST CORNER OF A PARCEL OF LAND DESCRIBED IN THAT DEED RECORDED AT RECEPTION

No. 201022166, SAID EL PASO COUNTY RECORDS AND THE **"POINT OF BEGINNING"**; THENCE SOUTH 00°16'14" EAST, ALONG THE EASTERLY LINE OF SAID PARCEL OF LAND

RECORDED AT RECEPTION No. 201022166, A DISTANCE OF 688.23 FEET TO THE SOUTHEAST CORNER THEREOF; THENCE SOUTH 89°19'53" WEST, ALONG THE SOUTHERLY LINE OF SAID PARCEL OF LAND AND ALONG THE NORTHERLY LINE LOTS 'M' AND 'N', BLOCK 'B', FILING No. 2 OF SPRING CREST, A SUBDIVISION RECORDED AT RECEPTION No. 322521, SAID EL PASO COUNTY RECORDS, A DISTANCE OF 297.46 FEET

TO THE NORTHWESTERLY CORNER OF SAID LOT 'N'; THENCE SOUTH 01°02'51" EAST, ALONG THE WESTERLY LINE OF SAID LOT 'N' AND ALONG THE EASTERLY LINE OF THAT PARCEL OF LAND DESCRIBED AT RECEPTION No. 214060080, SAID EL PASO COUNTY RECORDS, A DISTANCE OF 361.21 FEET TO THE MOST SOUTHERLY CORNER THEREOF; THENCE DEPARTING SAID WESTERLY LINE OF SAID LOT 'N' AND CONTINUING ALONG THE SOUTHERLY AND WESTERLY BOUNDARY OF SAID PARCEL OF LAND RECORDED AT RECEPTION No. 214060080, NORTH 29°18'59" WEST, A DISTANCE

OF 603.73 FEET; THENCE NORTH 00°49'27" WEST, CONTINUING ALONG SAID WESTERLY

BOUNDARY, A DISTANCE OF 500.10 FEET TO THE NORTHERLY LINE OF BLOCK "B", SAID

AMENDED FILING OF SPRING CREST; THENCE SOUTH 87°58'38" WEST, ALONG SAID NORTHERLY LINE OF BLOCK "B", THE WESTERLY EXTENSION THEREOF, AND ALONG THE SOUTHERLY LINE OF OLD RANCH ROAD, A DISTANCE OF 341.60 FEET TO THE NORTHEAST CORNER OF ACADEMY CHRISTIAN CHURCH SUBDIVISION, A SUBDIVISION

RECORDED AT RECEPTION No. 210713076, SAID EL PASO COUNTY RECORDS; THENCE NORTH 00°51'30" WEST ALONG THE NORTHERLY EXTENSION OF THE EASTERLY LINE OF SAID ACADEMY CHRISTIAN CHURCH SUBDIVISION, A DISTANCE OF 80.62 FEET TO THE SOUTHERLY LINE OF LOT 1, FAIRLANE TECHNOLOGY PARK FILING No. 3, A

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**PEAK CENTER ADDITION NO. 1 ANNEXATION AGREEMENT**

**EXHIBIT B**

SUBDIVISION RECORDED AT RECEPTION No. 096050137, SAID EL PASO COUNTY RECORDS; THENCE EASTERLY, ALONG THE SOUTHERLY LINE OF SAID LOT 1 AND ALONG THE SOUTHERLY LINE OF LOT 1, FAIRLANE TECHNOLOGY PARK FILING No. 4B, A SUBDIVISION RECORDED AT RECEPTION No. 218714128, SAID EL PASO COUNTY RECORDS, NORTH 88°47'22" EAST, A DISTANCE OF 638.79 FEET, SAID LINES APPEARING

TO BE THE NORTHERLY LINE OF OLD RANCH ROAD; THENCE NORTH 86°55'12" EAST, CONTINUING ALONG SAID SOUTHERLY LINE OF LOT 1, SAID FAIRLANE TECHNOLOGY PARK FILING No. 4B AND ALONG SAID NORTHERLY LINE OF OLD RANCH ROAD, A DISTANCE OF 294.43 FEET TO A POINT AT THE INTERSECTION OF SAID SOUTHERLY LINE

AND THE NORTHERLY EXTENSION OF THE EASTERLY LINE OF SAID PARCEL OF LAND RECORDED AT RECEPTION NO. 201022166; THENCE SOUTH 00°16'14" EAST, ALONG SAID

NORTHERLY EXTENSION OF SAID EASTERLY LINE, A DISTANCE OF 71.48 FEET TO THE "POINT OF BEGINNING".

