

A RESOLUTION AUTHORIZING THE ACQUISITION OF AN EASEMENT ACROSS PROPERTY OWNED BY BULL HILL, LLC AND AN EASEMENT ACROSS PROPERTY OWNED BY BLH NO. 2, LLC, TO BE USED FOR SOUTHERN DELIVERY SYSTEM PROJECT IMPROVEMENTS

WHEREAS, Colorado Springs Utilities has determined that it requires an easement across certain real property owned by Bull Hill, LLC, and an easement across certain real property owned by BLH No. 2, LLC (collectively, the "Property Owners"); and

WHEREAS, the easement across the property owned by Bull Hill, LLC, consists of approximately 0.775 acres of land, the entire portion of which is known as El Paso County Tax Schedule Number 55000-00-324 (the "Bull Hill Property") and has been identified as necessary for installation of drain and fill pipelines needed for the Southern Delivery System Project's ("SDS") Gary M. Bostrom Reservoir, formally known as the Upper Williams Creek Reservoir; and

WHEREAS, the easement across the property owned by BLH No. 2, LLC consists of approximately 5.212 acres of land, the entire portion of which is known as El Paso County Tax Schedule Number 55000-00-408 formerly 55000-00-225 (the "BLH Property") and has been identified as necessary for installation of drain and fill pipelines needed for the SDS; and

WHEREAS, the easement across the Bull Hill Property is legally described on Exhibit A-1 attached hereto and depicted on Exhibit A-2 attached hereto and the easement across the BLH Property is legally described on Exhibit B-1 attached hereto and depicted on Exhibit B-2 attached hereto; and

WHEREAS, the acquisition of the Property is in the public interest and is necessary for the construction of the Southern Delivery System Project; and

WHEREAS, pursuant to sections 4.1 and 8.6 of *The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests* ("Real Estate Manual"), City Council approval is required for acquisition of real property interests if the purchase price exceeds \$50,000.00, and Council approval has historically been obtained for all SDS property acquisitions, regardless of the purchase price; and

WHEREAS, the fair market value for the easement across the Bull Hill Property was determined to be \$164,949 based on a real estate appraisal conducted by an independent real estate appraiser; and

WHEREAS, the City desires to offer and Bull Hill, LLC desires to accept a purchase price of \$178,086.20, which includes \$164,949 for the easement and an additional \$13,137.20 as an administrative settlement; and

WHEREAS, the fair market value for the easement across the BLH Property was determined to be \$58,400 based on a real estate appraisal conducted by an independent real estate appraiser; and

WHEREAS, the City desires to offer and BLH No. 2 desire to accept a purchase price of \$65,000, which includes \$58,400 for the easement and an additional \$6,600 as an administrative settlement; and

WHEREAS, Colorado Springs Utilities requests the approval of City Council to purchase the easement across the Bull Hill Property for a purchase price of \$178,086.20 and the easement across the BLH Property for a purchase price of \$65,000.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. That the City Council finds the acquisition of the Property is in compliance with the City's Real Estate Manual, the City Charter, City Code, and all other applicable laws.

Section 2. That in accord with the Real Estate Manual, the City Council hereby authorizes the acquisition of the easements across the Bull Hill Property and the BLH Property from the Property Owners for the purchase price of \$178,086.20 and \$65,000, respectively, to be used in connection with the Southern Delivery System Project.

Section 3. That the City's Real Estate Services Manager is authorized to execute all documents necessary to complete the acquisition of the Property contemplated herein.

DATED at Colorado Springs, Colorado, this _____ day of _____, 2017.

ATTEST:

Council President

Sarah B. Johnson, City Clerk