

TOWN COUNCIL
TOWN OF GYPSUM, STATE OF COLORADO

RESOLUTION NO. 04 (SERIES 2023)

A RESOLUTION APPROVING THE SECOND AMENDMENT TO SUBDIVISION
IMPROVEMENT AGREEMENT FOR IK BAR SUBDIVISION BETWEEN THE TOWN OF
GYPSUM AND EAGLE COUNTY SCHOOL DISTRICT

WHEREAS, the Town of Gypsum, Colorado (“Town”), is a home rule municipality of the State of Colorado, duly organized and existing under Article XX of the Colorado Constitution and the Gypsum Home Rule Charter effective October 21, 1982; and

WHEREAS, the members of the Town Council (“Council”) have been duly elected, chosen and qualified; and

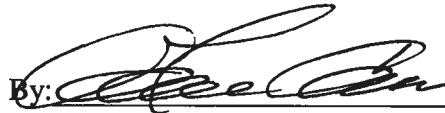
WHEREAS, the Town and Eagle County School District (“District”) entered into a Subdivision Improvement Agreement dated May 27, 2015, recorded as Reception No. 201511023, Eagle County records (the “SIA”) and a First Amendment to Subdivision Improvement Agreement dated March 12, 2019, recorded as Reception No. 201904910, Eagle County records (the “First Amendment”); and

WHEREAS, the Town and District wish to amend the SIA and First Amendment by entering into a Second Amendment to the IK Bar Subdivision Improvement Agreement. A copy of the Second Amendment to the IK Bar Subdivision Improvement Agreement is attached as **Exhibit A**.

NOW, THEREFORE, be it resolved by the Town Council of the Town of Gypsum, Colorado, that the Second Amendment to the Agreement is hereby approved.

Approved and Resolved this 28 day of February 2023 at a regular meeting of the Town Council of the Town of Gypsum, Colorado by a vote of 7 in favor and 0 against.

TOWN OF GYPSUM

By: 
Stephen Carver, Mayor

ATTEST:


By: 
Becky Close, Town Clerk



EXHIBIT A

Second Amendment to IK BAR Subdivision Improvement Agreement

**SECOND AMENDMENT TO SUBDIVISION IMPROVEMENT AGREEMENT
IK BAR SUBDIVISION**

This Second Amendment to Subdivision Improvement Agreement, IK Bar Subdivision (“Second Amendment”) is entered into this _____ day of _____, 2023 by and between the TOWN OF GYPSUM, a home rule municipal corporation (“Gypsum”) and EAGLE COUNTY SCHOOL DISTRICT, a Colorado public school district (referred to as “School District”). Gypsum and School District are collectively referred to as “Parties,” or occasionally in the singular as “Party.”

RECITALS

WHEREAS, School District has entered into a Subdivision Improvement Agreement, IK Bar Subdivision, with the Town dated May 27, 2015 and recorded June 18, 2016 in the offices of the Eagle County Clerk and Recorder at Reception No. 201511023 (the “Original Agreement”); and

WHEREAS, the property known as the IK Bar Subdivision was described in Exhibit A of the Original Agreement and shall be referred to as “the IK Bar Property;” and

WHEREAS, in the Annexation Agreement for the IK Bar Ranch dated February 22, 2000 (“the Annexation Agreement”) the Town and the School District agreed that the Town waived water service tap fees for 20 EQR on the IK Bar Property in exchange for the School District’s dedication of a town park to be utilized for two schools (10 EQR per school). See Article II.D. of the Annexation Agreement; and

WHEREAS, in the Annexation Agreement it was also agreed that, in exchange for the conveyance of certain water rights adjudicated to the McBreyer Ditch from the School District to the Town, water right dedication for 20 EQR for the two schools would be satisfied and that the School District would be left with a credit of 8.42 EQR in water dedication fee credits for various uses pursuant to Article II.D. of the Annexation Agreement; and

WHEREAS, the 20 EQR credits for water service taps and water right dedication requirements recognized in the Annexation Agreement are referred to as the “20 EQR Credits.”; and

WHEREAS, School District has entered into a First Amendment to Subdivision Improvement Agreement, IK Bar Subdivision, with the Town dated March 12, 2019 and recorded April 16, 2019 in the offices of the Eagle County Clerk and Recorder at Reception No. 201904910 (the “First Amendment”); and

