

October 25, 2019

Tim Cazier, Environmental Protection Specialist
Colorado Division of Reclamation Mining and Safety
1313 Sherman Street, Room 215
Denver, CO 80203



RE: M-1973-007-SG, TR-08 Preliminary Adequacy Review Response

Dear Mr. Cazier:

Below please find answers (in red) to your questions regarding the Preliminary Adequacy Review for TR-08 dated October 2, 2019.

- 1) Structures agreement: You provided an electronic version of an unsigned copy of a Grant of Utility Easement referencing Item #11 in the agreement. The DRMS will accept the verbiage in Item #11 after the agreement is signed. Please provide us with a signed copy of the Grant of Utility Easement. **Attached please find a signed copy of the Grant of Utility Easement.**
- 2) Mining and Reclamation Plan Impacts: Please address the following questions related to the proposed pipeline's impact on the mining and reclamation plans: a. Will the pipeline be buried? **Yes.** If so, what is the minimum depth of cover for the buried line? **4 feet.** b. How long is the proposed pipeline expected to be in place? **In perpetuity.** If it is permanent, will it interfere with required slope reductions in the approved reclamation plan? **No.** If it is temporary, please be aware the Permittee is responsible for ensuring the disturbance is properly reclaimed – which is dependent on your response to Comment 2a above.

If you have questions, please feel free to contact me at andre.laroche@aggregate-us.com / 719-491-0288.

Best regards,

A handwritten signature in blue ink that reads "Andre Laroche".

Andre Laroche
Environment and Land Manager

Aggregate Industries
West Central Region, Inc.
1687 Cole Boulevard, Suite 300
Golden, CO 80401

Telephone: 303-985-1070

An Equal Opportunity Employer

GRANT OF UTILITY EASEMENT

This Agreement for Grant of a Utility Easement is entered into this 21st day of ~~September~~ ^{October}, 2019 between:

Name: Aggregate Industries - WCR, Inc.,
A Colorado Corporation

Address: 8700 West Bryn Mawr Ave., No. 300
Chicago, IL 60631

hereinafter referred to as "Grantor"

and the Security Water District, acting by and through its water activity enterprise, and Security Sanitation District, acting by and through its water activity enterprise, whose address is 231 Security Blvd., Colorado Springs, CO 80911, hereinafter collectively referred to as the "District".

RECITALS

A. Grantor is the owner of the real property described in **Exhibit A** ("Grantor's Property").

B. The District desires to acquire an easement across Grantor's Property for purposes of a utility easement, and the Grantor is willing to grant such easement upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Grant of Permanent Easement. Grantor expressly grants and conveys to the District a perpetual nonexclusive easement 3,100 feet in length and 20 feet in width over and across the Grantor's Property, the legal description of the location and dimensions of the easement being set forth in Exhibit B attached hereto ("Easement"). A sketch depicting the location and dimensions of the Easement is attached hereto as Exhibit C and incorporated by this reference.

2. Grant of Temporary Construction Easement. Grantor expressly grants and conveys to the District a temporary nonexclusive construction easement 3,100 feet in length and 25 feet in width over and across the Grantor's Property for purposes of the initial construction of the utility improvements for the Easement ("Temporary Construction Easement"). Access by Grantee during construction will be along the course of the Easement and Temporary Construction Easement and will be coordinated with Grantor so as to not materially impair or conflict with the Grantor's use of the Grantor's property. The legal description of the location and dimensions of the Temporary Construction Easement are also set forth in the attached **Exhibit B**. The attached **Exhibit C** sketch also depicts the location and dimensions of the Temporary Construction Easement. The

Temporary Construction Easement shall terminate on December 31, 2020, unless otherwise agreed by Grantor and District.

3. Purpose of Easement. The Easement granted to the District shall be for the purposes of construction, replacement, improvement, repair, maintenance, and operation of utility facilities, including but not limited to underground pipelines, metering devices, pumps, motors, manholes, valves, utilities, fixtures, water collection and distribution lines, wastewater collection lines, and the fixtures, appurtenances, and attachments related thereto, together with the right of ingress and egress to, from, and along said Easement over and across Grantor's Property in the exercising of the rights granted herein.