THE ABOVE DESCRIBED TRACT OF LAND CONTAINS 11.358 ACRES, MORE OR LESS.

I, PATRICK C. O'HEARN, A PROFESSIONAL LAND SURVEYOR, LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.



PATRICK C. O'HEARN PLS 23515  
FOR AND ON BEHALF OF  
DREXEL, BARRELL & CO.  
3 SOUTH 7<sup>TH</sup> STREET  
COLORADO SPRINGS, COLORADO 80905

**EXHIBIT B**  
**QUIT CLAIM DEED AND IRREVOCABLE CONSENT**  
**TO THE APPROPRIATION, WITHDRAWAL AND USE OF GROUNDWATER**  
**PEAK CENTER ADDITION NO. 1 ANNEXATION AGREEMENT**

(Owner) ("Grantor(s)"), whose address is 2270 La Montana Way, Colorado Springs, CO 80918, Colorado, in consideration of the benefits received pursuant to the Peak Center Addition No. 1 Annexation Agreement dated Oct 16, 2020 ("Annexation Agreement"), which is executed by Grantor(s) concurrently with this Quit Claim Deed, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, sell and convey to the City of Colorado Springs, Colorado ("Grantee"), whose address is 30 S. Nevada Avenue, Colorado Springs, CO 80903, all right, title, and interest in any and all groundwater underlying or appurtenant to and used upon the property described in Exhibit A ("Property") and any and all other water rights appurtenant to the Property collectively referred to as the "Water Rights", together with the sole and exclusive right to use the Water Rights and all rights of ingress and egress required by the Grantee to appropriate, withdraw and use the Water Rights. The Water Rights include but are not limited to those described in Exhibit B.

Furthermore, pursuant to C.R.S. § 37-90-137(4) as now exists or may later be amended, Grantor(s), on behalf of Grantor(s) and any and all successors in title, hereby irrevocably consent in perpetuity to the appropriation, withdrawal and use by Grantee of all groundwater underlying or appurtenant to and used upon the Property.

This Quit Claim Deed and the consent granted herein shall be effective upon the date of the City of Colorado Springs-City Council's final approval of the Annexation Agreement.

Executed this 19<sup>th</sup> day of October, 2020.

GRANTOR(s):

By: Sober Solutions LLC Manager

Name: Chris Burns

Its: Manager

STATE OF Colorado )

COUNTY OF El Paso ) ) ss.

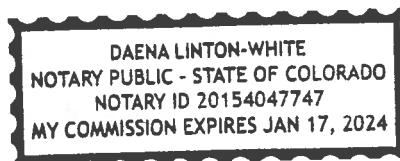
The foregoing instrument was acknowledged before me this 19<sup>th</sup> day of October, 2020

by Christopher Burns, Grantor.


Witness my hand and official seal.

My Commission Expires: January 17, 2024

Daena Linton-White  
Notary Public



Accepted by the City of Colorado Springs

By:  this 19 day of October, 2020  
Real Estate Services Manager

By:  this 19 day of October, 2020  
Colorado Springs Utilities System Extensions Manager

Approved as to Form:

By:   
City Attorney's Office

Date: 10/22/2020



**Exhibit A**  
**LEGAL DESCRIPTION**

To the Quit Claim Deed and Irrevocable Consent to the Appropriation, Withdrawal and Use of Groundwater executed by PEAKS RECOVERY CENTERS, LLC, a Colorado limited liability company, Grantor(s) on \_\_\_\_\_.