WHEREAS, the Original Agreement restricted construction on Lot 2B on the IK Bar Property to up to eight (8) residential units of up to three thousand (3,000) square feet

each requiring 8 EQR for the 8 units, 5 single family houses on lots 4-8 requiring 5 EQR and up to 10 EQR for a third school (the “Third School”) to be located on the IK Bar Property; and

WHEREAS, the First Amendment allowed additional housing for School District employees by the School District on the IK Bar Property by constructing up to four (4) additional residential units on Lot 2B, for a total of twelve (12) residential units on Lot 2B with a maximum size of one thousand five hundred (1,500) square feet, to be divided into six (6) duplex structures. The total of 27 EQR in the First Amendment consists of a need for 10 EQR for the Third School, 5 EQR for the 5 single family houses and 12 EQR for the 12 townhomes (the “27 EQR”); and

WHEREAS, the First Amendment identified 14.58 water right dedication EQR credits the School District received as a result of the exercise by the Town of an option to purchase the “Back Parcel” pursuant to that Option Agreement identified in Section 17 of the Original Agreement; and

WHEREAS, also a result of the Town exercise of its option to purchase the Back Parcel the School District received a cash credit in the amount of \$216,000.00 to be used to offset fees for water service taps and water right dedication requirements. The School District utilized that cash credit as reflected in the chart in the amended Section 18C in the First Amendment; and

WHEREAS, the School District, or its assignee Habitat for Humanity Vail Valley, constructed the twelve (12) residential units on Lot 2B and used EQR credits and paid cash as follows: 1) Paid \$28,000 for water right dedication fees (\$7,000 times 4 for the four additional residential units) and 2) Paid \$33,924.72 for water service tap fees (12 times \$2,872.06); and

WHEREAS, the School District operates the Gypsum Creek Middle School (“GMS”) on property known as Lot 3D of the IK Bar Subdivision (401 Grundel Way, Gypsum, CO), the Red Hill Elementary School (“RHES”) on property known as Lot 2A of the IK Bar Subdivision (100 Grundel Way, Gypsum, CO), and has potential plans to construct the Third School on Lot 3A of the IK Bar Subdivision; and

WHEREAS, Gypsum owns Lot 3B (“Lot 3B”) and 3C (“Lot 3C”) of the IK Bar Subdivision; and

WHEREAS, the School District owns the property described in Exhibit A to the Original Agreement, excluding Lot 3B and Lot 3C, referred to as “the Property”. For clarity, the “Property” refer to the IK Bar Property and the IK Bar Subdivision (which are the same) excluding Lot 3B and Lot 3C and is consistent with the definition of “Property” in the Original Agreement which is “any portion of the of IK Bar Property owned by Developer [the School District].”; and

WHEREAS, the Parties wish to amend the Original Agreement and First Amendment to detail existing school uses, future school uses, and to allow the School District to use the water right dedication and water service tap credits on the the Property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

1. **Amendment of Section 18.C.** Section 18.C of the Original Agreement, as modified by the First Amendment, is amended in its entirety and replaced with the following.

C. School District Credits and Tap Fees Due.

(i) **Summary of Water Right Dedication Fees and Water Tap Fees Paid or Credited For Future Use on the Property.** The Town agrees to credit the School District the water right dedication fees for the 27 EQR and credit the School District a portion of the water service tap fees on the Properties, as shown in the below table that summarizes the Property EQR accounting as of the execution of this Second Amendment:

The District will pay the Town \$14,135.28 for the five water service taps needed for the five single family lots with \$2,827.06 due at the issuance of a building permit for each lot. The water right dedication and water service tap fees due for up to 10 EQR at the Third School anticipated to be constructed on the Property are included in the 27 EQRs that have been paid as shown in the below table.

Town of Gypsum Fees	EQRS (Est.)	School District EQR Credit	Adjusted EQRs, Amount	Amount Due	School District Credit from Conveyance of Back Parcel's Appraised Value	Payments Made for 12 Town-homes	Total Due Town from Developer for 27 EQRs
Water Right Dedication Fees \$7000/EQR	27	8.42	18.58	\$130,060	\$102,060	\$28,000	\$0
Water Service Tap Fee, \$6000/EQR	27	0	27	\$162,000	\$113,940	\$33,924.72	\$14,135.28 (\$2,827.06 paid with each building permit for 5 SF lots)
Total				\$292,060.00	\$216,000	\$61,924.72	\$14,135.28