4. Existing Use Within Easement. Transit Mix Concrete Company has entered into a September 13, 1996 Access and Use Agreement ("Use Agreement") with Schlage Lock Corporation ("Schlage Lock") that concerns the Grantor's Property. Grantor is now the successor owner of the Property from Transit Mix Concrete Company. The Use Agreement allows Schlage Lock under described terms and conditions to place certain improvements upon the Grantor's Property related to the extraction and treatment of groundwater from the Widefield aquifer as part of Schlage Lock's performance for groundwater remediation under a Compliance Order on Consent issued by the Colorado Department of Public Health and Environment. Under the terms of the Use Agreement, Schlage has installed an underground six (6) inch diameter pipeline upon the Grantor's Property ("Schlage Lock Pipeline") that is located partially within, adjacent to, or in close proximity to the area of the subject Easement granted hereby. The District's use of the Easement and the Temporary Construction Easement will not damage or impair the use of the Schlage Lock Pipeline as it currently exists at the time of the granting of this Easement. The District shall construct its improvements under the Easement, including pipelines, a minimum distance of ten (10) feet from the existing Schlage Lock Pipeline. If Schlage Lock requests Grantor to approve any future construction or relocation of improvements upon Grantor's Property, Grantor shall condition any such approval upon those improvements being located outside of the Easement. This Easement does not modify the Schlage Lock Use Agreement.

The intent of the parties is that the Schlage Lock Pipeline and the District's activities within the Easement, including the District's pipeline and appurtenances, coexist and not impair or interfere with one another. The District will on the surface of the Easement mark the location of the District's underground pipeline or other District improvements in order that the location of those improvements can be determined by a physical inspection of the area.

5. Use of Easement by Grantor. No building, structure, trees, or other improvements shall be placed or constructed on or within said Easement by the Grantor without the District's express prior written consent which shall not be unreasonably withheld. The Grantor may provide for its own vehicular and pedestrian travel over and across the Easement that does not impair the structural integrity of Grantee's improvements within the Easement, vehicular travel being limited to vehicles having no more than a 18,000 pound axle load, conforming with regulatory requirements for vehicle use of public roadways within the bounds of the District. Provided, however, Grantor may place typical types of paving, curbs, and gutters across the Easement associated with the

use and enjoyment of the Grantor's Property. If at the time of this Easement Grant, existing improvements are located within the bounds of the Easements, which improvements are used by the Grantor for the ordinary and customary activities conducted on the Grantor's Property for aggregate mining and processing, and those improvements will be impacted by the District's activities within the Easements, then the District shall remove, replace, or protect such improvements in order to maintain or replace the improvements in the same condition as exists before the granting of the Easements. Such replacement obligation shall be only to the extent that the District's use of the Easements granted herein is not unreasonably impaired for the purposes described. The Grantor shall give notice by written document to the District describing any such improvements described above which are within the bounds of the Easements within five (5) calendar days of the date of the Grant of Utility Easement. The District will provide for a photographic record of visible improvements within the bounds of the Easements prior to occupying the Easements for the purposes established by this Grant of Utility Easement and furnish the Grantor a copy of such photographic record. Should the District fail to protect or remove and replace any such described improvements of the Grantor known by the Grantor and District at the time of granting of this Easement, and the Grantor gives notice to the District within 30 calendar days of the completion of the initial construction and site restoration of such failure to protect or remove and replace the described improvements, the District shall compensate the Grantor for the fair market value of the improvements which are not available for use by the Grantor in the ordinary and customary conduct of activities within the bounds of the Easements. The District will provide written notice to the Grantor as to the completion of the initial construction and site restoration. Except as provided above, the District shall have the right to remove all obstructions or improvements from the Easement that were not permitted by the terms of this Agreement or which interfere with the use and enjoyment of the Easement, without liability to Grantor. If the District disturbs the surface of the Easement for construction, maintenance, or operation of the utility facilities or other purposes of this Easement, it shall restore the surface to the pre-disturbance condition, including soil preparation and reseedling of native vegetation. Excess excavated material shall be removed from the Easement site to return the surface to predisturbance condition.

6. District's Use and Enjoyment. Grantor agrees to not use, or to allow use of, the Easement property in a way that would restrict the District's use of the Easement or place the District's improvements and any appurtenances at risk of damage. Any other utilities placed within the nonexclusive easement (i.e., natural gas, telephone, cable, etc.) shall not be located on top of the Districts' utility facilities or so close thereto as to interfere with or impair the District's access, construction, replacement, and maintenance of the utility facilities within said Easement.

