



May 13, 2020

To: PT Cloverleaf, LLC  
Attn: Joseph W. DesJardin, P.E.  
1864 Woodmoor Drive, Suite 100  
Monument, CO 80132

RE: Water and Wastewater Service Commitment  
Preliminary Plan - Cloverleaf Subdivision, Filing No. 2

EPC Parcel Numbers: 7123103007, 7124202236, 7124202239, 7124202240

Dear Mr. DesJardin:

The purpose of this letter is to summarize the current level of water and wastewater service commitment from the Woodmoor Water and Sanitation District No. 1 (the District) as of the date of this letter.

### **Services - Current Commitment**

The District has reviewed a preliminary plan for the above referenced development as prepared by N.E.S., Inc., dated February 24, 2020 (see attached Exhibit A). The development is currently located within the service boundaries of the District and it is the District's understanding that PT Cloverleaf, LLC (PT) intends to construct 132 single family detached homes across four (4) existing lots/tracts of land (see above schedule numbers) which, collectively, comprise approximately 37.28 acres of land.

Currently PT possesses a supplemental water service option agreement from the District in sufficient quantity to meet the projected water demands of the development (filed under Reception No.220108352 in the records of the El Paso County Clerk and Recorder).

Supplemental water service is required to be obtained from the District's Board of Directors by the Developer when a development's water demand is estimated to exceed the District's standard water service policy. As currently proposed, District water and wastewater resources are adequate to serve the development and the District is committed to serving the development with

water and wastewater services in accordance with the supplemental water service option agreement and all District rules, regulations and policies.

If you should have any questions or need further assistance, please contact me.

Sincerely,

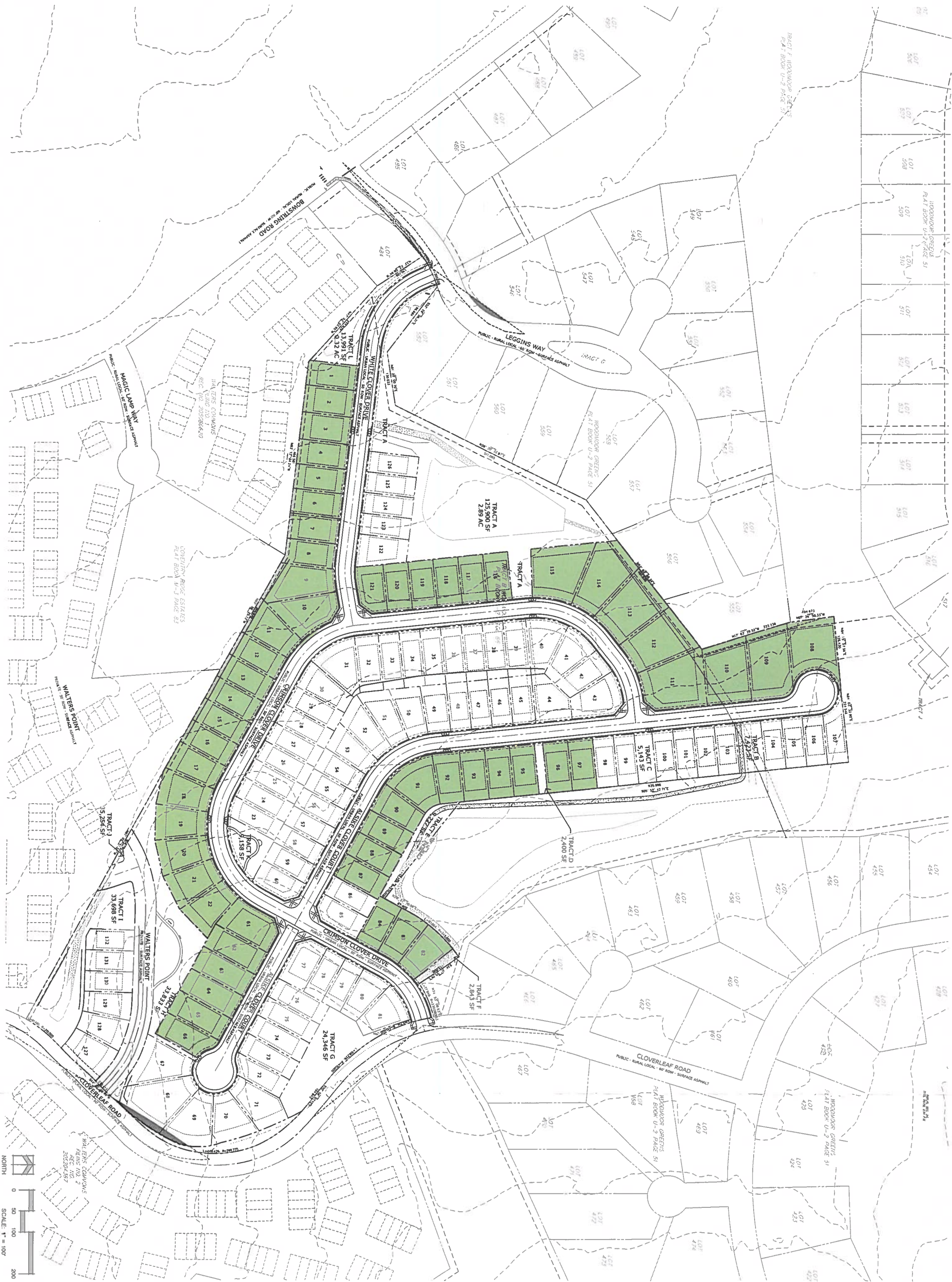
A handwritten signature in blue ink, appearing to read "Jessie J. Shaffer". The signature is fluid and cursive, with the first name "Jessie" being more prominent.

