

# EXHIBIT I

## PERMANENT EASEMENT (CPS Block Chilled Water Main)

The **CITY AND COUNTY OF DENVER**, a Colorado municipal corporation and home rule city ("**City**" or "**Grantor**"), whose address is 1437 Bannock Street, Denver, Colorado, 80202, hereby acknowledges receipt and sufficiency of good and valuable consideration from **PUBLIC SERVICE COMPANY OF COLORADO**, a Colorado corporation ("**Company**" or "**Grantee**"), whose address is 1800 Larimer Street, Suite 1100, Denver, Colorado 80202, in consideration of which Grantor hereby grants unto said Company, its successors and assigns, a non-exclusive below grade permanent easement ("**Easement**") to survey, operate, use, construct, maintain, repair, remove, replace and upgrade Company's utility facilities (the "**Company Facilities**"), including, without limitation, the chilled water mains, related interconnections and all associated facilities and appurtenances shown on **Exhibit A** attached hereto and made a part hereof (collectively, "**CPS Block Chilled Water Main**"), as such Company Facilities may be modified or replaced from time-to-time by Grantee pursuant to this Easement and in Grantee's sole discretion through, in and under the following described parcel ("**CPS Block Easement Area**"):

SEE **EXHIBIT B**, ATTACHED HERETO AND MADE A PART HEREOF.

The CPS Block Easement Area is generally depicted on **Exhibit C**, attached hereto and incorporated herein. Notwithstanding anything to the contrary herein, the depiction in **Exhibit C** is solely for depicting the CPS Block Easement Area and its environs, but in all events the legal description of the CPS Block Easement Area set forth in **Exhibit B** shall control in the event of any conflict. City and Company agree that **Exhibits A and C** show basic aspects of the CPS Block Chilled Water Main and that upon completion of the construction of the same, the City and Company shall record as-built drawings of the CPS Block Chilled Water Main which, upon recording, will supersede and replace **Exhibits A and C** as attached hereto. The communications vault referred to in **Exhibit A** is not a Company Facility and is owned by the City. The Company may use such communications vault for three (3) conduits containing communication cables and for needed extensions of such conduits to adjacent rights of way and property (upon receipt of appropriate permission to use such property). As used herein, the CPS Chilled Water Main is a subset of Company Facilities. Company Facilities, including, without limitation, the CPS Block Chilled Water Main may be modified by the Company pursuant to the terms of this instrument and any costs to relocate the same shall be borne as set forth below. The Grantor reserves the right to use and occupy the CPS Block Easement Area for any purpose consistent with the rights and privileges granted herein and which shall not unreasonably interfere with or endanger any of the Company Facilities located in the CPS Block Easement Area or use thereof or the Grantee's exercise of its rights herein; provided, the use of the CPS Block Easement Area for the installation of facilities related to the construction of its new Crime Lab Building project shall not be deemed an unreasonable interference assuming such use does not materially interfere with each of the following, subject to and in accordance with the terms of this instrument: (a) the Grantee's use of the Company Facilities, (b) the Grantee's access to the Company Facilities in accordance with the access requirements herein, or (c) the Grantee's use of the CPS Block Easement Area.

Grantee's use of the easement rights granted herein shall not unreasonably interfere with or endanger Grantor's property or use thereof. Grantee shall have the right to remove any vegetation that interferes with or endangers Grantee's use of the CPS Block Easement Area or the Company Facilities located therein. Grantee shall have the right to remove (i) any vegetation overhanging the CPS Block Easement Area, (ii) structures and/or (iii) improvements that unreasonably interfere with or endanger Company Facilities located within the CPS Block Easement Area; provided, however, that Grantee may not remove (a) the CPS Block parking garage improvements as it exists as of the date hereof; (b) structures or improvements for which Grantee has provided its prior written approval, in its sole discretion, prior to construction of such structure or improvements; or (c) those improvements described in the Denver Police Crime Lab 100% Construction Documents – issued for Permit – Phase 2, Volume 1 and Volume 2, Dated September 10, 2010.

Any extended period of non-use of the CPS Block Easement Area by Grantee shall not constitute abandonment of the CPS Block Easement Area. The CPS Block Easement Area shall not be considered abandoned by the Grantee unless Grantee provides Grantor with express written notice of its intent to abandon the CPS Block Easement Area. In the event that the Grantee provides express written notice of its intent to abandon the CPS Block Easement Area, the Grantee shall reasonably cooperate with Grantor to execute and record documents evidencing such abandonment.

Grantee shall have reasonable access rights on, over and across Grantor's adjacent property within the CPS Block located between 13<sup>th</sup> Avenue, 14<sup>th</sup> Avenue, Cherokee Street and Delaware Street in order to exercise its rights under this Easement. Grantee shall maintain the Company Facilities in accordance with applicable laws. The work by Grantee to survey, operate, use, construct, maintain, repair, remove, replace and upgrade any Company Facilities located on or adjacent to the CPS Block Easement Area shall be done with care, the surface and improvements on or in the CPS Block Easement Area shall be restored, if applicable, as determined by the Manager of Public Works in the Manager's reasonable discretion, to substantially its original level and condition, and any improvements thereon disrupted by Grantee shall be repaired or replaced, as applicable, to substantially their original condition. Grantee shall provide Grantor with as-built drawings for any new Company Facilities as soon as reasonably practicable after completion of construction.