7. Grantor's Retained Rights. Grantor retains the right to the undisturbed use and occupancy of the Easement property insofar as such use and occupancy are consistent with and do not impair the Easement or any grant or covenant herein contained. Grantor reserves and retains the right to grant other rights and easements within across, over or under-the Easement property to such other persons as Grantor deems proper, provided such other grants do not interfere with the use of the Easement by the District for the purpose set forth herein.

8. **Oil, Gas, Mineral, and Water Rights Interests.** All oil, gas, mineral, and water rights that are owned by Grantor in Grantor's Property, together with the right to explore for and extract the same, subject to the Easement rights, are hereby reserved and retained by Grantor and nothing within this Agreement shall be deemed to convey any such rights to the District.

9. **Release of Easement Rights.** If the District, by written instrument, releases all of its Easement rights herein granted and ceases to use the same, all right, title and interest of the District hereunder shall cease and terminate, and the Grantor or its successors in title shall hold Grantor's Property, as the same may then be, free from the rights so released and shall own all material and structures of the District so released, but nothing herein shall be construed as working a forfeiture or abandonment of any interest derived hereunder and not owned by the District at the time of the termination of the District's rights.

10. **Title Encumbrances.** Granting of this Easement is subject to general taxes for the year this instrument is recorded, and subject further to easements, encumbrances, exceptions, limitations, restrictions and reservations contained in instruments of record prior to the date this Agreement is recorded.

11. The District together with its successors, assigns, licensees, or guests, and the Grantor together with its successors, assigns, licensees, or guests, mutually agree to be solely responsible, indemnify and hold each other harmless, for and from all claims arising from their respective installation, use, maintenance, repair or other acts associated with use of the Easement and Easement property under this Agreement-except for claims arising from negligence on the part of the District or the Grantor respectively. In the event any party hereto or its successor or assign seeks to enforce its rights hereunder through litigation, arbitration or other administrative proceeding, the non-prevailing party shall be required to pay the reasonable attorney fees and costs of the prevailing party as part of any judgment, order, or award. This provision is not a waiver of the District's defenses under the Colorado Governmental Immunity Act.

12. **Governing Law.** This Agreement and the Easements granted pursuant hereto, shall be construed in accordance with the laws of the State of Colorado.

13. **Counterparts.** This Agreement may be signed in any number of counterparts, with the same effect as if all of the signatures on the counterparts were on the same instrument.

14. **Severability.** The provisions of this Agreement are severable. Illegality or unenforceability of any provision herein shall not affect the validity or enforceability of the remaining provisions in this Agreement.

15. **Nonwaiver.** The failure of either party to insist, in any one or more instances, upon a strict performance by the other party of any of the obligations, covenants, or agreements herein contained, or the failure of either party in any one or more instances to exercise any option, privilege, or right herein contained, shall in no way be construed to constitute a waiver, relinquishment or release of such obligations,

covenants, or agreements, and no forbearance by either party of any default hereunder by the other party shall in any manner be construed as constituting a waiver of such default.

16. Recording. This Agreement shall be recorded in the records of the Clerk and Recorder of El Paso County, Colorado. The cost of such recording shall be borne by The District.

17. Authority. All parties to this Agreement represent that they have the full power and authority to enter into and perform this Agreement, and to bind their principals.

18. Entire Agreement. This Agreement represents the entire agreement of the parties with respect to the subject matter covered herein. All negotiations, considerations, representations, and understandings between the parties are incorporated and merged herein. This Agreement may be modified or altered only by the parties' written agreement.

19. Binding Effect. The covenants, agreements, and obligations contained herein binds and burdens the Grantor's Property and shall extend to, bind, and inure to the benefit of the parties hereto, as well as their respective personal representatives, heirs, successors, and assigns.

This Grant of Utility Easement is made and entered into as of the date set forth above.

GRANTOR: Aggregate Industries - WCR, Inc., a Colorado Corporation

By: [Signature]

Title: R.G.M.

John Conlin
Printed Name

STATE OF Colorado)
)ss
COUNTY OF Jefferson)

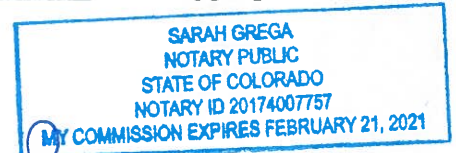
The foregoing instrument was acknowledged before me this 21 day of October, 2019, by John Conlin as R.G.M. of Aggregate Industries - WCR, Inc , a Colorado corporation.

Witness my hand and official seal.