**LEGAL DESCRIPTION** – Peak Center Addition Filing No. 1 Annexation May 21, 2020

A TRACT OF LAND BEING A PORTION OF LOTS 6, 7 AND 8, BLOCK B, AMENDED FILING OF SPRING CREST, A SUBDIVISION RECORDED IN BOOK B-2 AT PAGE 20 AT RECEPTION No. 136096 IN THE RECORDS OF THE OFFICE OF THE EL PASO COUNTY CLERK AND RECORDER, TOGETHER WITH A PORTION OF OLD RANCH ROAD, SAID TRACT BEING A PART OF THE NORTHWEST QUARTER OF SECTION 28 AND THE NORTHEAST QUARTER OF SECTION 29, ALL IN TOWNSHIP 12 SOUTH, RANGE 66 WEST OF THE SIXTH PRINCIPLE MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, SAID TRACT FURTHER DESCRIBED AS FOLLOWS:

**"COMMENCING"** AT THE NORTH WEST CORNER OF SAID LOT 8, AND CONSIDERING THE NORTHERLY LINE OF SAID LOT 8 TO BEAR NORTH 86°56'40" EAST, WITH ALL BEARINGS CONTAINED HEREIN, RELATIVE THERETO; THENCE NORTH 86°56'40" EAST, ALONG SAID NORTHERLY LINE, A DISTANCE OF 307.00 FEET TO THE NORTHEAST CORNER OF A PARCEL OF LAND DESCRIBED IN THAT DEED RECORDED AT RECEPTION No. 201022166, SAID EL PASO COUNTY RECORDS AND THE **"POINT OF BEGINNING"**; THENCE SOUTH 00°16'14" EAST, ALONG THE EASTERLY LINE OF SAID PARCEL OF LAND RECORDED AT RECEPTION No. 201022166, A DISTANCE OF 688.23 FEET TO THE SOUTHEAST CORNER THEREOF; THENCE SOUTH 89°19'53" WEST, ALONG THE SOUTHERLY LINE OF SAID PARCEL OF LAND AND ALONG THE NORTHERLY LINE LOTS 'M' AND 'N', BLOCK 'B', FILING No. 2 OF SPRING CREST, A SUBDIVISION RECORDED AT RECEPTION No. 322521, SAID EL PASO COUNTY RECORDS, A DISTANCE OF 297.46 FEET TO THE NORTHWESTERLY CORNER OF SAID LOT 'N'; THENCE SOUTH 01°02'51" EAST, ALONG THE WESTERLY LINE OF SAID LOT 'N' AND ALONG THE EASTERLY LINE OF THAT PARCEL OF LAND DESCRIBED AT RECEPTION No. 214060080, SAID EL PASO COUNTY RECORDS, A DISTANCE OF 361.21 FEET TO THE MOST SOUTHERLY CORNER THEREOF; THENCE DEPARTING SAID WESTERLY LINE OF SAID LOT 'N' AND CONTINUING ALONG THE SOUTHERLY AND WESTERLY BOUNDARY OF SAID PARCEL OF LAND RECORDED AT RECEPTION No. 214060080, NORTH 29°18'59" WEST, A DISTANCE OF 603.73 FEET; THENCE NORTH 00°49'27" WEST, CONTINUING ALONG SAID WESTERLY BOUNDARY, A DISTANCE OF 500.10 FEET TO THE NORTHERLY LINE OF BLOCK "B", SAID AMENDED FILING OF SPRING CREST; THENCE SOUTH 87°58'38" WEST, ALONG SAID NORTHERLY LINE OF BLOCK "B", THE WESTERLY EXTENSION THEREOF, AND ALONG THE SOUTHERLY LINE OF OLD RANCH ROAD, A DISTANCE OF 341.60 FEET TO THE NORTHEAST CORNER OF ACADEMY CHRISTIAN CHURCH SUBDIVISION, A SUBDIVISION RECORDED AT RECEPTION No. 210713076, SAID EL PASO COUNTY RECORDS; THENCE NORTH 00°51'30" WEST ALONG THE NORTHERLY EXTENSION OF THE EASTERLY LINE OF SAID ACADEMY CHRISTIAN CHURCH SUBDIVISION, A DISTANCE OF 80.62 FEET TO THE SOUTHERLY LINE OF LOT 1, FAIRLANE TECHNOLOGY PARK FILING No. 3, A SUBDIVISION RECORDED AT RECEPTION No. 096050137, SAID EL PASO COUNTY RECORDS; THENCE EASTERLY, ALONG THE SOUTHERLY LINE OF SAID LOT 1 AND ALONG THE SOUTHERLY LINE OF LOT 1, FAIRLANE TECHNOLOGY PARK FILING No. 4B, A SUBDIVISION RECORDED AT RECEPTION No. 218714128, SAID EL PASO COUNTY RECORDS, NORTH 88°47'22" EAST, A DISTANCE OF 638.79 FEET, SAID LINES APPEARING TO BE THE NORTHERLY LINE OF OLD RANCH ROAD; THENCE NORTH 86°55'12" EAST,