Jessie J. Shaffer  
District Manager

Cc: Dan LaFontaine – Operations Superintendent  
Ariel Hacker – District Engineer

JJS:js

## **Exhibit A**



N.E.S. Inc.  
619 N. Cascade Avenue, Suite 200  
Colorado Springs, CO 80903  
Tel. 719.471.0073  
Fax 719.471.0267  
www.nescolorado.com  
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BY ARCHITECT OR WITH

## CLOVERLEAF SUBDIVISION

CLOVERLEAF ROAD  
EL PASO COUNTY,  
COLORADO

DATE: 3/24/2020  
PROJECT NAME: CLOVERLEAF SUBDIVISION  
PROJECT NO.: 132

DATE	BY	DESCRIPTION

132 LOT LAYOUT

PLANTING #	SHEET NUMBER

## SUPPLEMENTAL WATER USAGE AND SERVICE AGREEMENT

by and between

**WOODMOOR WATER & SANITATION DISTRICT NO. 1**

and

**PT CLOVERLEAF, LLC**

This Supplemental Water Usage and Service Agreement (this "Agreement") is entered into and effective this 16 day of July, 2020 between the **WOODMOOR WATER & SANITATION DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the "District") and **PT CLOVERLEAF, LLC**, Colorado limited liability company (the "Developer").

WHEREAS, the District is the owner of all of the underground water rights within its boundaries, and has established a policy of allocating one-half (½) acre-foot of water per acre, per year, to each property within the District (the "Water Policy"); and

WHEREAS, the Developer is the owner of and developing six (6) parcels of property, totaling 38.727 acres and all located within the District's boundaries, and which are described and shown in **Exhibit A** as Parcel 1 and Parcels 2-1 through 2-5 (collectively, the "Property"), on which Developer intends to construct 150 single family homes and other improvements including irrigated common landscape and non-irrigated common landscape (the "Development") and

WHEREAS, pursuant to that certain Water Allowance Transfer Agreement entered into April 29<sup>th</sup>, 2003 and recorded in the records of the Clerk and Recorder of El Paso County, State of Colorado, under reception number 205040027 (the "Transfer Agreement"), the District and the then owners of the Property agreed to allocate the water service commitment under the Water Policy attributable to Remainder Parcels, as defined therein, to the Multi-Family Parcels, as defined therein; and

WHEREAS, by virtue of said Transfer Agreement and the allocation of water service commitment agreed to therein the Property and certain other property (collectively referred to herein as the "Walters Property") are allocated, 4.293 acre feet of water per year or .0321 acre feet of water per year per acre of the Walters Property; and

WHEREAS, the Property comprises a portion of the Walters Property and is entitled to a pro rata share of the 4.293 acre feet of water per year or .0322 acre feet of water per year per acre (the "Transfer Agreement Allocation"); and

WHEREAS, WOSC, LLC, a Colorado limited liability company ("WOSC") is the owner of nine (9) parcels of property, totaling 94.4242 acres and all located within the District's boundaries, and which are described and shown in **Exhibit B** as Parcel 1 through Parcel 9 (collectively, the "WOSC Land"). The WOSC Land comprises the remainder of the Walters Property and is entitled to a pro rata share of the 4.293 acre feet of water per year which equates to 3.044 acre feet of water per year (the "WOSC Transfer Agreement Allocation"); and

WHEREAS, pursuant to that certain Agreement Concerning Woodmoor Water and Sanitation District Water Service Commitment entered into \_\_\_\_\_, 2020, and recorded in the records of the Clerk and recorder of El Paso County, State of Colorado, under reception number \_\_\_\_\_, WOSC and the Developer agreed to allocate the entire WOSC Transfer Agreement Allocation to the Property; and