My commission expires: 2/21/21

Notary Public

[Signature]



GRANT OF UTILITY EASEMENT ACCEPTED AND AGREED:

Security Water District, acting by and through its water activity enterprise

By: Roy E. Heald
Roy E. Heald, Manager

Date: 09/05/2019 Reviewed and accepted 10/23/2019 REH

Security Sanitation District, acting by and through its water activity enterprise

By: Roy E. Heald
Roy E. Heald, Manager

Date: 09/05/2019 Reviewed and accepted 10/23/2019 REH

STATE OF COLORADO)
)ss
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this 5th day of September, 2019, by Roy E. Heald as Manager of Security Water and Sanitation Districts.

Witness my hand and official seal.

Notary Public

My commission expires: 2-26-2023

Dian D White

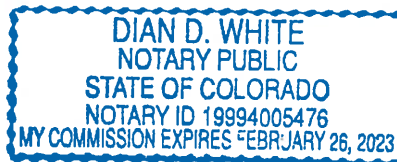


EXHIBIT A

To

Grant of Utility Easement

Grantor's Property

That parcel of land identified as, "Parcel 1," "Parcel 2," "Parcel 3," "Parcel 4," "Parcel 6," "Parcel 7" and "Parcel 8" described in the Special Warranty Deed recorded under Reception No. 219013188 of the records of El Paso County, Colorado.

EXHIBIT B

To

Grant of Utility Easement

Description of the location and dimensions of the Easement

GRANTOR: Aggregate Industries - WCR, Inc.

GRANTEE: Security Water District and the Security Sanitation District, each acting by and through its water activity enterprise

Prepared By: GMS, Inc., Consulting Engineers

Date of Preparation: July 31, 2019

A non-exclusive perpetual utility easement located in the southwest one-quarter of Section 2, Township 15 South, Range 66 West of the Sixth Principal Meridian, El Paso County, Colorado, being more particularly described as follows:

The northerly 30 feet of the southerly 60 feet of the northwest one-quarter of the southwest one-quarter of said Section 2, located within that parcel of land as described under Reception No. (RN) 219013188 of the records of said El Paso County, excepting therefrom that easement as described under RN 216078031;

TOGETHER WITH:

The northerly 15 feet of the westerly 15 feet of the southerly 75 feet of the easterly 43 feet of said northwest one-quarter of the southwest one-quarter of said Section 2;

TOGETHER WITH:

The westerly 20 feet of the easterly 28 feet of the northerly 331.85 feet of the southerly 361.85 feet of the south one-half of the northwest one-quarter of the southwest one-quarter of said Section 2;

TOGETHER WITH:

The easterly 28 feet of the northerly 20 feet of the northerly 351.85 feet of the southerly 381.85 feet of the northwest one-quarter of the southwest one-quarter of said Section 2;

TOGETHER WITH:

The southerly 20 feet of those parcels of land described under Reception No. (RN) 219013188 of the records of said El Paso County, identified as "Parcel 6," "Parcel 7" and "Parcel 8";

TOGETHER WITH:

The easterly 20 feet of that parcel of land described under Reception No. (RN) 219013188 of the records of said El Paso County, identified as "Parcel 8";

TOGETHER WITH:

The westerly 15 feet of the easterly 35 feet of the northerly 15 feet of the southerly 35 feet of that parcel of land described under Reception No. (RN) 219013188 of the records of said El Paso County, identified as "Parcel 8";

TOGETHER WITH:

The westerly 35 feet of the southerly 45 feet of the easterly 170 feet of the north one-half of the northeast one-quarter of the southwest one-quarter of said Section 2;

TOGETHER WITH:

The northerly 20 feet of the southerly 45 feet of the easterly 135 feet of the north one-half of the northeast one-quarter of the southwest one-quarter of said Section 2;

Together with temporary construction easements described as follows:

A 25 foot wide temporary construction easement located northerly and westerly of the described non-exclusive permanent easement located within the northwest one-quarter of the southwest one-quarter of said Section 2 within the Grantor's Property;

TOGETHER WITH:

A 25 foot wide temporary construction easement located northerly and westerly of the aforescribed permanent non-exclusive utility easement located in the south one-half of the northeast one-quarter of the southwest one-quarter of said Section 2 within the Grantor's Property;

TOGETHER WITH:

A 25 foot wide temporary construction easement located westerly and northerly of the aforescribed permanent non-exclusive utility easement located in the north one-half of the northeast one-quarter of the southwest one-quarter of said Section 2 within the Grantor's Property.