(ii) GMS and RHES EQR Counts and Credit. In addition to the EQR in the above table:

a. The School District received credit for 10 EQR for water right dedication and water service tap fees for GMS and paid sewer tap fees for 8.0 EQR. The parties agree that, based on the certified October, 2022 student population, GMS has been determined to have an EQR count of 7.14 EQR (357 students x 0.02) leaving a water dedication and water tap fee credit of 2.86 EQR; and b. The School District received credit for 10 EQR for water right dedication and water service tap fees for RHES and paid sewer tap fees for 7.52 EQR for RHES. The parties agree that, based on the 2017-2018 certified student population, RHES has been determined to have an EQR count of 8.02 EQR (401 students x 0.02) leaving a water dedication and water tap fee credit of 1.98 EQR. Therefore, a total of 14.84 EQR of water dedication fee credit and water tap fee credit is presently attributable to the Property for school uses. The above calculations include and are based on the School District having been credited a cumulative water right dedication fee and water tap fee for the Property for school uses for 30.0 EQR (10 EQR for water right dedication and water service taps for each of GES, RHES and the Third School). The School District may use the excess 14.84 EQR for any school uses on the Property including increased student populations at GMS and RHES.

2. **Amendment of Section 18.D.** Section 18.D of the Original Agreement as modified by the First Amendment, is amended in its entirety and replaced with the following:

D. Additional EQR Determination and Payment. If any additional taps over and above the 27 EQR are required for future service to the Property under the Code, additional water rights dedication fees and water service tap fees shall be paid at building permit application. At the time of approval of a building permit, each lot (or additional school use) shall demonstrate estimated EQR for the lot or townhouse and any additional EQRs that are required. Additional EQR may only be approved for indoor use, and not for additional landscaping areas. Pursuant to the Code, Gypsum may re-verify actual use at each lot, and retains the discretion to assess appropriate additional water rights dedication fees if the actual use exceeds the estimate in this Agreement or require the elimination of irrigated area allowable under this Agreement and the Code by mandating installation of hard-surface or xeriscape.

2. **Amendment of Section 18.E.** Section 18.E. of the Original Agreement is amended in its entirety and replaced with the following:

E. EQR Limitation. This Agreement contemplates a total of 27 EQR for the Property (excluding the 20 EQR credits for school utilized for GMS and RHES), with 17 EQR for non-school uses and the balance for school uses. Additional water rights dedication and water tap fees shall be paid in accordance with sections 18.A(ii), 18.B. and 18.D. and the Town Code.

3. **Amendment of Section 18.J.** Section 18.J. of the Original Agreement is amended in its entirety and replaced with the following:

J. No potable water delivered from the Town on the Property shall be used for irrigation purposes except for the single-family residences and townhomes on Lot 2B, upon payment of all required tap fees and water right dedication fees; the five single family lots shall be restricted to 2,500 square feet of irrigation. The School District shall install and exclusively use a raw water irrigation system using the School District's water rights in the Chatfield and Bartholomew Ditch to serve all irrigation for all schools located on Lots 2A, 3A, and 3D. The School District shall provide to the Town as-built schematics of each raw water system promptly upon their completion(s) which schematics shall include, at a minimum: A description of the water rights used; the point(s) at which water is diverted from the Chatfield and Bartholomew Ditch; the design capacity of all pumps used, the square footage of land being irrigated on each lot; and the design of the diversion intake from the Chatfield and Bartholomew Ditch.

4. **Amendment of Section 18.L.** Section 18.L. of the Original Agreement is amended in its entirety and replaced with the following:

L. System Capacity. Gypsum estimates that it currently has sufficient water system capacity to serve the number of units existing and proposed on the Property. Because of the unique circumstances of this project and the parties having previously entered into the Option Agreement, Gypsum agrees to reserve sufficient water system capacity for 47.0 EQR to serve the Property. The 47 EQR are the sum of the 27 EQR as summarized in the table in 18.C. above plus the 20 EQR Credits obtained for GMS and RHES. Should additional EQR's be required over the 47.0 EQR reserved, the Town does not guarantee that sufficient capacity will be available when building permits are requested for demands exceeding the 47.0 EQR reserved. For the purpose of this Agreement, insufficient water system capacity means insufficient system capacity of whatsoever kind of nature, be it well water, treatment or distribution capacity to serve all properties currently served by Gypsum whether located within or without Gypsum, and also serve the Property. Gypsum may impose a temporary or permanent moratorium on issuing water taps to serve such additional demands, should Gypsum determine in its sole subjective discretion that it has insufficient water treatment capacity to serve more than the 47.0 EQR reserved to serve the Property. Upon any such moratorium, Gypsum shall take reasonable efforts to increase system capacity to serve the Property's additional demands.