This Easement is granted "as-is, where-is, and with faults."

The following provisions shall apply regarding the relocation of Company Facilities:

- (a) Any relocation of Company Facilities requested by or for the City, which must be in writing from the Manager of Public Works, shall be accomplished pursuant to plans and specifications reasonably approved by the Company to a location reasonably acceptable to the Company, taking into consideration the cost implications of such location and be done in a manner that shall minimize the impact of such relocation on the Company's operations and the Company shall have the right to reasonably accept or reject the relocated Company Facilities upon completion of such relocation. In the event such a relocation is requested by or for the City, the following provisions shall apply:

- (i) The City shall use diligent efforts to relocate the Company Facilities onto other property owned by the City that is not a public right-of-way and that will not result in a detrimental impact to Company operations or increased costs to operate as a result of such relocation, in which event the City and Company shall amend this easement to change the legal description for the new easement area only, unless otherwise necessary to effectuate the relocation and as agreed to by the Company and the City's manager of Public Works in writing; and
  - (ii) If the only reasonable option is to relocate the Company Facilities into a public right-of-way or if because of a reasonable increase in the Company's cost of operating the CPS Block Chilled Water Main and related appurtenances the Company determines that relocation to the public right-of-way is preferable, in addition to the City's relocation cost obligations outlined herein, the City shall pay Company Two Hundred Thousand Dollars (\$200,000), as adjusted for inflation based on the United States Department of Labor consumer price index ("CPI"), or such reputable, successor index if the CPI is no longer published. In the event only a portion of the CPS Block Easement Area is terminated pursuant to this subparagraph (ii), and the conditions contained in this subparagraph (ii) are met, the City shall pay the Company a proportionate share of the Two Hundred Thousand Dollars (\$200,000) based on the linear feet of the easement area to be terminated.
- (b) Any relocation of Company Facilities requested by the City shall occur on a timeframe mutually agreeable to Grantor and Grantee, but in no event shall the decision on where to relocate such Company Facilities be made later than eighteen (18) months after the request to relocate and in no event shall the actual relocation occur later than two (2) years after such decision, unless otherwise agreed to by the Company and the City's Managers of General Services and Public Works. Notwithstanding anything herein, the City and the Company shall use diligent efforts to negotiate the location and details of any relocation contemplated under this paragraph, including minimizing any impact on Company's operations associated with such relocation.
  - (c) The cost of relocation of only the CPS Block Chilled Water Main, and all associated costs only, if requested by or for the City, shall not be borne by Company; provided, further, that to the extent Company replaces, modifies or repairs any of the CPS Block Chilled Water Main in a manner that creates any additional relocation costs above what the City would have to pay to relocate the CPS Chilled Water Main as of the date of this Easement, the City shall not be responsible for such incremental cost increase.
  - (d) To the extent relocation of only the CPS Chilled Water Main is not requested or preformed by or for the City, the cost of such relocation shall not be borne by the City.

- (e) Without limiting the foregoing sentences in subsections (c) and (d) above, the cost of relocation any Company Facilities other than the CPS Block Chilled Water Main, whether or not requested by or for the City, shall not be borne by the City.

This Easement shall bind and benefit, as applicable, the Parties' successors and assigns.

All obligations of the City under this Easement are subject to the prior appropriations of monies expressly made by the City Council for the purposes of this Easement and paid into the Treasury of the City.

[Signature Pages Follow]

IN WITNESS WHEREOF, as of this \_\_\_\_\_ day of \_\_\_\_\_, 201\_ the parties hereto set their hand and affix their seals.

“CITY”

ATTEST:

\_\_\_\_\_  
STEPHANIE Y. O’MALLEY, Clerk and Recorder,  
*Ex-Officio Clerk* of the City and County of Denver

**CITY AND COUNTY OF DENVER:  
a Colorado Municipal Corporation**

\_\_\_\_\_  
Mayor

**RECOMMENDED AND APPROVED:**

\_\_\_\_\_  
Manager of Public Works

\_\_\_\_\_  
Manager of General Services

\_\_\_\_\_  
Director of the Division of Real Estate

**APPROVED AS TO FORM:**

DAVID R. FINE  
City Attorney for the City and County of Denver

By: \_\_\_\_\_  
Assistant City Attorney

**REGISTERED AND COUNTERSIGNED:**

By: \_\_\_\_\_  
Manager of Finance

Contract Control No. \_\_\_\_\_

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

STATE OF COLORADO )  
 ) ss.  
CITY AND COUNTY OF DENVER )

The foregoing Easement was acknowledged before me this \_\_\_ day of \_\_\_\_\_, 201\_ by \_\_\_\_\_ as Mayor of the City and County of Denver. Witness my hand and official seal.

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

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

**PUBLIC SERVICE COMPANY OF COLORADO,**  
a Colorado corporation

By: \_\_\_\_\_  
David L. Eves  
President and Chief Executive Officer

STATE OF COLORADO                         )  
  ) ss.  
CITY AND COUNTY OF DENVER            )

The foregoing instrument was acknowledged before me by David L. Eves as President and Chief Executive Officer for PUBLIC SERVICE COMPANY OF COLORADO, a Colorado corporation, this \_\_\_\_ day of \_\_\_\_\_, 2010.

Witness my hand and official seal.

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

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

Exhibits to  
Permanent Easement  
Not Scanned.

Clerk and Karen Aules (CAO) has set