The above described perpetual and temporary construction easement is subject to any rights-of-way or other easements as granted or reserved by the instruments of record or as now existing across the above described parcel of land.

EXHIBIT C

To

Grant of Utility Easement

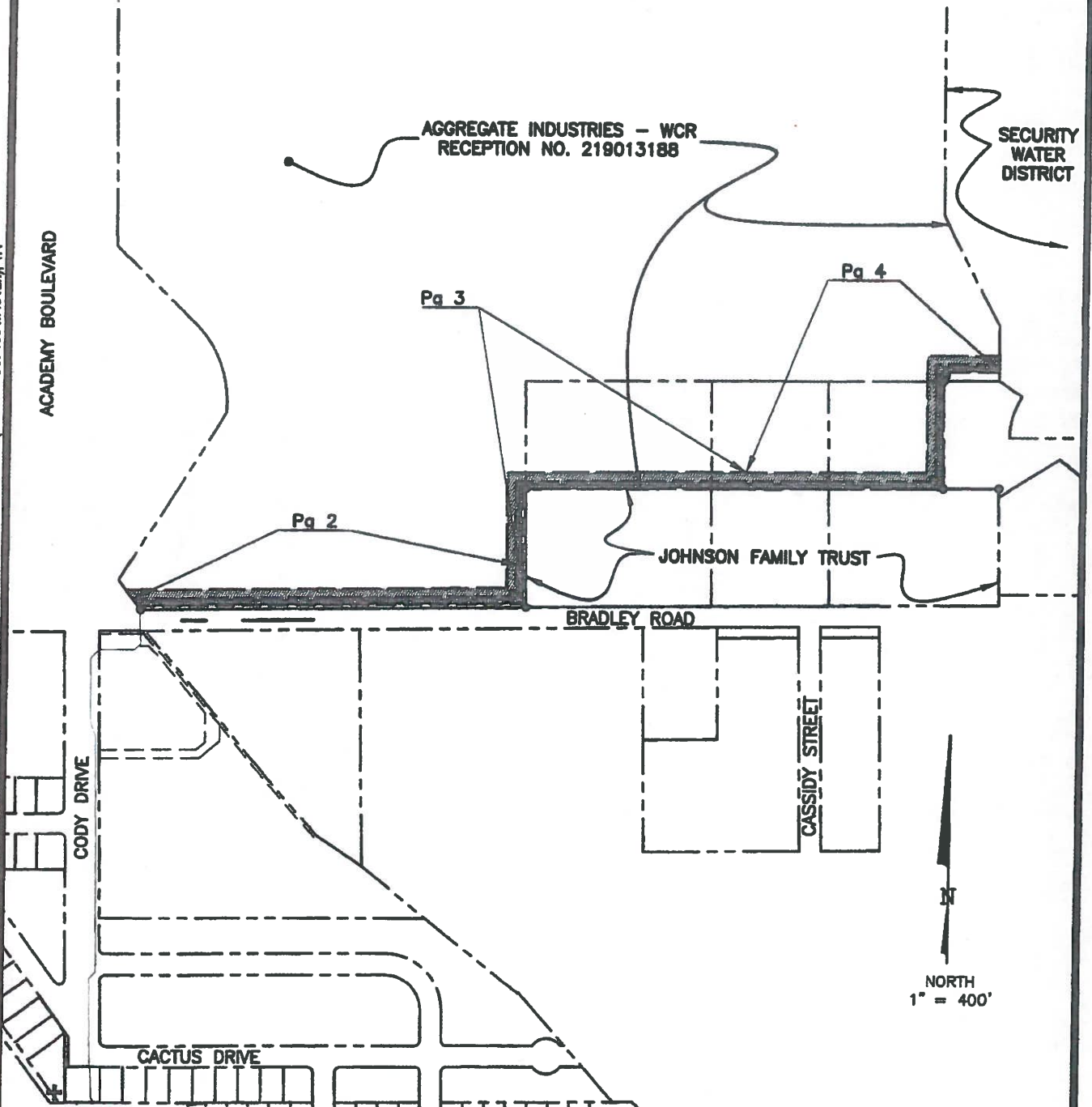
Sketch of the location and dimensions of the Easement

**Prepared By: GMS, Inc.
Date of Preparation: July 31, 2019**

EXHIBIT C

UTILITY EASEMENT

SW1/4, SECTION 2, T15S, R66W



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GMS, INC.
PROJECT NO. 18063.040
MARCH 20, 2019
DRAWN BY: MAL

EASEMENT SKETCH

SW1/4, SECTION 2, T15S, R66W

AGGREGATE INDUSTRIES -
WCR INC.
RECEPTION NO. 219013188

ACADEMY
BOULEVARD

20'-WIDE UTILITY
EASEMENT

EXISTING SECURITY WATER DISTRICT
10'-WIDE PERPETUAL EASEMENT
- RN 216078031

FOUND PK NAIL AND
WASHER STAMPED "28658"

BRADLEY ROAD
(60' R.O.W.)