WHEREAS, the Development's anticipated water service demand at build-out is expected to be such that the Development will use more water than is allocated to the Property under the District's Water Policy and the Transfer Agreement Allocation; and

WHEREAS, to the extent the District, in its sole discretion, determines that the District's resources are adequate, the District may allocate water service to the Development for use on the Property in an amount over and above that allocated under the Water Policy and Transfer Agreement Allocation (the "Supplemental Water Service"), subject to the terms and conditions set forth in this Agreement; and

WHEREAS, the District has decided to allocate Supplemental Water Service for use on the Property subject to the terms and conditions set forth in this Agreement; and

WHEREAS, the Developer desires that it be able to use the Supplemental Water Service Share, as hereafter defined, on the Property in a fashion that meets Developer's commercial needs.

NOW THEREFORE, in consideration of the covenants and conditions contained herein, and other good and sufficient consideration, the parties agree as follows:

1. Adjusted Water Policy Share. Pursuant to the Water Policy and Transfer Agreement, the District may allocate for service to the Property a proportionate amount of the Transfer Agreement Allocation plus the WOSC Transfer Agreement Allocation. The pro rata share, which is equal to 1.249 acre feet annually plus the WOSC Transfer Agreement Allocation, which is 3.044 acre feet annually equals 4.293 acre feet annually (the "Adjusted Share"). The District shall serve the Property with the Adjusted Share, subject to the District Rules and Regulations, as amended from time to time, and subject to availability of resources adequate to meet all prior District allocations.

2. Developer Calculated Total Demand. The anticipated water demand for the Development, as calculated by the Developer is 54.630 acre-feet per year (150 homes x 0.3584



acre feet/home + 1.74 acres of irrigated common space x 0.50 acre feet/acre) (the "Calculated Demand"). The Calculated Demand is based on the District's Standard Demand Table.

3. Supplemental Water Service Share Reservation/Option, Charge and Requirements.

a. *Supplemental Water Service Share.* The total anticipated supplemental water demand for the Development at buildout is 50.337 acre-feet/year based on the District's Standard Demand Table. The District agrees, subject to the terms of this Agreement and the District Rules and Regulations, as amended from time to time, and subject to availability of resources adequate to meet all prior District allocations, to serve the Property with 50.337 acre-feet/year of supplemental water service (the "Supplemental Water Service Share").

b. *Reservation/Option Charge.* In exchange for the District's commitment to provide supplemental water service described herein, the Developer agrees to pay the District:

(i) For 2020. Concurrently with the execution of this Agreement, Developer shall pay \$40,702.95 for the 2020 Annual Option Payment (as defined in 3.b(ii) below) calculated as 6/12 of calendar year 2020 for which water service shall be available and assuming that the full amount of the Supplemental Water Service share is optioned in 2020.

(ii)

multiplied by a 1.5 premium multiplier, multiplied by 0.05 then multiplied by 11.610 acre feet or the balance of the Tier 3 Reserve Share, whichever is less.

The Tier 2 Option Payment and the Tier 3 Option Payment are collectively referred to as the "Annual Option Payment". Regardless of whether the Developer exercises the option on some or all of the remaining Supplemental Water Service Share in a given year, the Developer shall not receive a rebate on any portion of the first or any subsequent Annual Option Payment. For purposes of calculating the Annual Option Payment due in the year this Agreement is entered into, a partial month shall be treated the same as a full month.

(iii) The Developer may exercise its option on the Supplemental Water Service Share, or any portion of the Supplemental Water Service Share, at any time, subject to the limitations and conditions contained in this Agreement, by paying the District a sum of money equal to: the then current Supplemental Water Service Base Rate multiplied by the number of acre feet of Supplemental Water Service Share the Developer is ready to use on the Property that are Tier 2 Reserve Share plus the sum of the then current Supplemental Water Service Base Rate multiplied by 1.5 multiplied by the number of acre feet of Supplemental Water Service Share the Developer is ready to use on the Property that are Tier 3 Reserve Share. Unless the Developer furnishes the District with written notice terminating the option on the Supplemental Water Service Share (or any portion thereof) by January 1, the Developer shall pay by January 30<sup>th</sup> of each year the Annual Option Payment. The District shall keep all Annual Option Payments regardless of whether the Property is developed. In the event the Developer fails to pay the Annual Option Payment when due, this Agreement shall terminate 30 days after written notice is given by the District and the District shall cease to set aside and make available the Supplemental Water Service Share and Developer shall forfeit all amounts paid for Annual Option Payments.



by January 10<sup>th</sup> (if the Notice was provided on or after July 21<sup>st</sup> but before December 31<sup>st</sup>). Failure to timely pay such annual amount may result in the District withholding any and all water service to the Property until such time as payment in full has been made. The Developer's obligation to make such annual payments shall terminate upon the Developer obtaining conditional acceptance of the utilities installation for the Development or any such phase of the Development, albeit late; regardless of when conditional acceptance is obtained, Developer is not entitled to receive a rebate on any portion of the annual payments due under this section.

