

RESOLUTION #2022-10

CHEROKEE METROPOLITAN DISTRICT

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CHEROKEE METROPOLITAN DISTRICT TO APPROVE THE TRANSFER OF WATER RIGHTS FROM CHEROKEE WATER, LLC TO CHEROKEE METROPOLITAN DISTRICT, AND TO DISSOLVE CHEROKEE WATER, LLC**

**WHEREAS**, Cherokee Water, LLC (“CW LLC”) is a limited liability company formed in 2006 under the laws of the State of Colorado; and

**WHEREAS**, CW LLC is managed and governed pursuant to an Operating Agreement originally executed by its Members and representatives of the Cherokee Metropolitan District (the “District”) on December 4, 2006 and recorded on December 15, 2006 at Reception #206182330 in the real property records of El Paso County, Colorado, and as amended by the First Amended Operating Agreement of Cherokee Water LLC executed on February 9, 2022 (the 2006 Operating Agreement and the First Amended Operating Agreement shall collectively be referred to as the “CW LLC Operating Agreement”); and

**WHEREAS**, the CW LLC Operating Agreement provides that title to the Water Rights described therein shall be held in the name of CW LLC until such time as the Board of Directors of Cherokee Metro elects to have title to the Water Rights transferred to Cherokee Metro; and

**WHEREAS**, Section VII of the CW LLC Operating Agreement provides as follows:

Upon execution of a water service agreement between a Member and Cherokee Metro for water service in the full amount of the Member interest, the Manager may with the approval of the Board of Directors of Cherokee Metro, transfer title to Cherokee Metro of that Member's interest in the Water Rights. Upon such transfer of title of the Water Rights, the Member's membership interest in this LLC shall terminate.

and

**WHEREAS**, at the time of this Resolution, the Members of CW LLC are 1) Ellicott Utilities Company, LLC (“EUC”), and 2) Marksheffel Business Center, LLC (“MBC”); and

**WHEREAS**, the District has executed water service agreements with EUC and MBC in the full amount of the respective Member interests for each Member; and

**WHEREAS**, the CW LLC Operating Agreement allows the dissolution of CW LLC upon the completion of the conveyance of title of all of the Water Rights from CW LLC to the District; and

**WHEREAS**, pursuant to Resolution 2022-13 of CW LLC, dated February 9, 2022, MBC and EUC, as Members of CW LLC, declared that the conditions for dissolution of CW LLC contained in the CW LLC Operating Agreement have been satisfied, and authorized the Manager of CW LLC to take any and all actions duly required for the dissolution of CW LLC and the winding up the business thereof; and

**WHEREAS**, a Special Warranty Deed is attached hereto as Exhibit A which provides for the transfer of an undivided one hundred percent (100%) interest in title to the "Water Rights" described in the CW LLC Operating Agreement from CW LLC to the District.

**NOW, THEREFORE**, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CHEROKEE METROPOLITAN DISTRICT OF EL PASO COUNTY, COLORADO, AS FOLLOWS:

1. The District hereby approves the conveyance of title to all Water Rights, as provided in the Special Warranty Deed attached hereto as Exhibit A, from CW LLC to the District. The Manager of the District is specifically authorized, as Manager of CW LLC, to execute the Special Warranty Deed attached hereto as Exhibit A, and to take any other actions necessary for transfer of title of all water rights held by CW LLC to the District. The District further acknowledges that under Section VII of the CW LLC Operating Agreement, the Membership interests of EUC and MBC will terminate upon the transfer of the Water Rights as approved herein.
2. Upon the transfer of title of all Water Rights held by CW LLC from CW LLC to the District, the District hereby approves the dissolution of CW LLC. The District specifically directs the General Manager of the District, as Manager of CW LLC, to take any and all actions duly required for the dissolution of CW LLC and the winding up the business thereof.

ADOPTED AND APPROVED this 15<sup>th</sup> day of February 2022.

CHEROKEE METROPOLITAN DISTRICT

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

Steve Hasbrouck, President

ATTEST:

Dennis Daniels  
Dennis Daniels, Secretary

(SEAL)

**Exhibit A**  
**Special Warranty Deed**

## SPECIAL WARRANTY DEED

**THIS DEED** is made this 15<sup>th</sup> day of February, 2022, between **CHEROKEE WATER, LLC**, a Colorado Limited Liability Company whose address is 6250 Palmer Park Blvd, Colorado Springs, CO 80915 ("Grantor") and **CHEROKEE METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado whose address is 6250 Palmer Park Blvd, Colorado Springs, CO 80915 ("Grantee").

WITNESSETH, that Grantor, for and in consideration of the sum of Ten Dollars (\$10.00) and other consideration, the receipt and sufficiency of which is hereby acknowledged, have granted, sold, and conveyed, and do hereby grant, sell, convey, and confirm unto Grantee, its successors and assigns forever, all the water rights situate, lying and being in the County of El Paso, State of Colorado, described as follows (the "Water Rights"):

- (1) An undivided one hundred percent (100%) interest in all water and water rights established pursuant to the following: (1) Negotiated Settlement and Order from the Colorado Ground Water Commission dated December 4, 1991, Case No. 91-GW-01 (the "Order"); (2) Well permit no. 27574-FP; and (3) Well permit no. 16253-FP; and the right to individually exercise any right(s) granted in the Order; and the unconditional right to use the existing well(s) located in the Southwest Quarter of the Northeast Quarter of Section 36 Township 12 South Range 63 West of the 6th P.M., El Paso County, Colorado, to extract the water arising from the water rights.
- (2) All beneficial right, title and interest, if any, in well(s), casings, pumps, pipelines, and any associated infrastructure related to, incidental to, appurtenant to, or otherwise associated with the Water Rights.

TOGETHER with all and singular the hereditaments and appurtenances thereto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in and to the Water Rights, with the hereditaments and appurtenances.

TO HAVE AND TO HOLD the above-described property with the appurtenances, unto the Grantee, its successors and assigns forever. The Grantor, for the Grantor and the Grantor's successors and assigns, do covenant and agree that Grantor shall and will WARRANT AND FOREVER DEFEND the property in the quiet and peaceable possession of the Grantee, and the Grantee's successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through, or under the Grantor.