5. **Amendment to provide for a new Section 18.M.** A new Section 18.M. of the Original Agreement is added to read:

M. Usage of Water Right Dedication Credit on the Property.

Notwithstanding that the Annexation Agreement and First Amendment stated that certain EQR credits for school uses would be used on particular Lots on the Property, the School District shall be permitted to apply and use water right dedication and water tap service credits and future water right dedication and water service tap credits for new or expanded school uses anywhere within the Property.

6. Except as expressly modified herein, the Original Agreement, as modified by the First Amendment, shall remain in full force and affect. This Amendment constitutes the complete and entire agreement among the parties with respect to the subject matter of this Amendment.

**SECOND AMENDMENT TO SUBDIVISION IMPROVEMENT AGREEMENT
IK BAR SUBDIVISION**

This Second Amendment to Subdivision Improvement Agreement, IK Bar Subdivision (“Second Amendment”) is entered into this 28 day of February, 202_ by and between the TOWN OF GYPSUM, a home rule municipal corporation (“Gypsum”) and EAGLE COUNTY SCHOOL DISTRICT, a Colorado public school district (referred to as “School District”). Gypsum and School District are collectively referred to as “Parties,” or occasionally in the singular as “Party.”

RECITALS

WHEREAS, School District has entered into a Subdivision Improvement Agreement, IK Bar Subdivision, with the Town dated May 27, 2015 and recorded June 18, 2016 in the offices of the Eagle County Clerk and Recorder at Reception No. 201511023 (the “Original Agreement”); and

WHEREAS, the property known as the IK Bar Subdivision was described in Exhibit A of the Original Agreement and shall be referred to as “the IK Bar Property;” and

WHEREAS, in the Annexation Agreement for the IK Bar Ranch dated February 22, 2000 (“the Annexation Agreement”) the Town and the School District agreed that the Town waived water service tap fees for 20 EQR on the IK Bar Property in exchange for the School District’s dedication of a town park to be utilized for two schools (10 EQR per school). See Article II.D. of the Annexation Agreement; and

WHEREAS, in the Annexation Agreement it was also agreed that, in exchange for the conveyance of certain water rights adjudicated to the McBreyer Ditch from the School District to the Town, water right dedication for 20 EQR for the two schools would be satisfied and that the School District would be left with a credit of 8.42 EQR in water dedication fee credits for various uses pursuant to Article II.D. of the Annexation Agreement; and

WHEREAS, the 20 EQR credits for water service taps and water right dedication requirements recognized in the Annexation Agreement are referred to as the “20 EQR Credits.”; and

WHEREAS, School District has entered into a First Amendment to Subdivision Improvement Agreement, IK Bar Subdivision, with the Town dated March 12, 2019 and recorded April 16, 2019 in the offices of the Eagle County Clerk and Recorder at Reception No. 201904910 (the “First Amendment”); and

WHEREAS, the Original Agreement restricted construction on Lot 2B on the IK Bar Property to up to eight (8) residential units of up to three thousand (3,000) square feet

each requiring 8 EQR for the 8 units, 5 single family houses on lots 4-8 requiring 5 EQR and up to 10 EQR for a third school (the “Third School”) to be located on the IK Bar Property; and

WHEREAS, the First Amendment allowed additional housing for School District employees by the School District on the IK Bar Property by constructing up to four (4) additional residential units on Lot 2B, for a total of twelve (12) residential units on Lot 2B with a maximum size of one thousand five hundred (1,500) square feet, to be divided into six (6) duplex structures. The total of 27 EQR in the First Amendment consists of a need for 10 EQR for the Third School, 5 EQR for the 5 single family houses and 12 EQR for the 12 townhomes (the “27 EQR”); and

WHEREAS, the First Amendment identified 14.58 water right dedication EQR credits the School District received as a result of the exercise by the Town of an option to purchase the “Back Parcel” pursuant to that Option Agreement identified in Section 17 of the Original Agreement; and

WHEREAS, also a result of the Town exercise of its option to purchase the Back Parcel the School District received a cash credit in the amount of \$216,000.00 to be used to offset fees for water service taps and water right dedication requirements. The School District utilized that cash credit as reflected in the chart in the amended Section 18C in the First Amendment; and