4. Agreement shall bind the Property. This Agreement shall be recorded in the real estate records in office of the El Paso County Clerk and Recorder and all of the commitments contained herein shall run with the land and be binding upon the Property, and all portions thereof, and shall bind all future owners of all or any portion of the Property.

5. Limitations Upon Supplemental Water Service Commitment. The District's commitment to furnish the Supplemental Water Service to the Property is not intended to and does not exempt the Property from the District Rules and Regulations. The Property is subject to all provisions of the Rules and Regulations, as the same may be amended from time to time, including but not limited to those provisions that allow the District to discontinue or decrease water service in the case of a water shortage or other emergency.

6. District is Not Conveying a Water Right. This Agreement is not intended to, and does not, convey to the Developer any water right (decreed or undecreed) owned by the District.

7. No Speculation. Nothing herein is intended nor shall it be construed as a grant to Developer or any of its assigns or its successors in interest to the Property a right to speculate on the Supplemental Water Service Share described in this Agreement. Developer, including its assigns and its successors, shall not speculate on the Supplemental Water Service Share or take any action or do anything that would allow any other person to speculate on the Supplemental Water Service Share.

8. Reversion. In the event the use or zoning of any portion of the Property is modified by El Paso County such that the Supplemental Water Service, or any portion thereof, is determined by the District to no longer be needed to meet the applicable water requirements, then the Supplemental Water Service or such portion thereof which is no longer needed, shall revert back to the District, who shall cease to allocate it annually for the Property.

9. Entire Agreement. This Agreement constitutes the entire agreement between the parties on the subject contained herein and it may only be modified or amended in writing, signed by both parties.

10. Governing Law. This Agreement shall be governed by, and construed according to, the laws of the State of Colorado.

11. Assignment. This Agreement shall not be assigned without prior written consent of the non-assigning party.

**WOODMOOR WATER AND  
SANITATION DISTRICT NO. 1**

\_\_\_\_\_  
By: Brian X. Bush  
Title: President

Attest:

\_\_\_\_\_  
By: William F. Clewe, III  
Title: Secretary

STATE OF COLORADO                    )  
  )  
COUNTY OF EL PASO                    )       ss.

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2020, by Brian X. Bush and William F. Clewe, III as President and Secretary of Woodmoor Water and Sanitation District No. 1.

WITNESS my hand and official seal.

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

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

PT CLOVERLEAF, LLC



By: Andrew J. Biggs

Title: Manager

STATE OF COLORADO

)

)

ss.

COUNTY OF EL PASO

)

The foregoing instrument was acknowledged before me this 16 day of July, 2020,  
by Andrew J. Biggs as Manager of PT CLOVERLEAF, LLC.

WITNESS my hand and official seal.

My commission expires: 02-26-2022

  
Notary Public

KIMBERLY J MCGUIRE Notary Public State of Colorado Notary ID # 20184008996 My Commission Expires 02-26-2022
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## **EXHIBIT A**

### **Property Description**

(ALTA/NSPS LAND TITLE SURVEY, TRACT F, TRACT H & TRACT B WOODMOOR,  
prepared by JR Engineering, certification date 5/19/2020, Sheets 1 – 3)

ALTA/NSPS LAND TITLE SURVEY
TRACT F & TRACT H, WOODMOOR GREENS, TRACT F WOODMOOR GREENS VACATION L496-500
LOCATED IN SECTIONS 23 AND 24, TOWNSHIP 11 SOUTH, RANGE 67 WEST OF THE 6TH P.M.
COUNTY OF EL PASO, STATE OF COLORADO

LEGAL DESCRIPTION

SECTION 23, TOWNSHIP 11 SOUTH, RANGE 67 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO.
A PART OF LAND BEING LIT OF FROM PROPERTY RECORDED IN THE 6TH RECORDING UNDER RECEPTION NO. 200178344, A DISTANCE OF 244.61 FEET TO A POINT ON THE SOUTHWEST CORNER OF THE EAST QUARTER CORNER OF SECTION 23, TOWNSHIP 11 SOUTH, RANGE 67 WEST OF THE 6TH P.M., EL PASO COUNTY, COLORADO.
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A PART OF LAND BEING LIT OF FROM PROPERTY RECORDED IN







