

**LEASE AGREEMENT FOR THE USE OF 4 EAGLE RANCH IN
EAGLE COUNTY – THE 4 EAGLE FOUNDATION
AGREEMENT 13608A**

Action by Consent Action Information

Denver Water owns the 4 Eagle Ranch, a property consisting of approximately 1,012 acres in Eagle County north of Wolcott. This property is a future reservoir site. From 1991 to 2010 the property was leased to Tom Backus, operating as 4 Eagle Ranch, Inc., for commercial uses including ranching, educational and recreational purposes. As a result, Denver Water had an on-site caretaker.

In 2010, Mr. Backus sold his business interests to 4 Eagle Ranch, LLC. With Denver Water's consent, Mr. Backus also assigned the lease to 4 Eagle Ranch, LLC, which then formed The 4 Eagle Foundation, which will operate as a non-profit foundation on the property.

Lease Agreement No. 13608A is a new lease specific to The 4 Eagle Foundation for a term of 15 years. Based on an independent appraisal of the property's leasing potential, the annual lease rate ranges from \$65,000 in the first year to \$98,318.33 in year 15. Execution of this lease agreement will automatically terminate the earlier lease assignment from 4 Eagle Ranch, Inc. The lease will now be held by The 4 Eagle Foundation.

RECOMMENDATION

It is recommended that the Board approve execution of the attached Lease Agreement No. 13608A for the lease of the 4 Eagle Ranch by The 4 Eagle Foundation.

Approvals:


Robert J. Mahoney
Director of Engineering


James S. Lochhead
CEO/Manager


Patti Wells
General Counsel