NORTH RIGHT-OF-WAY LINE
BRADLEY ROAD

SEE NOTE 1.

25' TEMPORARY
CONSTRUCTION
EASEMENT

MATCH LINE NO. 1 THIS PAGE

MATCH LINE NO. 2 PAGE 3 OF 4

MATCH LINE NO. 1 THIS PAGE

25' TEMPORARY
CONSTRUCTION
EASEMENT

AGGREGATE INDUSTRIES -
WCR INC.
RECEPTION NO. 219013188

EXISTING SECURITY WATER DISTRICT
10'-WIDE PERPETUAL EASEMENT
- RN 216078031

BRADLEY ROAD
(60' R.O.W.)

20'-WIDE UTILITY
EASEMENT

NORTH RIGHT-OF-WAY LINE
BRADLEY ROAD

FOUND PIN AND CAP
STAMPED "28658"

SEE NOTE 2.

NORTH
1" = 60'

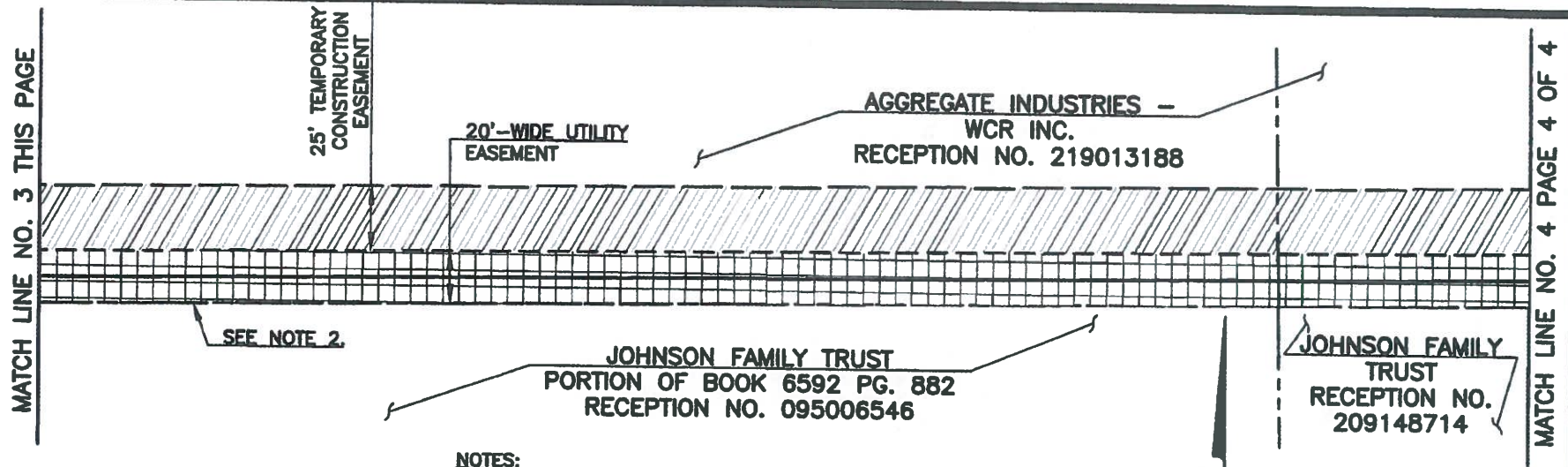
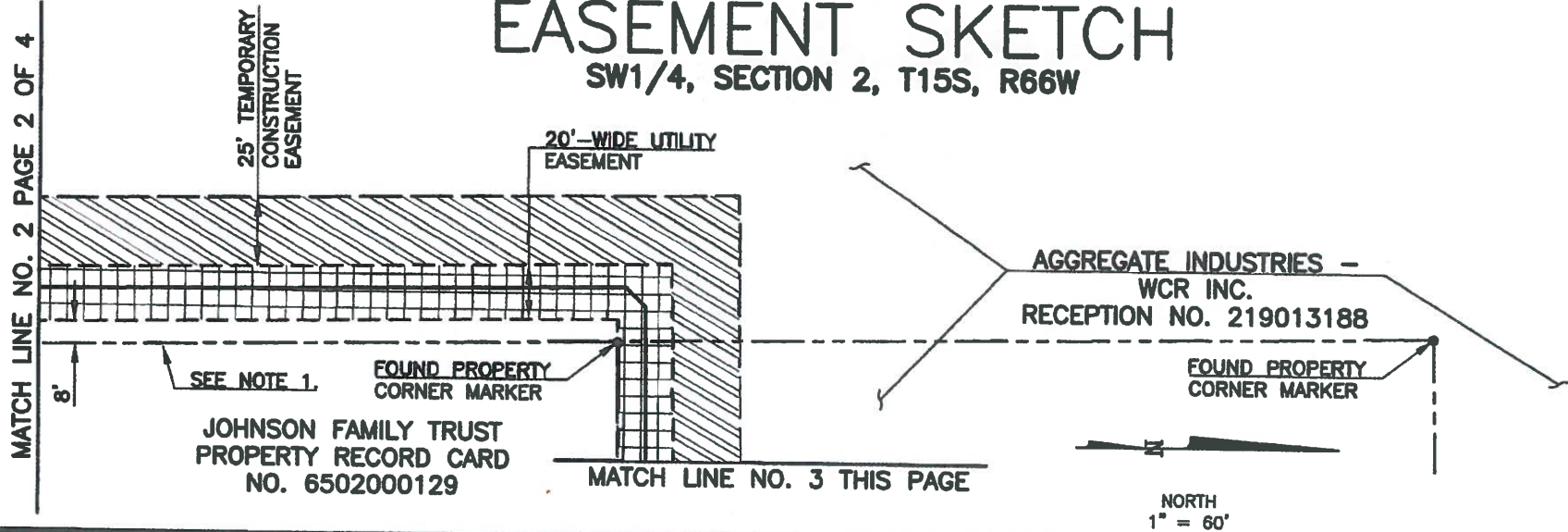
NOTES:

1. SOUTH LINE OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4, SEC. 2, T15S, R66W.
2. EAST LINE OF THE SOUTH HALF OF THE NORTHWEST 1/4 OF THE SOUTHWEST 1/4, SEC. 2, T15S, R66W.

GMS, INC.
PROJECT NO. 18063.040
APRIL 2019/REV. JULY 2019
DRAWN: MAL

EASEMENT SKETCH

SW1/4, SECTION 2, T15S, R66W



NOTES:

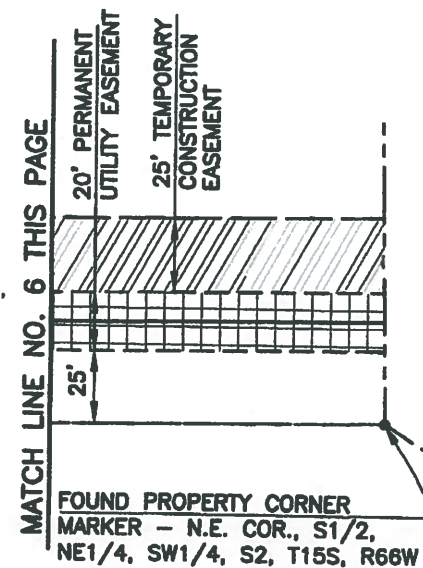
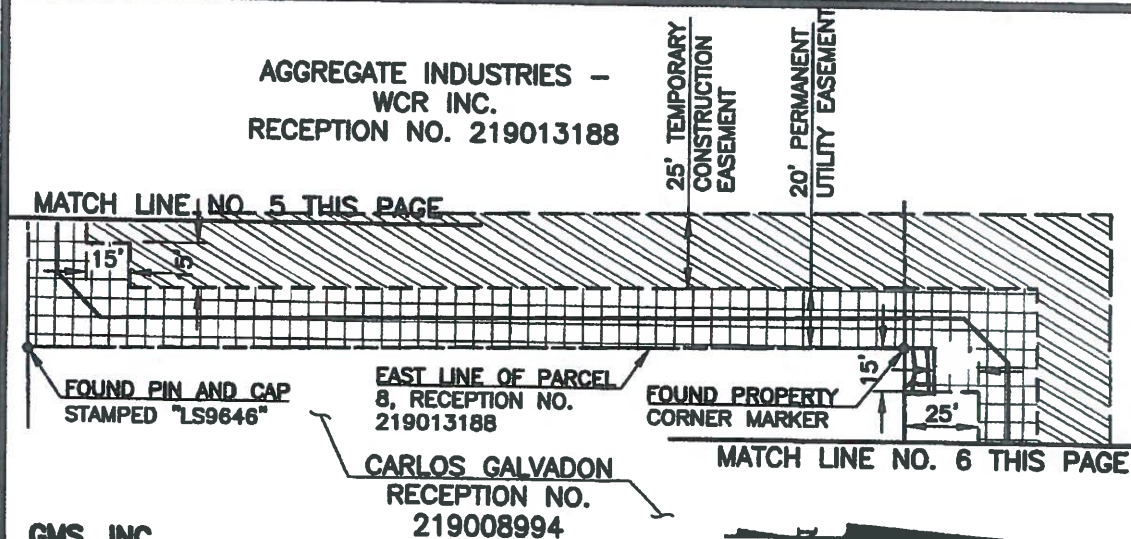
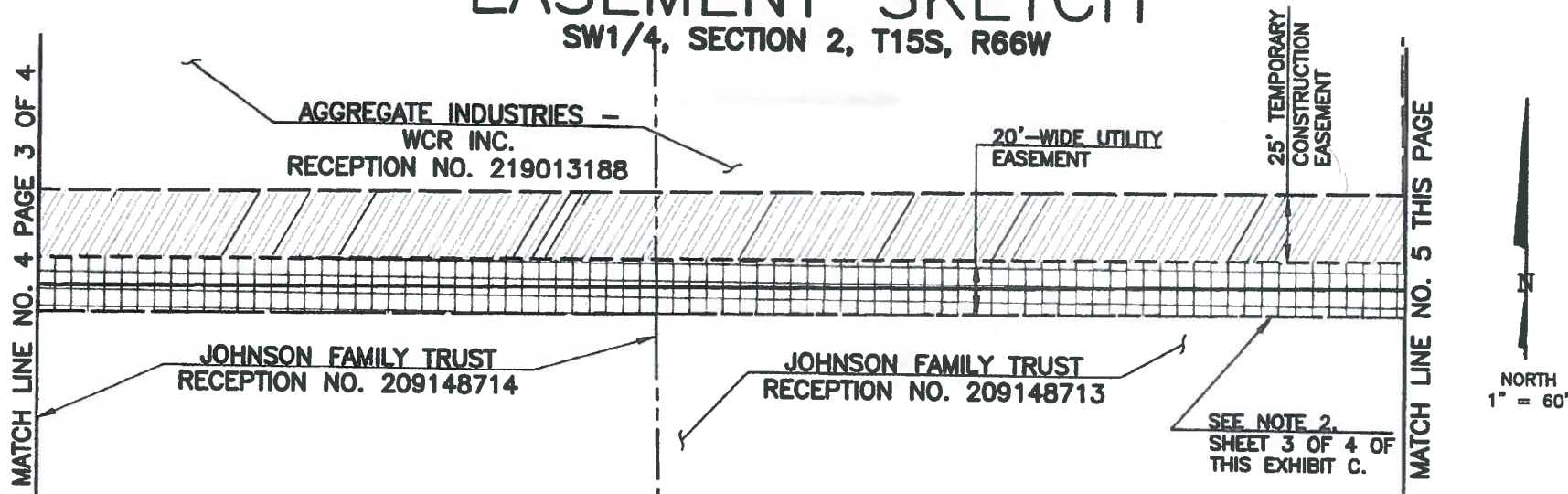
1. EAST LINE OF THE SOUTH ONE HALF OF THE NORTHWEST ONE QUARTER OF THE SOUTHWEST ONE QUARTER, SEC. 2, T15S, R66W.
2. SOUTH LINE OF PARCELS 6, 7 AND 8 DESCRIBED IN SPECIAL WARRANTY DEED RECORDED AT RECEPTION NO. 219013188.

GMS, INC.
PROJECT NO. 18063.040
APRIL 2019/REV. JULY 2019
DRAWN: MAL

NORTH
1" = 60'

EASEMENT SKETCH

SW1/4, SECTION 2, T15S, R66W



GMS, INC.
PROJECT NO. 18063.040
APRIL 2019/REV. JULY 2019
DRAWN: MAL
Aggregate Ind-WCR Easement_A.dwg