WHEREAS, the School District, or its assignee Habitat for Humanity Vail Valley, constructed the twelve (12) residential units on Lot 2B and used EQR credits and paid cash as follows: 1) Paid \$28,000 for water right dedication fees (\$7,000 times 4 for the four additional residential units) and 2) Paid \$33,924.72 for water service tap fees (12 times \$2,872.06); and

WHEREAS, the School District operates the Gypsum Creek Middle School (“GMS”) on property known as Lot 3D of the IK Bar Subdivision (401 Grundel Way, Gypsum, CO), the Red Hill Elementary School (“RHES”) on property known as Lot 2A of the IK Bar Subdivision (100 Grundel Way, Gypsum, CO), and has potential plans to construct the Third School on Lot 3A of the IK Bar Subdivision; and

WHEREAS, Gypsum owns Lot 3B (“Lot 3B”) and 3C (“Lot 3C”) of the IK Bar Subdivision; and

WHEREAS, the School District owns the property described in Exhibit A to the Original Agreement, excluding Lot 3B and Lot 3C, referred to as “the Property”. For clarity, the “Property” refer to the IK Bar Property and the IK Bar Subdivision (which are the same) excluding Lot 3B and Lot 3C and is consistent with the definition of “Property” in the Original Agreement which is “any portion of the of IK Bar Property owned by Developer [the School District].”; and

WHEREAS, the Parties wish to amend the Original Agreement and First Amendment to detail existing school uses, future school uses, and to allow the School District to use the water right dedication and water service tap credits on the the Property.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

1. **Amendment of Section 18.C.** Section 18.C of the Original Agreement, as modified by the First Amendment, is amended in its entirety and replaced with the following.

C. School District Credits and Tap Fees Due.

(i) **Summary of Water Right Dedication Fees and Water Tap Fees Paid or Credited For Future Use on the Property.** The Town agrees to credit the School District the water right dedication fees for the 27 EQR and credit the School District a portion of the water service tap fees on the Properties, as shown in the below table that summarizes the Property EQR accounting as of the execution of this Second Amendment:

The District will pay the Town \$14,135.28 for the five water service taps needed for the five single family lots with \$2,827.06 due at the issuance of a building permit for each lot. The water right dedication and water service tap fees due for up to 10 EQR at the Third School anticipated to be constructed on the Property are included in the 27 EQRs that have been paid as shown in the below table.

Town of Gypsum Fees	EQRS (Est.)	School District EQR Credit	Adjusted EQRs, Amount	Amount Due	School District Credit from Conveyance of Back Parcel's Appraised Value	Payments Made for 12 Town-homes	Total Due Town from Developer for 27 EQRs
Water Right Dedication Fees \$7000/EQR	27	8.42	18.58	\$130,060	\$102,060	\$28,000	\$0
Water Service Tap Fee, \$6000/EQR	27	0	27	\$162,000	\$113,940	\$33,924.72	\$14,135.28 (\$2,827.06 paid with each building permit for 5 SF lots)
Total				\$292,060.00	\$216,000	\$61,924.72	\$14,135.28

(ii) GMS and RHES EQR Counts and Credit. In addition to the EQR in the above table:
 a. The School District received credit for 10 EQR for water right dedication and water service tap fees for GMS and paid sewer tap fees for 8.0 EQR. The parties agree that, based on the certified October, 2022 student population, GMS has been determined to have an EQR count of 7.14 EQR (357 students x 0.02) leaving a water dedication and water tap fee credit of 2.86 EQR; and b. The School District received credit for 10 EQR for water right dedication and water service tap fees for RHES and paid sewer tap fees for 7.52 EQR for RHES. The parties agree that, based on the 2017-2018 certified student population, RHES has been determined to have an EQR count of 8.02 EQR (401 students x 0.02) leaving a water dedication and water tap fee credit of 1.98 EQR. Therefore, a total of 14.84 EQR of water dedication fee credit and water tap fee credit is presently attributable to the Property for school uses. The above calculations include and are based on the School District having been credited a cumulative water right dedication fee and water tap fee for the Property for school uses for 30.0 EQR (10 EQR for water right dedication and water service taps for each of GES, RHES and the Third School). The School District may use the excess 14.84 EQR for any school uses on the Property including increased student populations at GMS and RHES.

2. **Amendment of Section 18.D.** Section 18.D of the Original Agreement as modified by the First Amendment, is amended in its entirety and replaced with the following:

D. Additional EQR Determination and Payment. If any additional taps over and above the 27 EQR are required for future service to the Property under the Code, additional water rights dedication fees and water service tap fees shall be paid at building permit application. At the time of approval of a building permit, each lot (or additional school use) shall demonstrate estimated EQR for the lot or townhouse and any additional EQRs that are required. Additional EQR may only be approved for indoor use, and not for additional landscaping areas. Pursuant to the Code, Gypsum may re-verify actual use at each lot, and retains the discretion to assess appropriate additional water rights dedication fees if the actual use exceeds the estimate in this Agreement or require the elimination of irrigated area allowable under this Agreement and the Code by mandating installation of hard-surface or xeriscape.

2. **Amendment of Section 18.E.** Section 18.E. of the Original Agreement is amended in its entirety and replaced with the following:

E. EQR Limitation. This Agreement contemplates a total of 27 EQR for the Property (excluding the 20 EQR credits for school utilized for GMS and RHES), with 17 EQR for non-school uses and the balance for school uses. Additional water rights dedication and water tap fees shall be paid in accordance with sections 18.A(ii), 18.B. and 18.D. and the Town Code.

3. **Amendment of Section 18.J.** Section 18.J. of the Original Agreement is amended in its entirety and replaced with the following:

J. No potable water delivered from the Town on the Property shall be used for irrigation purposes except for the single-family residences and townhomes on Lot 2B, upon payment of all required tap fees and water right dedication fees; the five single family lots shall be restricted to 2,500 square feet of irrigation. The School District shall install and exclusively use a raw water irrigation system using the School District's water rights in the Chatfield and Bartholomew Ditch to serve all irrigation for all schools located on Lots 2A, 3A, and 3D. The School District shall provide to the Town as-built schematics of each raw water system promptly upon their completion(s) which schematics shall include, at a minimum: A description of the water rights used; the point(s) at which water is diverted from the Chatfield and Bartholomew Ditch; the design capacity of all pumps used, the square footage of land being irrigated on each lot; and the design of the diversion intake from the Chatfield and Bartholomew Ditch.

4. **Amendment of Section 18.L.** Section 18.L. of the Original Agreement is amended in its entirety and replaced with the following:

L. System Capacity. Gypsum estimates that it currently has sufficient water system capacity to serve the number of units existing and proposed on the Property. Because of the unique circumstances of this project and the parties having previously entered into the Option Agreement, Gypsum agrees to reserve sufficient water system capacity for 47.0 EQR to serve the Property. The 47 EQR are the sum of the 27 EQR as summarized in the table in 18.C. above plus the 20 EQR Credits obtained for GMS and RHES. Should additional EQR's be required over the 47.0 EQR reserved, the Town does not guarantee that sufficient capacity will be available when building permits are requested for demands exceeding the 47.0 EQR reserved. For the purpose of this Agreement, insufficient water system capacity means insufficient system capacity of whatsoever kind of nature, be it well water, treatment or distribution capacity to serve all properties currently served by Gypsum whether located within or without Gypsum, and also serve the Property. Gypsum may impose a temporary or permanent moratorium on issuing water taps to serve such additional demands, should Gypsum determine in its sole subjective discretion that it has insufficient water treatment capacity to serve more than the 47.0 EQR reserved to serve the Property. Upon any such moratorium, Gypsum shall take reasonable efforts to increase system capacity to serve the Property's additional demands.

5. **Amendment to provide for a new Section 18.M.** A new Section 18.M. of the Original Agreement is added to read:

M. **Usage of Water Right Dedication Credit on the Property.**

Notwithstanding that the Annexation Agreement and First Amendment stated that certain EQR credits for school uses would be used on particular Lots on the Property, the School District shall be permitted to apply and use water right dedication and water tap service credits and future water right dedication and water service tap credits for new or expanded school uses anywhere within the Property.

6. Except as expressly modified herein, the Original Agreement, as modified by the First Amendment, shall remain in full force and affect. This Amendment constitutes the complete and entire agreement among the parties with respect to the subject matter of this Amendment.


Executed as of the first date written above.

TOWN OF GYPSUM

By: 

Stephen M. Carver, Mayor

ATTEST:

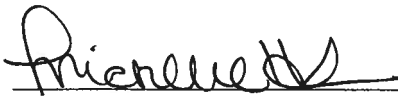

Becky Close, Town Clerk




REMAINDER OF PAGE INTENTIONALLY BLANK

FINAL

EAGLE COUNTY SCHOOL DISTRICT

By: 

Attest:


Dan Reynolds, Secretary