## **EXHIBIT B**

### **WOSC Land Description**

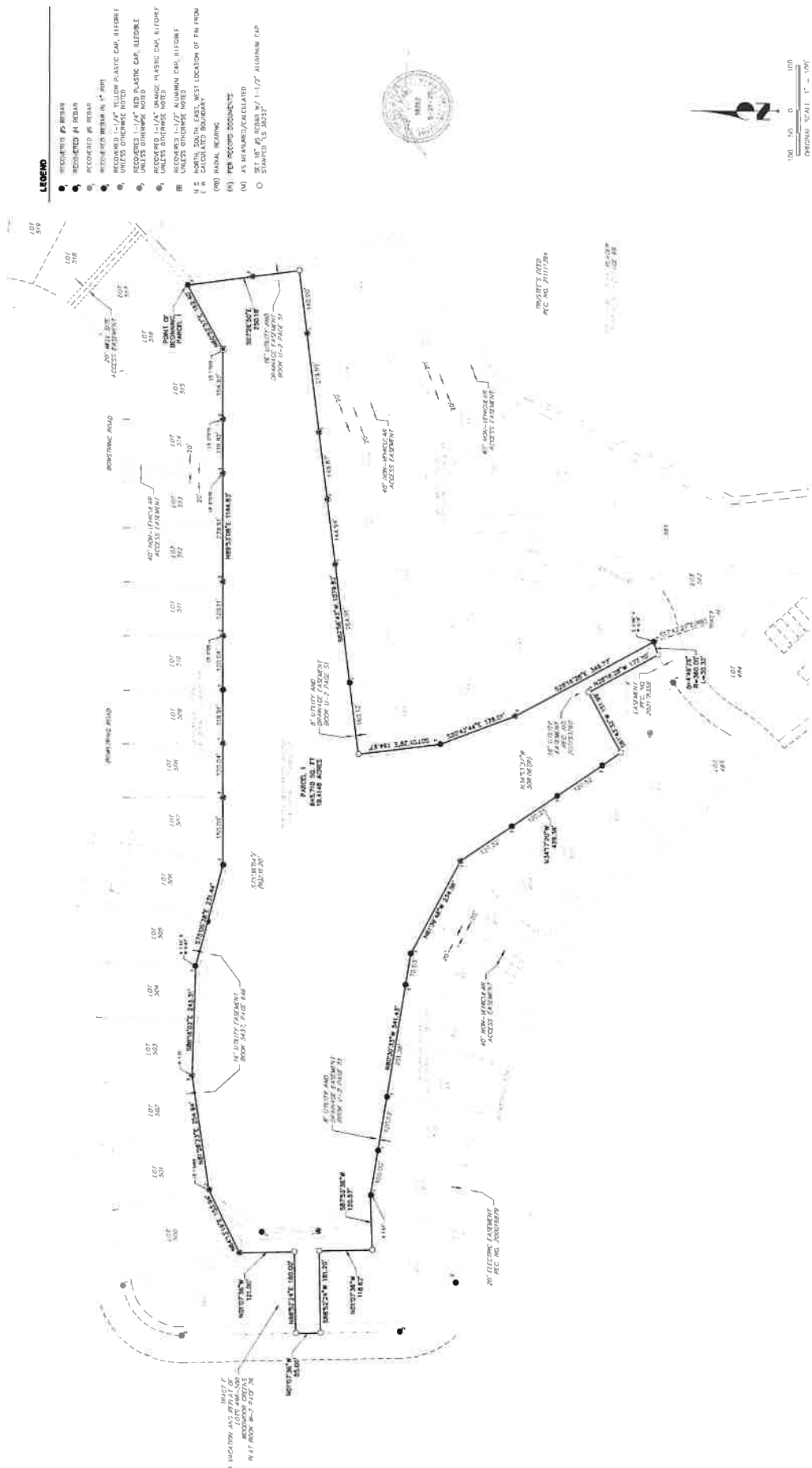
(LAND SURVEY PLAT, WALTERS OPEN SPACE, prepared by JR Engineering, dated 5/20/2020, Sheets 1 – 6)





# LAND SURVEY PLAT

LOCATED IN SECTIONS 13, 23 and 24, TOWNSHIP 11 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN  
COUNTY OF EL PASO, STATE OF COLORADO



## LEGEND

- RECOVERED #3 REBAR
- RECOVERED #4 REBAR
- RECOVERED #5 REBAR
- RECOVERED #6 REBAR
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