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**PEAK CENTER ADDITION NO. 1 ANNEXATION AGREEMENT**

**EXHIBIT B**

CONTINUING ALONG SAID SOUTHERLY LINE OF LOT 1, SAID FAIRLANE TECHNOLOGY PARK FILING No. 4B AND ALONG SAID NORTHERLY LINE OF OLD RANCH ROAD, A DISTANCE OF 294.43 FEET TO A POINT AT THE INTERSECTION OF SAID SOUTHERLY LINE AND THE NORTHERLY EXTENSION OF THE EASTERLY LINE OF SAID PARCEL OF LAND RECORDED AT RECEPTION NO. 201022166; THENCE SOUTH 00°16'14" EAST, ALONG SAID NORTHERLY EXTENSION OF SAID EASTERLY LINE, A DISTANCE OF 71.48 FEET TO THE "POINT OF BEGINNING".

THE ABOVE DESCRIBED TRACT OF LAND CONTAINS 11.358 ACRES, MORE OR LESS.

I, PATRICK C. O'HEARN, A PROFESSIONAL LAND SURVEYOR, LICENSED IN THE STATE OF COLORADO, DO HEREBY CERTIFY THAT THE ABOVE LEGAL DESCRIPTION WAS PREPARED BY ME OR UNDER MY DIRECT SUPERVISION AND CHECKING.



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FOR AND ON BEHALF OF  
DREXEL, BARRELL & CO.  
3 SOUTH 7<sup>TH</sup> STREET  
COLORADO SPRINGS, COLORADO 80905

**Exhibit B**

To the Quit Claim Deed and Irrevocable Consent to the Appropriation, Withdrawal and Use of Groundwater executed (Owner), Grantor(s) on \_\_\_\_\_.

Decreed Groundwater Rights – Not Applicable

Case No.

Court:

Source:

Amount:

Date of Decree:

Name of Owner:

Permitted Groundwater

Permit No. 179482

Date of Permit: June 29, 1994

Source: Arapahoe aquifer

Amount: 1.88 annual acre-feet

Name of Owner: Samuel Wimmer

Legal Description of Well or other structure:

SE ¼ NE ¼ Section 29, Township 12 South, Range 66 West of the 6th P.M., approximately 2040 feet from the North Section line, and 70 feet from the East section line, located at 1785 Old Ranch Road, Colorado Springs, CO 80908.

Permitted Groundwater

Permit No. 53329-A

Date of Permit: April 8, 1992

Source: Denver aquifer

Amount: 1 annual acre-foot

Name of Owner: Peaks Recovery Centers, LLC, a Colorado limited liability company

Legal Description of Well or other structure:

SW ¼ NW ¼ of Section 28, Township 12 South, Range 66 West of the 6th P.M., approximately 1560 feet from the North Section line, and 150 feet from the West Section line, located at 1865 Old Ranch Road, Colorado Springs, CO 80908.

Surface Water Rights – Not Applicable

Name of Water Right:

Case No.

Court:

Source:

Amount:

Date of Decree:

Name of Owner: