

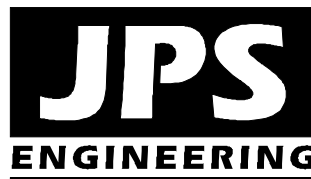
**WATER RESOURCES REPORT &
WASTEWATER TREATMENT REPORT
FOR
WALDEN PRESERVE 2 – FILING NO. 4**

Prepared for:

Walden Corporation, Inc.
17145 Colonial Park Drive
Monument, CO 80132

September 11, 2018

Prepared by:



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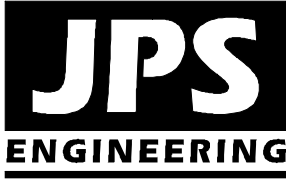
JPS Project No. 040201

WALDEN PRESERVE 2 - FILING NO. 4
WATER RESOURCES & WASTEWATER TREATMENT REPORT
TABLE OF CONTENTS

	<u>PAGE</u>
EXECUTIVE SUMMARY	i
I. INTRODUCTION	1
II. PROJECTED WATER DEMANDS	2
III. WATER SERVICE	2
IV. WASTEWATER SERVICE	6
V. SUMMARY	7

APPENDICES

APPENDIX A	Water Supply Information & Correspondence
APPENDIX B	Updated Denver Basin Groundwater Decrees / Augmentation Plans
APPENDIX C	Master Utility Plan



**WALDEN PRESERVE 2 - FILING NO. 4
WATER RESOURCES REPORT
EXECUTIVE SUMMARY**

A. Background

- Walden Preserve 2 (WP2) Filing No. 4 consists of 23 residential lots along the proposed extension of Pinehurst Circle on the east side of Walden Way. Following the previous development of WP2 Filings No. 1-3, WP2 Filing No. 4 is the next phase of development within the previously approved total of 116 lots of the Walden Preserve 2 PUD.
- The proposed Filing No. 4 final plat application is consistent with the approved Walden Preserve 2 PUD and Preliminary Plan, and there are no changes in the previously approved total number of lots or the amount of water and wastewater demands.

B. Water Service

- The State Division of Water Resources (DWR) and County Attorney's Office have provided findings of sufficiency for water service, and the Walden central water system has significant excess capacity.
- The total Walden water service commitments through build-out of the Walden Preserve 2 PUD will bring the cumulative Walden water demand to less than 51 percent of the currently decreed water supply capacity.

C. Wastewater Service

- The Walden Preserve 2 PUD will be served by extension of the central wastewater collection system flowing to the existing Walden Wastewater Treatment Facility (WWTF).
- The Walden wastewater service commitments through build-out of the Walden Preserve 2 PUD will result in a total wastewater demand of 80 percent of the current Walden WWTF capacity of 110,000 gallons per day.
- The existing WWTF operates under a CDPHE Wastewater Discharge Permit and has sufficient capacity to serve the Walden community through build-out of the Walden Preserve 2 development.

I. INTRODUCTION

A. Background

This Water Resources Report has been prepared in support of the final plat submittal for Walden Preserve 2 (WP2) Filing No. 4 and the accompanying Amendments to the Walden Preserve 2 PUD and Preliminary Plan. WP2 Filing No. 4 consists of 23 residential lots along the proposed extension of Pinehurst Circle on the east side of Walden Way. Following the previous development of WP2 Filings No. 1-3, WP2 Filing No. 4 is the next phase of development of the previously approved total of 116 lots within the Walden Preserve 2 PUD. Filing No. 4 does not include any changes to the previously approved road and utility systems, and Filing No. 4 maintains 1.0-acre minimum lot sizes consistent with the approved Preliminary Plan. All of the proposed lots in the Walden Preserve 2 PUD area will be served by the existing Walden central water and sewer system.

B. Scope

JPS Engineering prepared the “Water Resources Report for Walden Preserve 2 PUD” dated July 23, 2014 in support of the Walden Preserve 2 PUD and Preliminary Plan. The Colorado Division of Water Resources (DWR) provided a letter of sufficiency dated August 15, 2014, and the El Paso County Attorney provided a finding of water sufficiency letter dated December 3, 2014.

The proposed WP2 Filing No. 4 final plat application is consistent with the approved Walden Preserve 2 PUD and Preliminary Plan and there are no changes in the previously approved total number of lots or the amount of water demand.

The purpose of this report is to serve as a supplement to the previous Water Resources Report and provide a summary of water resources planning issues associated with the Walden Preserve 2 – Filing No. 4 final plat. This report is intended to fulfill the requirements of Section 8.4.7, Water Supply Standards, and Section 8.4.8, Wastewater Disposal, of the El Paso County Land Development Code.

C. References

Curtis Wells & Co., “Ground Water Supply Investigation, Proposed Filings 6 and 7, Walden III Subdivision, El Paso County, Colorado,” April 26, 2001.

JPS Engineering, Inc., “Water Resources Report for Walden Pines Subdivision,” March 27, 2003.

JPS Engineering, Inc., “Water Resources Report for Walden Preserve Subdivision,” September 1, 2004.

JPS Engineering, Inc., “Water Resources Report for Walden Preserve 2 PUD,” revised July 23, 2014.

JPS Engineering, Inc., “Water Resources Report for Walden Preserve 2 – Filing No. 3,” November 19, 2015.

Regulatory Management Inc., “Walden Corporation – Wastewater Disposal Evaluation for Walden III, Filings 6 & 7,” April 24, 2001.

II. PROJECTED WATER DEMANDS

According to the “Ground Water Supply Investigation” for Walden by Curtis Wells & Co., the water use rate of 0.34 acre-feet per year per home is typical for homes in the Black Forest / Monument Area. The Wells report states that this amount of water is sufficient for in-house use of 0.27 acre feet per year and irrigation of roughly 2,000 square feet of lawn or garden per home.

Consistent with previous water system planning for Walden, projected water demands for the subdivision have been developed based on estimated water use of 0.34 acre-feet per year per household, which equates to 303.5 gallons per day (gpd) per single-family equivalent (SFE) unit. Water demand projections include a peaking factor of 2.5 for maximum day demands (MDD) and a peaking factor of 4.0 for maximum hour demands (MHD). The projected water demands for the project are summarized in the following table:

Walden Preserve 2 – Filing No. 4 Water Demand Summary

	Single Family Lots (SFE)	Average Daily Demand (gpd)	Max. Daily Dmd. (gpd)	Max. Day Dmd. (gpm)	Peak Hour Dmd. (gpm)	Ave. Day Dmd. (af/yr)
Filing No. 4	23	6,980.8	17,451.9	12.1	19.4	7.82

The Water Supply Information Summary form for Walden Preserve 2 Filing No. 4 is enclosed in Appendix A, along with the Water Supply Information Summary previously submitted for the overall Walden Preserve 2 PUD.

III. WATER SERVICE

A. Water Service Plan

The water service plan for all of the Walden Preserve 2 PUD is to connect to the existing Walden central water system. The Walden Corporation has sufficient water rights and system capacity to meet the anticipated demands for the existing customers in the Walden community and the Walden Preserve 2 development. Builders will purchase water taps from the Walden Corporation for each home.

The existing central water system includes a collection of Dawson and Denver aquifer wells, chlorination facilities, a 100,000-gallon central water storage tank, and a water distribution system conveying treated water to each residence.

The Walden central water system is regulated by the Colorado Department of Public Health and Environment under PWSID No. CO-0121850. The Walden Corporation employs a CDPHE-certified water system operator to ensure that water facilities are operated in accordance with State Health Department regulations.

Walden Corporation ultimately plans to transfer operation of the central water and wastewater systems to the Walden Metropolitan District to provide long-term operation and maintenance by a public entity.

B. Water Supply Capacity

1. Central Water System – Water Supply

As detailed in the “Ground Water Supply Investigation” report by Curtis Wells & Co., the Walden Corporation operates a central water system consisting of 7 Denver Basin wells (6 Dawson aquifer and 1 Denver aquifer), which have been adjudicated in Water Court Cases W-78430 and W-6220. The total annual appropriation of the Walden Corporation wells is 604 af/yr, providing a total decreed supply of up to 60,400 acre-feet.

While the Walden Corporation wells are not currently fully developed to pump the total decreed amount of water, the water sufficiency letter from the State Division of Water Resources (DWR) dated July 3, 2013 (enclosed in Appendix A) states that “the Corporation has the ability to obtain permits to construct additional wells into the Denver aquifer to withdraw the full allowed annual amount permitted to be withdrawn.....The Corporation’s total annual amount of water that could be withdrawn would accordingly increase to 604 acre-feet.”

The August 15, 2014 DWR water sufficiency letter for the Walden Preserve 2 PUD (enclosed in Appendix A) describes the total available Walden Corporation central water supply as follows:

“...Combined, the Corporation can legally produce 240 acre-feet from the Denver aquifer and legally and physically produce 166.5 acre-feet of water from the Dawson aquifer, for a total supply of 406.5 acre-feet per year.”

In addition to the historic Dawson and Denver groundwater rights decreed in Cases W-7843-74 and W-6220), Walden Corporation, Inc. received supplemental Denver Basin groundwater rights through transfer of groundwater previously reserved for 2.5-acre lots prior to approval of the current Walden Preserve 2 PUD. The Walden Preserve 2 PUD reduced the number of 2.5-acre lots allocated for individual Dawson wells from 93 down to 22 lots, and the balance of water previously allocated for individual wells has been transferred to Walden Corporation for use in the central water system.

Following transfer of these additional water rights, a new Augmentation Plan was approved under Case No. 2016CW3103 (Appendix B) providing the Walden Corporation an additional Dawson aquifer groundwater allocation of 15,500 acre-feet, or 155 acre-feet per year for 100 years. Under the El Paso County “300-year rule,” this supplemental Dawson groundwater allocation provides for an additional water supply of 51.67 af/yr for the Walden Corporation.

The Walden Corporation's current water supply commitment status is summarized in the following table:

**Walden Corporation - Water Supply Commitment Summary
(Central Water System)**

	SFE	Ave. Day Dmd. (af/yr)	Total Water Demand (af)	Water Supply (af)¹	Water Supply (af)²
Total Decreed Supply (Case No. W-78430 / W-6220)				60,400 ¹	40,650 ²
Total Decreed Supply (Case No. 2016-CW3103)				15,500	15,500
Total Water Supply				75,900	56,150
Historic Commitments ('03)	245.2	83.36	8,336 ³		
Walden Pines Subdivision	7	2.38	714 ⁴		
Walden Preserve Filing No. 1 (73 lots + Tract A)	74	25.16	7,548 ⁴		
Walden Preserve 2 PUD ⁶	116	39.44	11,832 ⁴		
Total Water Commitments	442.2	150.3	28,430		
Remaining Central System Water Supply Available				47,470	27,720

¹Total Dawson/Denver groundwater supply authorized by decree or permit (W-78430 / W-6220) per Curt Wells & Co. report (and DWR letter dated 7/3/13)

²Total supply based on legal and physical well production (per DWR letter dated 8/15/14)

³Historic filings previously approved based on 100-year supply requirement

⁴New filings required to demonstrate 300-year water supply

⁵Walden Preserve 2 PUD (116 total lots) includes 12 lots previously identified as "Walden Preserve Filing No. 1A" in previous reports / correspondence

⁶WP2 Filing No. 4 comprises 23 lots that are a part of the Walden Preserve 2 PUD

As noted in the table above, the Walden Corporation has committed only 37.5 percent of its total decreed water rights, or 50.6 percent of the total currently available water supply based on legal and physical well production (per 8/15/14 DWR letter). As such, the system has ample capacity to provide service to the Walden Preserve 2 PUD with a significant balance of remaining water rights.

As previously noted, the proposed 23 lots within the Filing No. 4 final plat are part of the total of 116 lots previously approved in the Walden Preserve 2 PUD, so the total water demands remain unchanged. The State Division of Water Resources (DWR) provided a finding of sufficiency in the enclosed letter dated August 15, 2014 (Appendix A), verifying that the proposed water supply plan for the Walden Preserve 2 PUD meets state standards for subdivisions.

2. Individual Wells – Water Supply

In support of previous subdivision filings, Walden has previously dedicated appropriate water rights to serve the 22 low-density 2.5-acre lots within the southeast parts of Walden Preserve Filing No. 1 and Walden Preserve Filing No. 2. These previously developed lots will continue to be served by individual wells drilled into the Dawson Aquifer of the Denver Groundwater Basin.

The water supply for individual Dawson wells serving the Walden 2.5-acre lots was originally decreed under Case No. 2002CW187. As previously discussed, the Walden Preserve 2 PUD reduced the number of 2.5-acre lots allocated for individual Dawson wells from 93 down to 22 lots, and the balance of water previously allocated for individual wells has been transferred to Walden Corporation for use in the central water system. A new Augmentation Plan was approved under Case No. 2015CW3007 (enclosed in Appendix B) revising the water allocated for individual Dawson wells to match the 22 low-density 2.5-acre lots approved under the current Walden Preserve 2 PUD.

The current status of decreed Dawson well water rights allocated for individual wells serving 2.5-acre lots, in comparison to subdivision water supply commitments, is summarized in the following table:

**Walden Preserve - Water Supply / Demand Summary
(Individual Dawson Wells)**

	SFE	Ave. Day Dmd. (af/yr)	Total Water Demand (acre-feet)	Available Supply Balance (acre-feet)
Total Decreed Supply (Dawson Aquifer- 15CW3007)	22	10.34		3,102.0
Water Demands				
Walden Preserve Filing No. 1	8	3.8	1,128.0	
Walden Preserve Filing No. 2	14	6.6	1,974.0	
Total Commitments	22	10.34	3,102.0	0

As summarized in the table above, the revised Augmentation Plan allocates sufficient water rights for the previously approved 2.5-acre lots in Walden Preserve Filings No. 1 and 2.

IV. WASTEWATER SERVICE

Wastewater service for all of the proposed lots within the Walden Preserve 2 PUD will be provided by connection to the Walden central sewer collection system. According to previous planning studies for the Walden water system, typical wastewater flows within the Walden community have been identified as 200 gpd/SFE with a BOD loading of 0.31 pounds per day per SFE.

The Walden Corporation operates an existing central wastewater treatment facility (WWTF) with a permitted capacity of 110,000 gpd, sufficient for service to 550 single-family units. The WWTF was originally constructed as a lagoon facility in 1972 under Site Application No. 3673. In the mid-1980's, the facility was upgraded to a secondary mechanical plant with a sequencing batch reactor (SBR) treatment process and evaporation ponds. The Walden Corporation employs a CDPHE-certified wastewater operator to operate the wastewater facilities in accordance with State Health Department regulations. The WWTF is permitted under a Colorado Discharge Permit System (CDPS) General Permit for Land Disposal of Effluent from Domestic Wastewater Treatment Works, and the discharge permit for the Walden WWTF is identified as Permit Certification No. COX-631032.

According to system operators, current influent flows at the Walden WWTF are approximately 60,000 gallons per day, or about 55 percent of treatment plant capacity.

The Walden wastewater service commitment status is summarized as follows:

Walden Wastewater Service Commitment Summary

	SFE	Hydraulic Loading (gpd)	Organic Loading (lb/day)	Committed % of Capacity¹
Total Capacity		110,000	230	
Historic Commitments ('03)	245.2	49,040	76.0	
Walden Pines Subdivision	7	1,400	2.2	
Walden Preserve Filing No. 1	74	14,800	22.9	
Walden Preserve 2 PUD	116	23,200	36.0	
Total Commitments	442.2	88,440	137.1	80.4% (hydraulic) 59.6% (BOD loading)

As noted in the table above, with the full commitment through build-out of the Walden Preserve 2 PUD (including all of Filings No. 1-6), Walden has cumulative wastewater service commitments of approximately 80 percent of its total wastewater treatment capacity. As such, the system has ample capacity to provide service to Filing No. 4 and the future balance of the Walden Preserve 2 PUD.

V. SUMMARY

All of the proposed lots within the Walden Preserve 2 PUD will connect to the existing Walden central water and sewer systems. Walden has adequate water and wastewater infrastructure to serve the development, and the proposed 116 residential lots within the Walden Preserve 2 PUD will not adversely impact Walden's ability to provide service to existing customers.

Wastewater service for the Walden Preserve 2 PUD will be provided by connection to the Walden central sewage collection system. The existing Walden Wastewater Treatment Facility has sufficient capacity to serve the new lots in compliance with the current CDPHE Wastewater Discharge Permit.

In summary, the Walden water and wastewater systems have adequate capacity to serve the existing commitments in the Walden community along with the proposed Walden Preserve 2 Filing No. 4 and the anticipated full build-out of the Walden Preserve 2 PUD.

APPENDIX A
WATER SUPPLY INFORMATION &
CORRESPONDENCE

WATER SUPPLY INFORMATION SUMMARY

Section 30-28-133(d), C.R.S. requires that the applicant submit to the County, "Adequate evidence that a water supply that is sufficient in terms of quantity, quality and dependability will be available to ensure an adequate supply of water.

1. NAME OF DEVELOPMENT AS PROPOSED <i>Walden Preserve 2 Filing No. 4</i>			
2. LAND USE ACTION <i>Final Plat</i>			
3. NAME OF EXISTING PARCEL AS RECORDED			
SUBDIVISION	FILING	BLOCK	LOT
4. TOTAL ACREAGE <i>45.27</i>	5. NUMBER OF LOTS PROPOSED <i>23</i>	PLAT MAP ENCLOSED <input checked="" type="checkbox"/> YES	
6. PARCEL HISTORY - Please attach copies of deeds, plats or other evidence or documentation.			
A. Was parcel recorded with county prior to June 1, 1972? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
B. Has the parcel ever been part of a division of land action since June 1, 1972? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
If yes, describe the previous action _____			
7. LOCATION OF PARCEL - Include a map delimiting the project area and tie to a section corner.			
_____ 1/4 OF _____ 1/4 SECTION ^{14, 15} <i>22, 23</i> TOWNSHIP <i>11</i> <input type="checkbox"/> N <input checked="" type="checkbox"/> S RANGE <i>66</i> <input type="checkbox"/> E <input checked="" type="checkbox"/> W			
PRINCIPAL MERIDIAN: <input checked="" type="checkbox"/> 6TH <input type="checkbox"/> N.M. <input type="checkbox"/> UTE <input type="checkbox"/> COSTILLA			
8. PLAT - Location of all wells on property must be plotted and permit numbers provided.			
Surveyors plat <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No if not, scaled hand drawn sketch <input type="checkbox"/> Yes <input type="checkbox"/> No			
9. ESTIMATED WATER REQUIREMENTS - Gallons per Day or Acre Feet per Year		10. WATER SUPPLY SOURCE	
HOUSEHOLD USE # <i>23</i> of units _____ GPD <i>6.21</i> AF		<input checked="" type="checkbox"/> EXISTING WELLS	<input type="checkbox"/> DEVELOPED SPRING
COMMERCIAL USE # <i>0</i> of S.F. _____ GPD <i>0</i> AF		WELL PERMIT NUMBERS	
IRRIGATION # <i>1.0</i> of acres _____ GPD <i>1.61</i> AF		<i>34881</i> <i>40372</i>	
STOCK WATERING # <i>0</i> of head _____ GPD <i>0</i> AF		<i>34842</i> <i>16389-F</i>	
OTHER _____ GPD <i>0</i> AF		<i>27917</i> <i>32697-F</i>	
TOTAL _____ GPD <i>7.82</i> AF		<i>63866-F</i>	
		<input type="checkbox"/> MUNICIPAL	<input type="checkbox"/> NEW WELLS -
		<input type="checkbox"/> ASSOCIATION	PROPOSED AQUIFERS - (CHECK ONE)
		<input checked="" type="checkbox"/> COMPANY	<input type="checkbox"/> ALLUVIAL
		<input type="checkbox"/> DISTRICT	<input type="checkbox"/> UPPER DAWSON
		NAME <i>Walden Corporation</i>	<input type="checkbox"/> LOWER DAWSON
		LETTER OF COMMITMENT FOR SERVICE <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<input type="checkbox"/> LARAMIE FOX HILLS
			<input type="checkbox"/> DENVER
			<input type="checkbox"/> DAKOTA
			<input type="checkbox"/> OTHER _____
			WATER COURT DECREE CASE NO.'S
			<i>W-6220</i>
			<i>W-78430-74</i>
			<i>2016 CW 3103</i>
11. ENGINEER'S WATER SUPPLY REPORT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO IF YES, PLEASE FORWARD WITH THIS FORM. (This may be required before our review is completed.)			
12. TYPE OF SEWAGE DISPOSAL SYSTEM			
<input type="checkbox"/> SEPTIC TANK/LEACH FIELD	<input checked="" type="checkbox"/> CENTRAL SYSTEM - DISTRICT NAME <i>Walden Corporation</i>		
<input type="checkbox"/> LAGOON	<input type="checkbox"/> VAULT - LOCATION SEWAGE HAULED TO _____		
<input type="checkbox"/> ENGINEERED SYSTEM (Attach a copy of engineering design)	<input type="checkbox"/> OTHER _____		

WATER SUPPLY INFORMATION SUMMARY

Section 30-28-133(d), C.R.S. requires that the applicant submit to the County, "Adequate evidence that a water supply that is sufficient in terms of quantity, quality and dependability will be available to ensure an adequate supply of water.

1. NAME OF DEVELOPMENT AS PROPOSED <i>Walden Preserve 2</i>			
2. LAND USE ACTION <i>PUA and Preliminary Plan</i>			
3. NAME OF EXISTING PARCEL AS RECORDED			
SUBDIVISION	FILING	BLOCK	LOT
4. TOTAL ACREAGE <i>208.8</i>	5. NUMBER OF LOTS PROPOSED <i>116</i>	PLAT MAP ENCLOSED <input checked="" type="checkbox"/> YES	
6. PARCEL HISTORY - Please attach copies of deeds, plats or other evidence or documentation.			
A. Was parcel recorded with county prior to June 1, 1972? <input type="checkbox"/> YES <input checked="" type="checkbox"/> NO			
B. Has the parcel ever been part of a division of land action since June 1, 1972? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO			
If yes, describe the previous action <i>Lots 74-78 Walden Preserve Filing No. 1 to be replatted with WP2 Flg. 1</i>			
7. LOCATION OF PARCEL - Include a map delineating the project area and tie to a section corner.			
_____ 1/4 OF _____ 1/4 SECTION ^{<i>14, 15.</i>} <i>22, 23</i> TOWNSHIP <i>11</i> <input type="checkbox"/> N <input checked="" type="checkbox"/> S RANGE <i>66</i> <input type="checkbox"/> E <input checked="" type="checkbox"/> W			
PRINCIPAL MERIDIAN: <input checked="" type="checkbox"/> 6TH <input type="checkbox"/> N.M. <input type="checkbox"/> UTE <input type="checkbox"/> COSTILLA			
8. PLAT - Location of all wells on property must be plotted and permit numbers provided. Surveyors plat <input type="checkbox"/> Yes <input type="checkbox"/> No If not, scaled hand drawn sketch <input type="checkbox"/> Yes <input type="checkbox"/> No			
9. ESTIMATED WATER REQUIREMENTS - Gallons per Day or Acre Feet per Year		10. WATER SUPPLY SOURCE	
HOUSEHOLD USE # <i>116</i> of units _____ GPD <i>31.32</i> AF	COMMERCIAL USE # <i>0</i> of S.F. _____ GPD <i>0</i> AF	<input checked="" type="checkbox"/> EXISTING WELLS <input type="checkbox"/> DEVELOPED SPRING WELL PERMIT NUMBERS <i>34881 40372</i> <i>34842 16389-F</i> <i>27917 32697-F</i>	<input type="checkbox"/> NEW WELLS - PROPOSED AQUIFERS - (CHECK ONE) <input type="checkbox"/> ALLUVIAL <input type="checkbox"/> UPPER ARAPAHOE <input type="checkbox"/> UPPER DAWSON <input type="checkbox"/> LOWER ARAPAHOE <input type="checkbox"/> LOWER DAWSON <input type="checkbox"/> LARAMIE FOX HILLS <input type="checkbox"/> DENVER <input type="checkbox"/> DAKOTA <input type="checkbox"/> OTHER _____
IRRIGATION # <i>5.3</i> of acres _____ GPD <i>8.12</i> AF	STOCK WATERING # <i>0</i> of head _____ GPD <i>0</i> AF		
OTHER _____ GPD <i>0</i> AF	TOTAL _____ GPD <i>39.44</i> AF	<input type="checkbox"/> MUNICIPAL <input type="checkbox"/> ASSOCIATION <input checked="" type="checkbox"/> COMPANY <input type="checkbox"/> DISTRICT NAME <i>Walden Corporation</i> LETTER OF COMMITMENT FOR SERVICE <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	WATER COURT DECREE CASE NO.'S <i>W-6220</i> <i>W-78430-74</i>
11. ENGINEER'S WATER SUPPLY REPORT <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO IF YES, PLEASE FORWARD WITH THIS FORM. (This may be required before our review is completed.)			
12. TYPE OF SEWAGE DISPOSAL SYSTEM			
<input type="checkbox"/> SEPTIC TANK/LEACH FIELD		<input checked="" type="checkbox"/> CENTRAL SYSTEM - DISTRICT NAME <i>Walden Corporation</i>	
<input type="checkbox"/> LAGOON		<input type="checkbox"/> VAULT - LOCATION SEWAGE HAULED TO _____	
<input type="checkbox"/> ENGINEERED SYSTEM (Attach a copy of engineering design)		<input type="checkbox"/> OTHER _____	

Walden Corporation
PO Box 1870
Monument, CO 80132

August 14, 2018

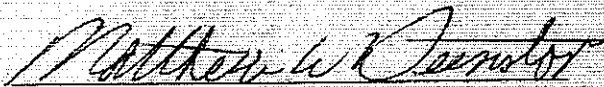
Mr. Bill Dunston
Custom Castles Building Company, Inc.
1230 Scarsbrook Court
Monument, CO 80132

**RE: Walden Preserve 2 – Filing No. 4
Water / Sewer Service Commitment**

Dear Mr. Dunston:

It is our understanding that Custom Castles Building Company, Inc. (the “Developer”) is interested in obtaining water and sewer service from the Walden Corporation for that property known as **Walden Preserve 2 Filing No. 4** (the “Development”). It is our understanding that the Development consists of 23 single-family residential lots. These lots will be served by the Walden Corporation’s central water and sewer system. The Walden Corporation will provide water and sewer service to the Development upon full compliance with the Corporation’s Rules and Regulations. The conditions of service shall include the following: the transfer of any and all water rights associated with the Development to the Walden Corporation, the commitment of the Developer to construct local water and sewer facilities to serve the Development, and the provision by the Developer to the Walden Corporation of the necessary rights of way for the water and sewer improvements.

WALDEN CORPORATION



Signature

Matthew W. Dunston August 21, 2018

Name

Date

EL PASO COUNTY



OFFICE OF THE COUNTY ATTORNEY

CIVIL DIVISION

Amy R. Folsom, County Attorney

Assistant County Attorneys

M. Cole Emmons

Lori L. Seago

Diana K. May

Kenneth R. Hodges

Steven A. Klaffky

December 3, 2014

SP-14-010 Walden Preserve 2
(Preliminary Plan)

Reviewed by: M. Cole Emmons, Assistant County Attorney *M.C.E.*
Edi Anderson, Paralegal

FINDINGS AND CONCLUSIONS:

1. This is a proposal by Matthew Dunston, Custom Castles Building Company, Inc., and Walden Holdings 1, LLC (collectively "Applicant") to subdivide 208.8 acres into 116 single-family residential lots totaling 125.1 acres, 72.33 acres of open space, and 11.41 acres of right-of-way. The property is zoned PUD.

2. The Applicant has provided for the source of water to derive from a central private water supply known as the Walden Corporation ("Corporation"). The Corporation operates its central water supply system pursuant to Water Court Decrees in Case Nos. W-7843-74 and W-6220 (Div. 1). The Applicant estimates its annual water needs to serve household use of 31.32 acre feet annually and outside irrigation at 8.12 acre-feet annually for a total of 39.44 acre-feet per year (0.34 acre-feet per lot per year). Applicant must be able to provide a total water supply of 11,832 acre-feet (39.44 acre-feet x 300 years) to meet the County's 300 year water supply requirement.

3. In a letter dated August 15, 2014, the State Engineer's Office reviewed the demand and supply for this Preliminary Plan of 125.08 acres subdivided into 116 lots, open space of 72.33 acres, and 11.41 acres of right-of-way. The Engineer notes that the Corporation operates two types of water supply systems. First, the Corporation operates an augmentation plan pursuant to Case No. 02CW187 that allows for the development of 93 individual on-lot Dawson aquifer wells using a 300 year water supply plan approach. This on-lot supply does not apply to this Preliminary Plan. Second, the Corporation also operates a central water supply system, fed by 7 Denver Basin ground water wells; 6 wells are completed in the Dawson Aquifer and 1 well is completed in the Denver Aquifer. The Engineer stated that 5 of the Dawson Aquifer wells were decreed in Division 1 Water Court Case No. W-6220, and further stated "[i]f all 5 wells are pumped at their decreed pumping rate, the combined withdrawal would be 125.5 acre-

200 S. CASCADE AVENUE
OFFICE: (719) 520-6485



COLORADO SPRINGS, CO 80903
FAX: (719) 520-6487

feet per year." A 6th non-tributary Dawson aquifer well was decreed in Division 1 Water Court Case No. W-7843-74 for a decreed withdrawal rate of 0.33 cfs, and the Engineer notes that the Corporation indicates the well is capable of producing 41 acre-feet per year over a 100 year aquifer life. Finally, the Engineer states the "Denver aquifer well operates pursuant to the Findings of the State Engineer issued November 3, 1987, which allow the withdrawal of 240 acre-feet per year over 100 years. The Denver aquifer well is currently capable of producing 105 acre-feet per year." Then the Engineer states the Corporation can legally produce 240 acre-feet from the Denver Aquifer and legally and physically produce 166.5 acre-feet of water from the Dawson Aquifer, for a total supply of 406.5 acre-feet per year. The Engineer provides additional analysis including a complex table. Pursuant to C.R.S. §30-28-136(1)(h)(II), the Engineer is of the opinion that the proposed water supply is adequate and can be provided without causing injury to decreed water rights.

NOTE: The State Engineer's analysis does not instill confidence. Their numbers do not appear to correlate with those in the Water Resources Report prepared by JPS Engineering. After describing the central water supply, the Engineer then includes analysis of water supply available under a plan for augmentation, which water does not apply to this Preliminary Plan. There is a number transposed in the State Engineer's letter: the number for Remaining Central System Supply in the table appears to be transposed when referenced in the text. The analysis below will consider both the State Engineer's numbers and the Applicant's numbers.

4. In a letter dated August 7, 2013 (there is a handwritten notation of "7/23/14" that could be interpreted to be an affirmation of the commitment as of July 2014), Matthew Dunston, signing for Walden Corporation, commits to provide water and sewer service to Walden Preserve 2 PUD based on 116 single-family residential lots. He stated the following conditions of service: "The conditions of service shall include the following: The transfer of any and all water rights associated with the Development to the Walden Corporation, the commitment of the Developer to construct local water and sewer facilities to serve the Development, and the provision by the Developer to the Walden Corporation of the necessary rights of way for the water and sewer improvements."

5. The water quality requirements of Section 8.4.7.B.10 of the Land Development Code must be satisfied.

6. Analysis: The numbers that the State Engineer and the Applicant's engineer, JPS Engineering, provided do not correspond. The State Engineer used a total supply figure of 40,650 acre-feet and stated "28,437 acre-feet is currently committed to existing and future developments, including the Walden Preserve 2 Preliminary Plan, which encompasses this application." The Engineer goes on to discuss water available under the plan for augmentation in Case No. 02CW187; however, that water is not part of the Corporation's central water supply; therefore, this

information is not helpful. The State Engineer concluded the supply is sufficient. JPS Engineering, in the Table for the Central Water System at page 5 of its July 23, 2014 Water Resources Report (see Exhibit 1 attached hereto and incorporated herein by this reference) based on information provided by Curt Wells, states an available total supply of 60,400 acre-feet. 8,336 acre-feet for historic commitments based on a 100 year supply requirement is subtracted, which leaves 52,064 acre-feet of supply that must cover previous commitments and the commitments for this Preliminary Plan—all of which are based on a 300 year supply requirement. 52,064 acre-feet equals 173.5 acre-feet per year for 300 years. The current commitments, including this Preliminary Plan, are stated as 66.98 acre-feet per year (or 20,094 acre-feet for 300 years). Based on a remaining total available supply of 52,064 acre-feet and commitments of 20,094 acre-feet (including the 11,832 acre-feet for this Preliminary Plan) (300 years), there is a surplus of 31,970 acre-feet. Based on an annualized supply for 300 years of 173.5 acre-feet and an annual demand of 66.98 acre-feet (including the 39.44 acre-feet for this Preliminary Plan) there is a surplus of 106.52 acre-feet per year. Therefore, based on either the State Engineer's numbers or JPS Engineering's total or annualized numbers, there appears to be a sufficient supply of water to meet the County's 300 year water supply rule as applied to the demand for this Preliminary Plan for 116 lots.

7. Therefore, based upon the State Engineer's finding that the proposed water supply using the central water supply is adequate and will not cause material injury, based on JPS Engineering's Water Resources Report, and pursuant to the Conditions of Compliance requirements listed below, but given the conditions of service in Walden Corporation's letter of commitment, the County Attorney's Office can only recommend a finding of **conditional sufficiency** as to quantity and dependability. El Paso County Public Health Department will need to provide an opinion as to quality.

Conditions of Compliance:

A. Applicant and all future owners of lots within this filing shall be advised of, and comply with, any conditions, rules, regulations, limitations, and specifications set by the District.

B. Given the conditions of service in Walden Corporation's commitment letter, prior to recording the final plat, Applicant shall provide written proof satisfactory to the Development Services Department and the County Attorney's Office that the following conditions of Walden Corporation have been met:

"The transfer of any and all water rights associated with the Development to the Walden Corporation, the commitment of the Developer to construct local water and sewer facilities to serve the Development, and the provision by the Developer to the Walden Corporation of the necessary rights of way for the water and sewer improvements."

Upon acceptance by the Development Services Department and the County Attorney's Office of such proof, the conditional sufficiency will be deemed to be a full water sufficiency finding.

C. The following plat note shall be added that addresses the State Engineer's admonition to advise landowners of potential limited water supplies in the Denver Basin:

"For planning purposes the county should be aware that the economic life of a water supply based on wells in a given Denver Basin aquifer may be less than the 100 years (or 300 years) used for allocation due to anticipated water level declines. Furthermore, the water supply plan should not rely solely upon non-renewable aquifers. Alternative renewable water resources should be acquired and incorporated in a permanent water supply plan that provides future generations with a water supply."

cc: Craig Dossey, Project Manager

According to Walden water use records, current total average daily water use in the central water system amounts to approximately 80,000 gallons per day (56 gpm). As detailed in the table above, Walden currently has a total well production capacity of approximately 169 gpm, and a firm capacity (capacity with largest well out of service) of approximately 104 gpm.

Walden has future plans for construction of additional well sites as needed to supplement the production capacity of the system. Conceptual future well house locations are depicted on Sheet UI.04 (Appendix G) in the open space tract northeast of Pond View Place and Walden Way.

The Walden Corporation has historic water supply commitments to 239 single-family homes and an elementary school. Based on the total historic water commitments of 83.4 af/yr, the Walden Corporation has a balance of approximately 52,000 acre-feet available. The Corporation's current water supply commitment status is summarized as follows:

**Walden Water Supply Commitment Summary
(Central Water System)**

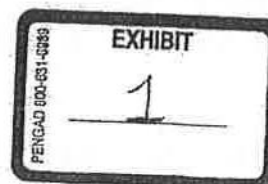
	SFE	Ave. Day Dmd. (af/yr)	Total Water Demand (acre-feet)	Available Supply Balance (acre-feet)
Total Decead Supply (Case No. W-7843 / W-6220)				60,400
Historic Commitments ('03)	245.2	83.36	8,336 ¹	52,064
Walden Pines Subdivision	7	2.38	714 ²	
Walden Preserve Filing No. 1	74	25.16	7,548 ²	
Proposed Walden Preserve Filing No. 1A Replat (Additional Lots)	12	4.08	1,224 ²	
Proposed Walden Preserve 2 PUD	104	35.36	10,608 ²	
Total Commitments	442.2	150.3	28,430	31,970

¹ Previous filings were approved based on 100-year supply requirement.

² New filings are required to demonstrate 300-year water supply.

As noted in the table above, the Walden Corporation has committed only 47 percent of its total decreed water rights. As such, the system has ample capacity to provide service to the Walden Preserve 2 PUD. As previously noted, the State Engineer's Office (SEO) has provided a finding of sufficiency verifying that the proposed water supply plan for the Walden Preserve 2 PUD meets state standards for subdivisions.

Walden is currently in the process of implementing a new Walden Metropolitan District to allow for future transfer of the central water and wastewater systems to a public entity for long-term operation and maintenance.





DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RESOURCES

John W. Hickenlooper
Governor

Mike King
Executive Director

Dick Wolfe, P.E.
Director

August 15, 2014

Craig Dossey
El Paso County Development Services Department
Transmission via email: DSDComments@elpasoco.com

Re: Walden Preserve 2 Preliminary Plan
File No. SP-14-010
Sections 14, 15, 22, and 23, T11S, R66W, 6th P.M.
Water Division 1, Water District 8

Dear Mr. Dossey:

We have reviewed your referral dated July 25, 2014 regarding the above-referenced request for approval of a subdivision preliminary plan. This office previously commented on this proposal under the Walden Preserve 2 PUD on July 3, 2013. The proposal involves dividing 208.8 acres into 116 single family lots totaling 125.1 acres, 72.33 acres of open space tracts, and 11.41 acres of right of way space. All lots within this proposal will use central water and sanitation services.

The 208.8 acres subject to this application is comprised of Lots 74 through 78 of Walden Preserve Filing 1 and un-platted land. The eight lots previously platted under the Walden Preserve Filing 1 will be re-subdivided into 12 lots under this application; the re-subdivision of these twelve lots is sometimes referred to as Walden Preserve Filing 1A in the application materials. The remaining 104 lots will be platted on previously un-platted land.

Source of Water Supply

The proposed water supplier is the Walden Corporation ("Corporation"), a private water company. The Corporation provided a letter dated July 23, 2014 stating that the Corporation would provide water to the 116 lots so long as all water rights associated with the Development were transferred to the Walden Corporation. A Water Resources Report for the Corporation, last revised July 23, 2014, was also provided with the application materials.

Based on information provided in the Water Resources Report, the Corporation operates two types of water supply systems. The Corporation operates the augmentation plan decreed in Division 1 Water Court case no. 02CW187 which allows for the development of 93 individual on-lot Dawson aquifer wells using a 300 year water supply plan approach. Walden Preserve Filing 1, Lots 74 through 78, which were previously proposed to have on-lot Dawson aquifer wells augmented under case no. 02CW187, are being re-subdivided into 12 lots under the Walden Preserve Filing 1A and will be connected to Corporation's central system,

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described below. Therefore, no residences in this preliminary plan are proposed to be subject to the Corporation's decreed augmentation plan.

The Corporation also operates a central water supply system that is fed by seven Denver Basin ground water wells; six wells are completed in the Dawson aquifer and one well is completed in the Denver aquifer. Five of the Dawson aquifer wells were decreed in Division 1 Water Court case no. W-6220. Under that decree, each well is limited by decreed rates of withdrawal expressed in cubic feet per second. If all five wells are pumped at their decreed pumping rate 24 hours a day, 7 days a week, the combined withdrawal would be 125.5 acre-feet per year. According to the Corporation, as currently completed, these wells are capable of producing the entire 125.5 acre-feet of water per year. A sixth non-tributary Dawson aquifer well was decreed in Division 1 Water Court case no. W-7843-74 for a decreed withdrawal rate of 0.33 cfs. If the well were pumped 24 hours a day, 7 days a week, approximately 240 acre-feet could be withdrawn annually. According to the Corporation, this well is currently capable of producing 41 acre-feet per year. Since the well does not have a decreed volumetric right, this office will use the 41 acre-feet per year over a 100 year aquifer life as the firm yield of the well for planning purposes. The Denver aquifer well operates pursuant to the Findings of the State Engineer issued November 3, 1987, which allow the withdrawal of 240 acre-feet per year over 100 years. The Denver aquifer well is currently capable of producing 105 acre-feet per year. The Corporation has the ability to construct additional wells into the Denver aquifer to withdraw the full 240 acre-feet per year in the future. Combined, the Corporation can legally produce 240 acre-feet from the Denver aquifer and legally and physically produce 166.5 acre-feet of water from the Dawson aquifer, for a total supply of 406.5 acre-feet per year.

Of the 40,650 acre-feet of water that can currently be legally and physically withdrawn through the wells that are part of the central water supply system, 28,437 acre-feet is currently committed to existing and future developments, including the Walden Preserve 2 Preliminary Plan, which encompasses this application. The anticipated demand on the system is approximately 150 acre-feet per year. In addition, the Corporation has committed 22 of the available 93 individual on-lot Dawson wells augmented under case no. 02CW187. Therefore, the Corporation has approximately 12,321.2 acre-feet of water available for future commitments to their central water supply and 10,011 acre-feet available for future commitments through 71 individual wells under their plan for augmentation. Table 1, below, provides more details.

Table 1: Walden Corporation Supplies and Demands

	Type of System	Number of Lots	AF/Lot/year	Total AF/year	Allocation Approach	Total Water (AF)
Central System Supply		N/A	N/A	N/A	N/A	40,650
Augmentation Plan Supply		93	0.47	43.71	300 yr	13,113
Historic Commitments	Central	245.2	0.34	83.368	100 yr	8,336.8
Walden Subdivision	Central	7	0.34	2.38	300 yr	714
Walden Preserve Filing 1	Central	73	0.34	25.18 ¹	300 yr	7,554
Walden Preserve 2 PUD	Central	104	0.34	35.36	300 yr	10,608
Walden Preserve Filing 1A	Central	12	0.34	4.08	300 yr	1,224
Walden Preserve Filing 1	Aug. well	8 ²	0.47	3.76	300 yr	1,128
Walden Preserve Filing 2	Aug. well	14	0.47	6.58	300 yr	1,974
Total Central System Commitments		441.2	N/A	150.368	N/A	28,436.8
Total Augmentation Plan Commitments		22	0.47	10.34	300 yr	3,102
Remaining Central System Supply		N/A	N/A	N/A	N/A	12,213.2
Remaining Augmentation Plan Supply		71	0.47	33.37	300 yr	10,011

¹ The water supply for 73 lots at a rate of 0.34 acre-feet per year per lot is 24.82 acre-feet per year. However the subdivision was applied for, and approved for, a total water demand of 25.18 acre-feet per year for the 73 lots.

² Walden Preserve Filing 1 was originally approved for the use of 13 augmented wells, however Walden Preserve Filing 1, Lots 74 through 78 will be re-subdivided into 12 lots under Walden Preserve Filing 1A. Therefore, these five lots will no longer utilize on-lot Dawson aquifer wells augmented under case no. 02CW187.

The proposed source of water for this development is bedrock aquifers in the Denver Basin. The State Engineer's Office does not have evidence regarding the length of time for which this source will be a physically and economically viable source of water.

According to 37-90-137(4)(b)(I), C.R.S., "Permits issued pursuant to this subsection (4) shall allow withdrawals on the basis of an aquifer life of one hundred years." Based on this **allocation** approach, the allowed annual amount of water permitted to be withdrawn from the Denver aquifer is equal to one percent of the total amount, as determined by rules 8.A and 8.B of the Statewide Nontributary Ground Water Rules, 2 CCR 402-7. Therefore, the water may be withdrawn in this annual amount for a maximum of 100 years.

In the *El Paso County Land Development Code*, effective November, 1986, Chapter 5, Section 49.5, (D), (2) states:

"- Finding of Sufficient Quantity - The water supply shall be of sufficient quantity to meet the average annual demand of the proposed subdivision for a period of three hundred (300) years."

The State Engineer's Office does not have evidence regarding the length of time for which this source will "meet the average annual demand of the proposed subdivision." However, treating El Paso County's requirement as an **allocation** approach based on three hundred years, the allowed combined average annual amount of withdrawal would be reduced to one third of that amount which is greater than the annual demands on the Corporation, as shown in the table above.

State Engineer's Office Opinion

Based upon the above and pursuant to Section 30-28-136(1)(h)(II), C.R.S., it is our opinion that the proposed water supply is adequate and can be provided without causing injury to decreed water rights.

Our opinion that the water supply is **adequate** is based on our determination that the amount of water required annually to serve the subdivision is currently physically available, based on current estimated aquifer conditions.

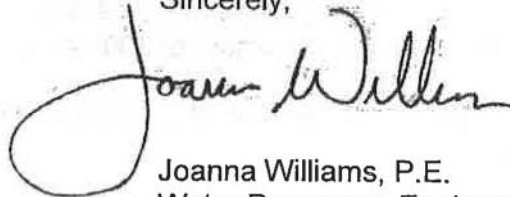
Our opinion that the water supply can be **provided without causing injury** is based on our determination that the amount of water that is legally available on an annual basis, according to the statutory **allocation** approach, for the proposed uses is greater than the annual amount of water required to supply existing water commitments and the demands of the proposed development.

Our opinion is qualified by the following:

The amount of water in the Denver aquifer, and identified in this letter, was calculated based on estimated current aquifer conditions. For planning purposes the county should be aware that the economic life of a water supply based on wells in a given Denver Basin aquifer may be less than the 100 years (or 300 years) used for allocation due to anticipated water level declines. Furthermore, the water supply plan should not rely solely upon non-renewable aquifers. Alternative renewable water resources should be acquired and incorporated in a permanent water supply plan that provides future generations with a water supply.

Should you have any questions, please contact Karlyn Armstrong of this office.

Sincerely,

A handwritten signature in cursive script that reads "Joanna Williams". The signature is written in black ink and is positioned above the typed name and title.

Joanna Williams, P.E.
Water Resources Engineer

CC: Subdivision No. 23400
District File



DEPARTMENT OF NATURAL RESOURCES

DIVISION OF WATER RESOURCES

July 3, 2013

John W. Hickenlooper
Governor

Mike King
Executive Director

Dick Wolfe, P.E.
Director

Craig Dossey
El Paso County Development Services Department
Transmission via email: DSDComments@elpasoco.com

Re: Walden Preserve Planned Unit Development Amendment
File No. PUD-13-005
Sections 14, 15, 22 and 23, T11S, R66W, 6th P.M.
Water Division 1, Water District 8

Dear Mr. Dossey:

We have reviewed your referral dated June 7, 2013 regarding the above-referenced request for approval of a PUD rezoning. The request concerns eight parcels totaling 208.8 acres which were zoned PUD pursuant to the previously approved PUD-04-015. This amendment proposes to reduce the minimum lot size from 2.5 acres to 1.0 acre, increase the overall density of the development from one dwelling unit per 3.16 acres (66 single-family lots) to one dwelling unit per 1.8 acres (116 single-family lots), and increase the amount of open space to 72.3 acres.

Water Supply Demand

According to the submitted Water Supply Information Summary, the estimated water requirements total 39.44 acre-feet annually. This amount breaks down to 0.34 acre-feet/year for each of the 116 lots, consisting of 0.27 acre-feet/year for in house use and 0.07 acre-feet/year for irrigation of 1,990 square feet of home gardens and lawns.

Source of Water Supply

The proposed water supplier is the Walden Corporation ("Corporation"), a private water company. Based on information provided in the applicant's Water Resources Report the Corporation operates seven Denver Basin ground water wells. Six of the wells withdraw from the Dawson aquifer and were decreed as non-tributary in Division 1 Water Court case nos. W-7843-74 and W-6220. The seventh well, permit no. 32697-F, withdraws from the non-tributary portion of the Denver aquifer.

The current withdrawal capacity of the seven wells is approximately 437 acre-feet per year, consisting of approximately 364 acre-feet from the Dawson aquifer and 73 acre-feet from the Denver aquifer. However, the Corporation has the ability to obtain permits to construct additional wells into the Denver aquifer to withdraw the full allowed annual amount permitted to be withdrawn of 240 acre-feet per year. The Corporation's total annual amount of water that could be withdrawn would accordingly increase to 604 acre-feet.

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The Corporation currently has 8,336 acre-feet of water committed to serve 239 single-family homes and an elementary school (6.2 single-family equivalents), based on a 100-year water supply. An additional 19,992 acre-feet of water are committed to serving 196 single-family equivalents in the Walden Pines, Walden Preserve Filing 1 and proposed Filing 1A replat, and the proposed Walden Preserve Phase 2, based on a 300-year water supply. Therefore, the Corporation has approximately 32,072 acre-feet of Denver Basin ground water available for additional commitments.

The proposed source of water for this development is bedrock aquifers in the Denver Basin. The State Engineer's Office does not have evidence regarding the length of time for which this source will be a physically and economically viable source of water.

According to 37-90-137(4)(b)(I), C.R.S., "Permits issued pursuant to this subsection (4) shall allow withdrawals on the basis of an aquifer life of one hundred years." Based on this allocation approach, the allowed annual amount of water permitted to be withdrawn from the Denver aquifer is equal to one percent of the total amount, as determined by rules 8.A and 8.B of the Statewide Nontributary Ground Water Rules, 2 CCR 402-7. Therefore, the water may be withdrawn in this annual amount for a maximum of 100 years.

In the *El Paso County Land Development Code*, effective November, 1986, Chapter 5, Section 49.5, (D), (2) states:

"- Finding of Sufficient Quantity - The water supply shall be of sufficient quantity to meet the average annual demand of the proposed subdivision for a period of three hundred (300) years."

The State Engineer's Office does not have evidence regarding the length of time for which this source will "meet the average annual demand of the proposed subdivision." However, treating El Paso County's requirement as an allocation approach based on three hundred years, the allowed average annual amount of withdrawal of 240 acre-feet/year would be reduced to one third of that amount, or 80 acre-feet/year, which is greater than the annual demand for this development. As a result, the Denver aquifer ground water may be withdrawn in that annual amount for a maximum of 300 years.

State Engineer's Office Opinion

Based upon the above and pursuant to Section 30-28-136(1)(h)(I), C.R.S., it is our opinion that the proposed water supply is adequate and can be provided without causing injury to decreed water rights.

Our opinion that the water supply is **adequate** is based on our determination that the amount of water required annually to serve the subdivision is currently physically available, based on current estimated aquifer conditions.

Our opinion that the water supply can be **provided without causing injury** is based on our determination that the amount of water that is legally available on an annual basis, according to the statutory allocation approach, for the proposed uses is greater than the annual amount of water required to supply existing water commitments and the demands of the proposed

development.

Our opinion is qualified by the following:

The amount of water in the Denver aquifer, and identified in this letter, was calculated based on estimated current aquifer conditions. For planning purposes the county should be aware that the economic life of a water supply based on wells in a given Denver Basin aquifer may be less than the 100 years (or 300 years) used for allocation due to anticipated water level declines. Furthermore, the water supply plan should not rely solely upon non-renewable aquifers. Alternative renewable water resources should be acquired and incorporated in a permanent water supply plan that provides future generations with a water supply.

Should you have any questions, please contact Sarah Brucker of this office.

Sincerely,

A handwritten signature in cursive script, appearing to read "Sarah Brucker", followed by a small circular stamp or mark.

Joanna Williams, P.E.
Water Resources Engineer

Subdivision No. 23400

APPENDIX B

**UPDATED DENVER BASIN GROUNDWATER DECREES /
AUGMENTATION PLANS**

DISTRICT COURT, WATER DIVISION 1,
COLORADO

Court Address:
P.O. Box 2038
Greeley, CO 80632

CONCERNING THE APPLICATION FOR WATER
RIGHTS OF:

WALDEN CORPORATION, INC., Applicant,

IN EL PASO COUNTY.

DATE FILED: August 8, 2017 10:21 AM
CASE NUMBER: 2016CW3103

♦ COURT USE ONLY ♦

Consolidated Case Numbers:
2016CW3103 (WD-1) and
2016CW3048 (WD-2)

FINDINGS OF FACT, CONCLUSIONS OF LAW, RULING OF THE REFEREE, AND
JUDGMENT AND DECREE OF THE WATER COURT

A claim for approval of plan for augmentation was filed in this case on August 24, 2016. The case was filed in Water Divisions 1 and 2, and was consolidated in Water Division 1. All matters contained in the application having been reviewed, testimony having been taken where such testimony is necessary, and such corrections made as are indicated by the evidence presented herein, the following is hereby the Ruling of the Referee:

FINDINGS OF FACT

1. Name, address and telephone number of Applicant:

Walden Corporation, Inc.
17145 Colonial Park Drive
Monument, CO 80132
(720) 851-1113

2. History of Case. The applications for approval of plan for augmentation were filed in Case No. 16CW3103 in Water Division 1 and in Case No. 16CW3048 in Water Division 2. A statement of opposition was filed on behalf of the City of Colorado Springs, acting by and through its enterprise, Colorado Springs Utilities. Applicant and City of Colorado Springs, acting by and through its enterprise, Colorado Springs Utilities entered into a stipulation approving this form of decree. No other statements of opposition were filed and the time for filing such statements has expired. A motion to consolidate the cases was filed and ordered by the Panel on Consolidated Multidistrict Litigation in Case No. 16MD17. A summary of

consultation was filed on November 30, 2016, and a response to said consultation report was filed by Applicant.

3. Subject matter jurisdiction: Timely and adequate notice of the application was published as required by statute, and the Court has jurisdiction over the subject matter of this proceeding and over the parties affected hereby, whether they have appeared or not.

4. Plan for augmentation:

A. Groundwater to be augmented: Up to 155 acre-feet per year for 100 years of not nontributary Dawson aquifer groundwater as decreed in Consolidated Case Nos. 02CW187, District Court, Water Division 1, and 02CW117, District Court, Water Division 2. Said groundwater is located underlying approximately 349 acres of land generally located in parts of Sections 14, 15, 22, and 23, T11S, R66W of the 6th P.M., El Paso County, as shown on Attachment A hereto (Subject Property).

B. Water rights to be used for augmentation: Sewered return flows from the use of not nontributary Dawson aquifer groundwater and return flows and direct discharge of nontributary groundwater underlying the Subject Property as also decreed in cases described above.

C. Statement of plan for augmentation: The Dawson aquifer groundwater will be used for in-house, irrigation, commercial, fire protection, and stock watering purposes, including storage, through a central water supply system, on the Subject Property or on land served through Applicant's central water supply system, including but not limited to Walden III Subdivision, Filings 2 through 7. The Dawson aquifer groundwater will be withdrawn through one or more wells located on the Subject Property which will operate at rates of flow which are necessary to withdraw the entire annual amount. Sewage treatment for in house and commercial use will be through an existing sewage treatment plant which is operated by Applicant or an entity of Applicant and which is generally located in the NW1/4NE1/4 of Section 14, T11S, R66W. Said return flow from in house and commercial use is estimated to be 95% of that use.

D. Replacement of Depletions During Pumping:

Based on assumed annual pumping of 155 acre-feet, the total depletion at the 100th year of pumping is 7.85% or 12.16 acre-feet of which 5.16% occurs to the Cherry Creek/South Platte River stream systems and 2.6% occurs to the Monument Creek/Arkansas River stream system. Applicant does not have the physical ability to replace depletions to the Monument Creek/Arkansas River stream systems, but shall instead replace all such depletions to the Cherry Creek/South Platte River stream system. Use of the Dawson aquifer groundwater from in-house and commercial use, will provide sufficient return flows to replace total actual depletions during each year of pumping pursuant to the percentage of depletion for each year as shown on the curve on Attachment B.

E. Replacement of Post-pumping Depletions:

Applicant agrees to replace depletions for the shortest of the following periods: the period provided by the Colorado Legislature, should it eventually specify one and if the Applicant obtains water court approval for such modification; the period determined by the State Engineer, should the State Engineer lawfully establish such a period; the period established through rulings of the Colorado Supreme Court on relevant cases; or until Applicant petitions the water court and after notice to parties in the case proves that it has complied with all statutory requirements. The court finds that the provisions of this paragraph are adequate to comply with existing law and to prevent injury to others. It is estimated that maximum total depletions from pumping of 155 acre-feet per year for 100 years will be approximately 8.25% of average annual pumping in the 120th year and will decline thereafter. Applicant's replacement obligation will be the total stream depletion as shown on Attachment B. That required amount of water will be pumped from the Arapahoe and Laramie-Fox Hills aquifers, decreed and reserved herein or such other source of water as receives judicial approval after notice, into the Cherry Creek stream system.

F. Applicant shall reserve and dedicate to this plan for augmentation, 76.28 acre-feet per year and 7628 acre-feet total of the nontributary Laramie-Fox Hills aquifer and 82.36 acre-feet per year and 8236 acre-feet total of the nontributary Arapahoe aquifer water decreed in Consolidated Case Nos. 02CW187, District Court, Water Division 1, and 02CW117, District Court, Water Division 2, for the purpose of replacing to Cherry Creek all post-pumping depletions. If at some time replacement of post-pumping depletions is no longer required pursuant to paragraph 10.E above, said reservation will become null and void at such time as the obligation to replace post-pumping depletions terminates. Applicant will be required to construct a well into the Arapahoe or Laramie-Fox Hills aquifers to provide for post-pumping depletions herein, and such obligation is a covenant running with the Subject Property.

G. Applicant will begin making post pumping replacements when: the total amount of Dawson aquifer groundwater allowed to be withdrawn (15,500 acre-feet) has been withdrawn from the well; the Applicant or successors in interest have acknowledged in writing that all withdrawals for beneficial use of the groundwater has permanently ceased; or for a period of 10 consecutive years that no groundwater has been withdrawn, or when accounting shows that return flows from the use of the water being withdrawn from the Dawson aquifer wells is insufficient to replace depletions that have already occurred.

5. Applicant or a related entity shall pay the cost imposed by operation of this augmentation plan. Failure of either the Applicant or related entity to comply with the terms of the decree may result in an order of the Division Engineer's office to curtail or eliminate pumping of the Dawson aquifer well or wells. This decree shall be recorded in the real property records of El Paso County so that a title examination of the property, or any part thereof, shall reveal to all future purchasers the existence of this decree.

6. Administration of plan for augmentation:

17. A totalizing flow meter shall be installed on any well operating under this decree prior to withdrawal of any water therefrom, and shall be maintained and operational at all times for the life of the well. Applicant shall annually report to the Division Engineer for Water Division 1, a summary of the monthly metered

withdrawals of the subject well or wells on an accounting form acceptable to the Division Engineer, for the withdrawals during the previous year of pumping (November 1 through October 31). Said accounting will be completed by the end of December for that year of pumping.

B. All withdrawals which are the subject of this decree will be metered.

C. Pursuant to Section 37-92-305(8), C.R.S., the State Engineer shall curtail all out-of-priority diversions, the depletions from which are not so replaced as to prevent injury to vested water rights.

D. The Applicant at the direction of the Division Engineer shall make total post-pumping replacements to the Cherry Creek stream system pursuant to the total percentage of depletion caused by pumping as referenced on the depletion curve attached hereto on Attachment B.

7. Retained jurisdiction for plan for augmentation:

17. Pursuant to Section 37-92-304(6), C.R.S., the Court retains continuing jurisdiction over the plan for augmentation decreed herein for reconsideration of the question whether the provisions of this decree are necessary and/or sufficient to prevent injury to vested water rights of others. The Court also has jurisdiction for the purposes of determining compliance with the terms of the augmentation plan. Objector City of Colorado Springs owns senior water rights on Monument Creek that will be negatively impacted by the operation of this decree wherein depletions to the Arkansas River will not be replaced to the Arkansas River, but rather will be replaced to the South Platte River. In addition, Colorado Springs reserves the right to claim that the cumulative negative impacts of this and other similar decrees constitutes injury to its senior Monument Creek rights. In the interest of settlement only, Colorado Springs consents to the entry of this decree. However, by doing so, Colorado Springs does not waive its right to claim injury and to seek relief in the future according to this paragraph.

B. Any person seeking to invoke the retained jurisdiction of the Court shall file a verified petition with the Court. The petition to invoke retained jurisdiction or to modify the Decree shall set forth with particularity the factual basis and the requested decretal language to effect the petition. The party lodging the petition shall have the burden of going forward to establish prima facie facts alleged in the petition. If the Court finds those facts to be established, Applicant shall thereupon have the burden of proof to show: (1) that any modification sought by Applicant will avoid injury to other appropriators, or (2) that any modification sought by Objector is not required to avoid injury to other appropriators, or (3) that any term or condition proposed by Applicant in response to the Objector's petition does avoid injury to other appropriators.

C. The Court retains jurisdiction for the purpose of determining whether the continued reservation of the nontributary water for use on the Subject Property is required. After

notice to the State Engineer's Office, if Applicant can demonstrate to the Court that post-pumping depletions need no longer be replaced, the Court may remove the requirement that the nontributary water must be reserved.

CONCLUSIONS OF LAW

8. The Water Court has jurisdiction over this proceeding pursuant to Section 37-90-137(6), C.R.S. This Court concludes as a matter of law that the application herein is one contemplated by law pursuant to Sections 37-90-137(4) and (9)©, C.R.S. The withdrawal of up to 155 acre-feet per year and no more than 15,500 acre-feet total of Dawson aquifer groundwater in accordance with the terms of this decree will not result in material injury to vested water rights of others subject to the provisions of this decree.

9. This plan for augmentation satisfies the requirements of Section 37-90-137(9)©, C.R.S., for replacement of actual depletions to the affected stream systems for withdrawals of the Dawson aquifer water.

JUDGMENT AND DECREE

The Findings of Fact and Conclusions of Law set forth above are hereby incorporated into the terms of this Ruling and Decree as if the same were fully set forth herein.

10. Full and adequate notice of the application was given, and the Court has jurisdiction over the subject matter and over the parties whether they have appeared or not.

11. Applicant may withdraw up to 155 acre-feet per year and no more than 15,500 acre-feet total of not nontributary ground water from the Dawson aquifer under the plan for augmentation decreed herein pursuant to Section 37-90-137(9)©, C.R.S.

12. Applicant has complied with all requirements and met all standards and burdens of proof, including but not limited to Sections 37-90-137(9)©, 37-92-103(9), 37-92-302, 37-92-304(6), 37-92-305(1), (2), (3), (4), (6), (8), (9), C.R.S., to adjudicate this plan for augmentation and is therefor entitled to a decree confirming and approving this plan for augmentation as described in the findings of fact.

13. Pursuant to Section 37-92-305(5), C.R.S., the replacement water herein shall be of a quality so as to meet the requirements for which the water of the senior appropriator has normally used.

14. The proposed plan for augmentation as described in the findings of fact is hereby approved, confirmed, and adjudicated, including and subject to the terms and conditions specified herein.


15. No owners of or person entitled to use water under a vested water right or decreed conditional water right will be injured or injuriously affected by the operation of the plan for augmentation as decreed herein.

16. In considering applications for permits for wells to withdraw the groundwater which is the subject of this decree, the State Engineer shall be bound by this decree and shall issue said permits in accordance with terms of this decree.

17. Continuing Jurisdiction:

Pursuant to Section 37-92-304(6), C.R.S., the Court retains continuing jurisdiction over the plan for augmentation decreed herein for reconsideration of the question of whether the provisions of this decree are necessary and/or sufficient to prevent injury to vested water rights of others. The Court also retains continuing jurisdiction for the purpose of determining compliance with the terms of the augmentation plan.

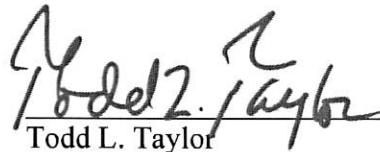
Date: July 17, 2017



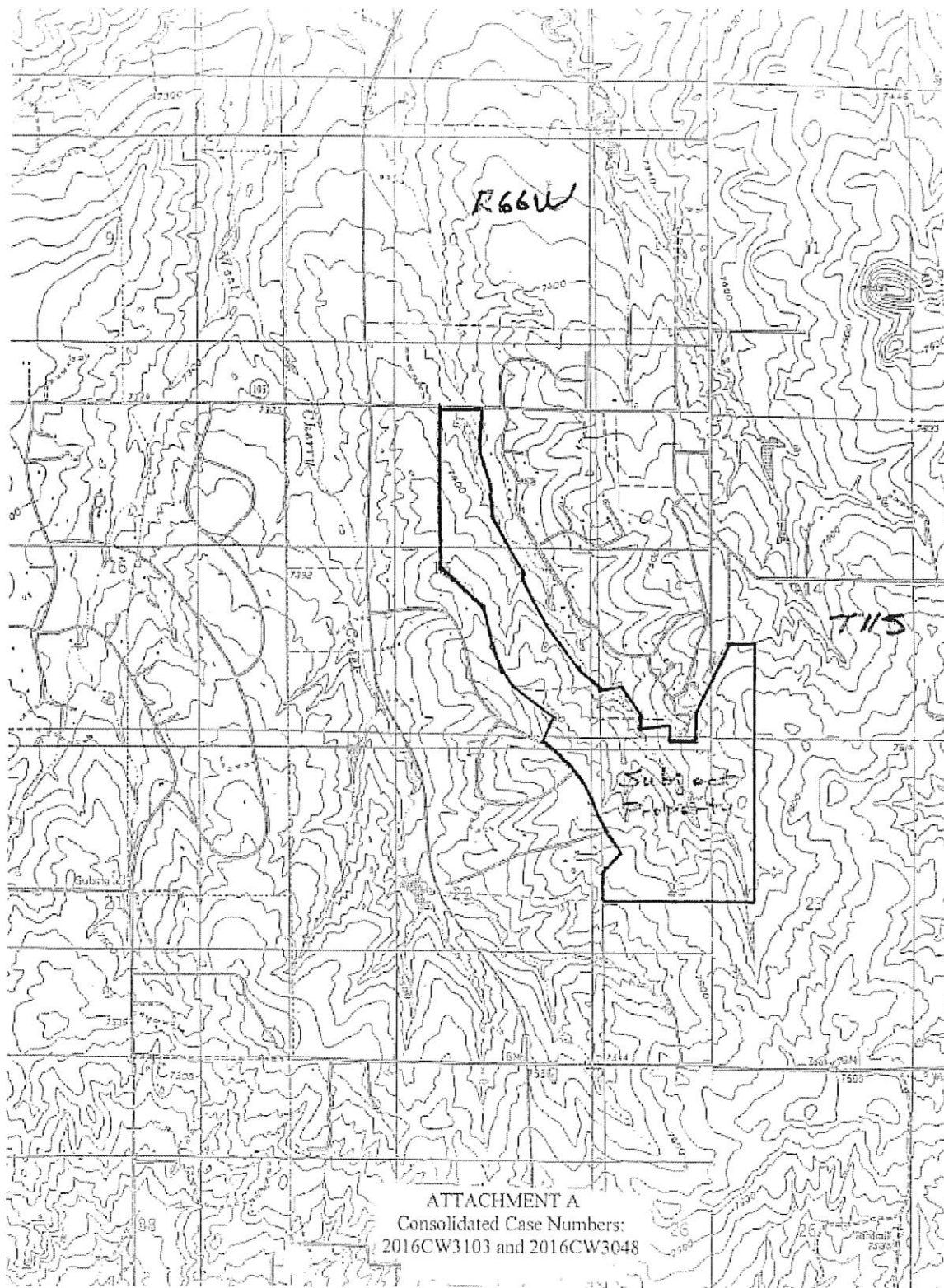
John S. Cowan
Water Referee
Water Division 1

The court finds that no protest was filed in this matter. The foregoing ruling is confirmed and approved, and is made the judgment and decree of this Court.

Date: August 8, 2017

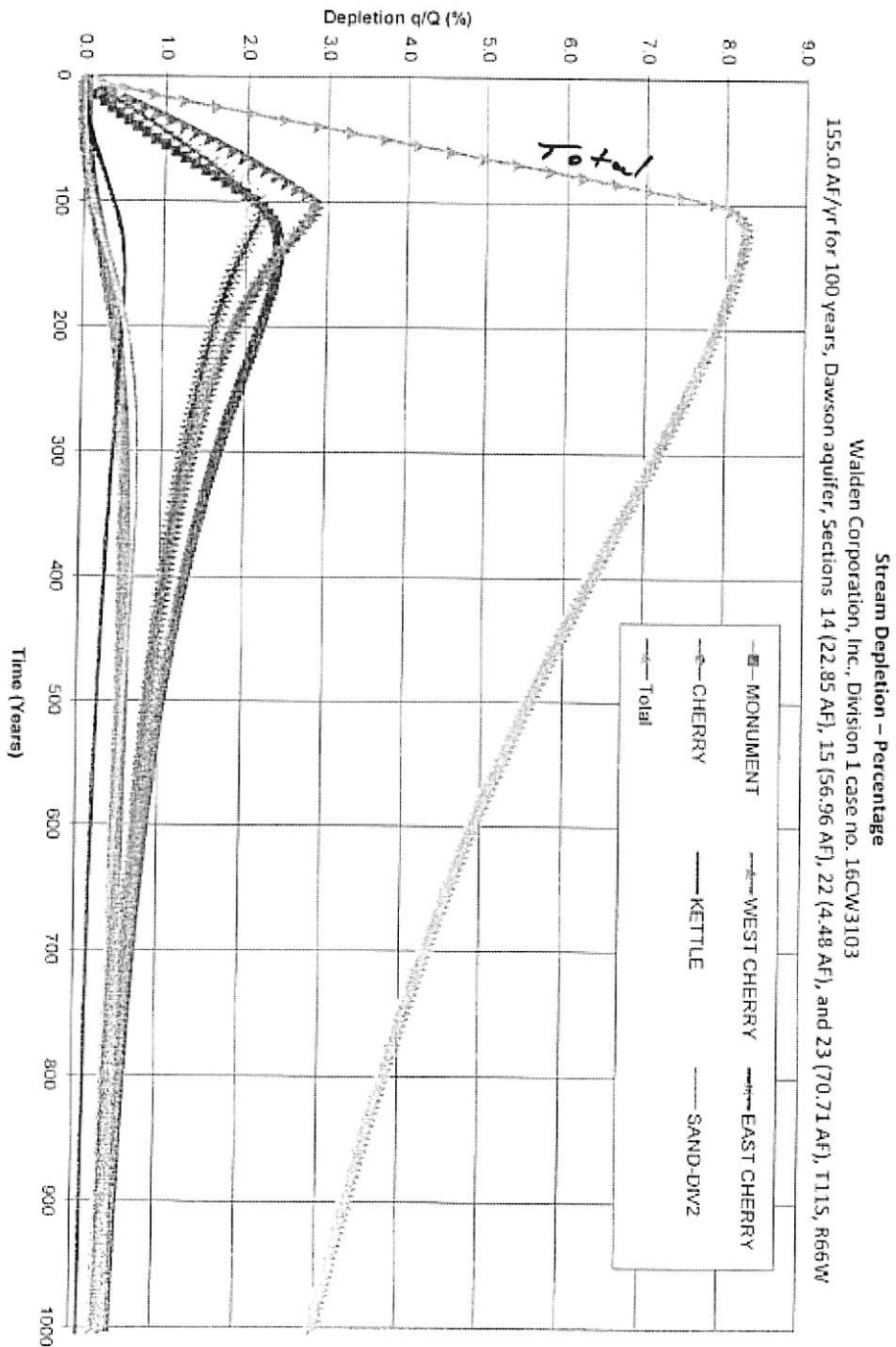


Todd L. Taylor
Alternate Water Judge
Water Division 1



Walden Corporation, Inc.
2016CW3103 and 3048

ATTACHMENT A



Walden Corporation, Inc.
 2016CW3103and 3048

ATTACHMENT B

<p>DISTRICT COURT, WATER DIVISION 1, COLORADO</p> <p>Court Address: P.O. Box 2038 Greeley, Colorado 80632</p> <hr/> <p>CONCERNING THE APPLICATION FOR WATER RIGHTS OF:</p> <p>CUSTOM CASTLES, INC.,</p> <p>IN EL PASO COUNTY.</p>	<p>DATE FILED: June 11, 2015 8:39 AM CASE NUMBER: 2015CW3007</p> <p>Δ COURT USE ONLY Δ</p> <p>Case Number: 2015CW3007</p>
<p align="center">FINDINGS OF FACT, CONCLUSIONS OF LAW, RULING OF THE REFEREE, JUDGMENT AND DECREE</p>	

A claim for approval of change of water right was filed in this case on January 28, 2015. All matters contained in the application having been reviewed, testimony having been taken where such testimony is necessary, and such corrections made as are indicated by the evidence presented herein, the following is hereby the Ruling of the Referee:

FINDINGS OF FACT

1. Name, address and telephone number of Applicant:

Custom Castles, Inc.
17145 Colonial Park Drive
Monument, CO 80132
(719) 339-2410

2. Objections: No statements of opposition have been filed, and the time for filing of such statements has expired.

3. Subject matter jurisdiction: Timely and adequate notice of the application was published as required by statute, and the Court has jurisdiction over the subject matter of this proceeding and over the parties affected hereby, whether they have appeared or not.

4. Decree information for which change is sought: Consolidated Case Nos. 02CW187, Water Division 1, and 02CW117, Water Division 2, decreed on July 22, 2004. The property which is the subject of the decree is approximately 349 acres located in parts of Section 14, 15, 22, and 23, T11S, R66W of the 6th P.M. as shown on Attachment A (Subject Property). Applicant is the successor in interest to the groundwater which is the subject of this decree.

5. Decreed change: In the original decree, an augmentation plan was approved for the use of 93 individual wells in the not nontributary Dawson aquifer for the annual withdrawal of 0.47 acre-feet per well and 43.71 acre-feet total for 300 years (13,113 acre-feet total over 300 years). The decree also required that an equal amount of nontributary groundwater be reserved for future use in the plan. (107.3 acre-feet per year of nontributary Laramie-Fox Hills and 23.8 acre-feet of nontributary Arapahoe aquifer groundwater reserved for this purpose).

The Subject Property only requires use of 22 individual Dawson aquifer wells and 10.34 acre-feet per year for 300 years (3102 acre-feet total). The original augmentation plan is revised by this decree to reduce the number of Dawson aquifer wells which will operate pursuant to that augmentation plan from 93 to 22 wells. Terms and conditions associated with the permitting and operation of the 22 wells remains the same as decreed in the original augmentation plan. The water associated with the remaining 71 lots (33.37 acre-feet per year and 10,011 acre-feet total) are no longer required and the terms and conditions of the original decree are vacated as to those 71 wells. The nontributary aquifer groundwater reserved for future use in the augmentation plan for the operation of the 22 wells is reduced to 31.02 acre-feet per year and 3102 acre-feet per year total of nontributary Laramie-Fox Hills aquifer groundwater. The remaining 76.28 acre-feet per year and 7628 acre-feet total of nontributary Laramie-Fox Hills aquifer and the 23.8 acre-feet per year and 2380 acre-feet total of nontributary Arapahoe aquifer groundwater as reserved in the original plan for augmentation, is vacated from use in the original decree and is no longer reserved for use in that plan.

No other provisions of the original decree are changed herein, including continued operation of existing wells or permitting and operation of the 22 wells pursuant to the original decree.

CONCLUSIONS OF LAW

6. This Court has jurisdiction over the subject matter of these proceedings and over all who may be affected thereby, whether they have chosen to appear or not pursuant to Section 37-92-302, 37-92-304, and 37-92-305, C.R.S.

7. Timely and adequate notice of the pendency of this action was given in the manner provided by law.

8. The change of water rights decreed herein is, as a matter of law, permissible and comes within the definitions authorized by statute.

9. The terms and conditions as set forth in this decree are adequate to prevent injury to the owners of, or persons entitled to use, water under a vested water right or a decreed conditional water right pursuant to Section 37-92-305, C.R.S.

JUDGMENT AND DECREE

10. The foregoing Findings of Fact and Conclusions of Law are fully incorporated herein.

Date: May 20, 2015

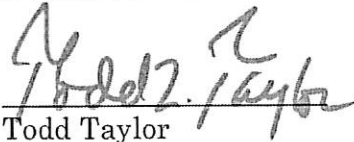


John S. Cowan
Water Referee
Water Division 1

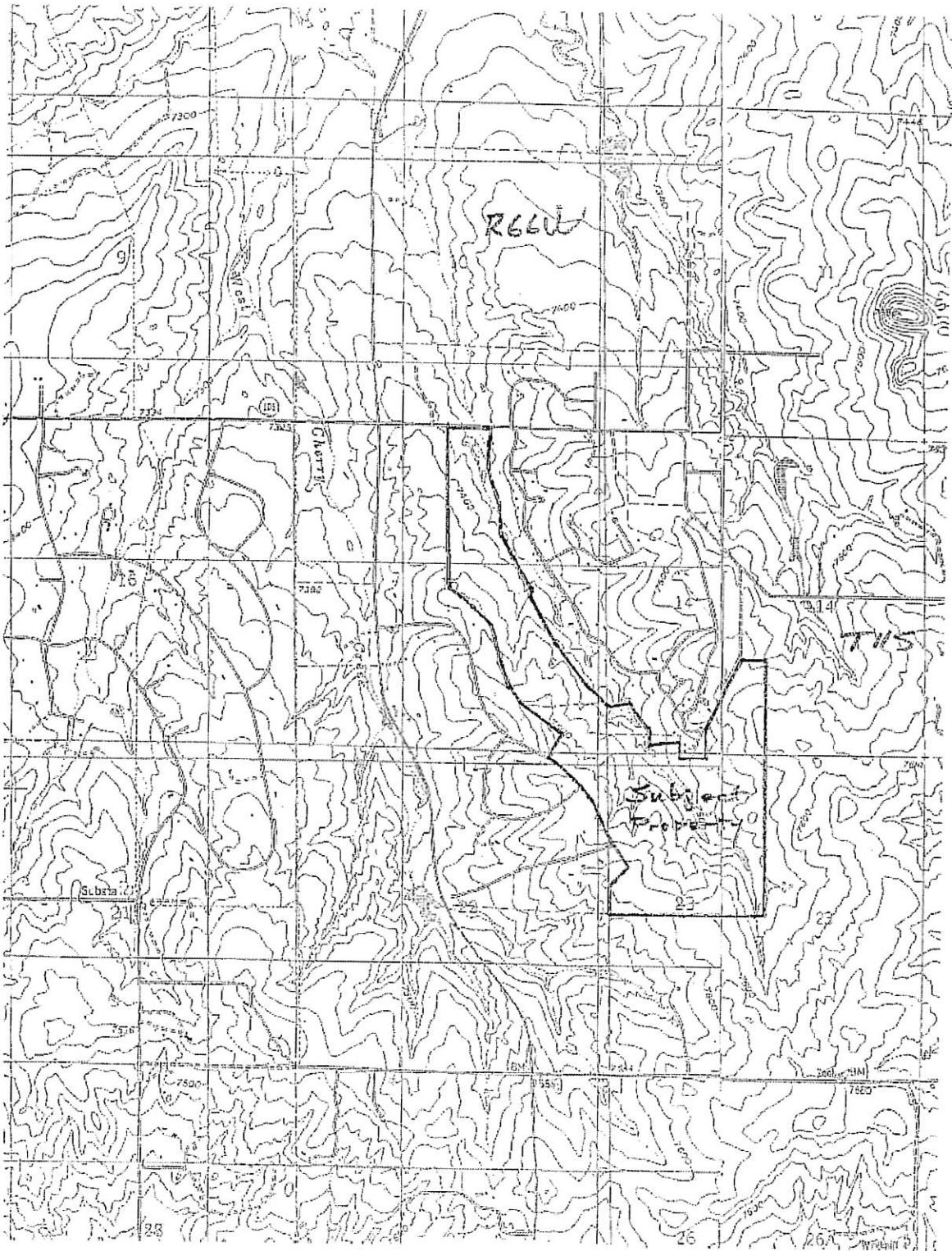
No protest was filed in this matter. The foregoing ruling is confirmed, approved, and hereby made the Judgment and Decree of this Court.

So Ordered:
June 11, 2015

BY THE COURT:



Todd Taylor
Alternate Water Judge
Water Division 1



Custom Castles, Inc.
15CW3007

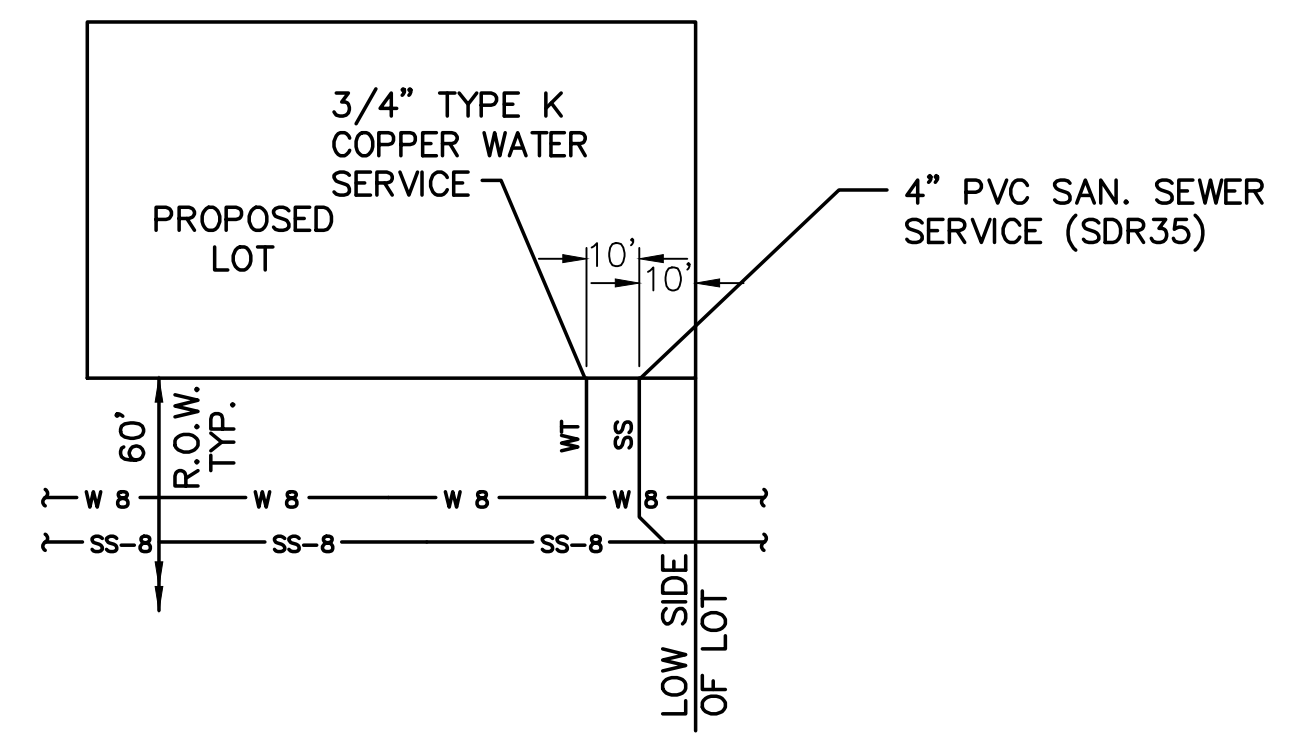
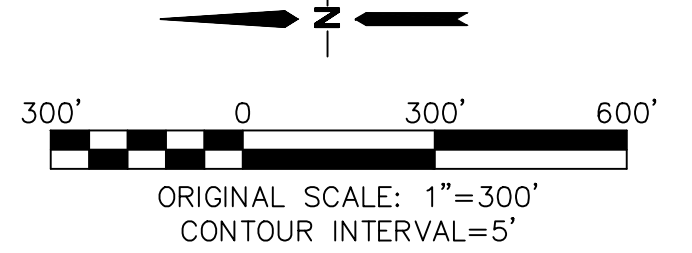
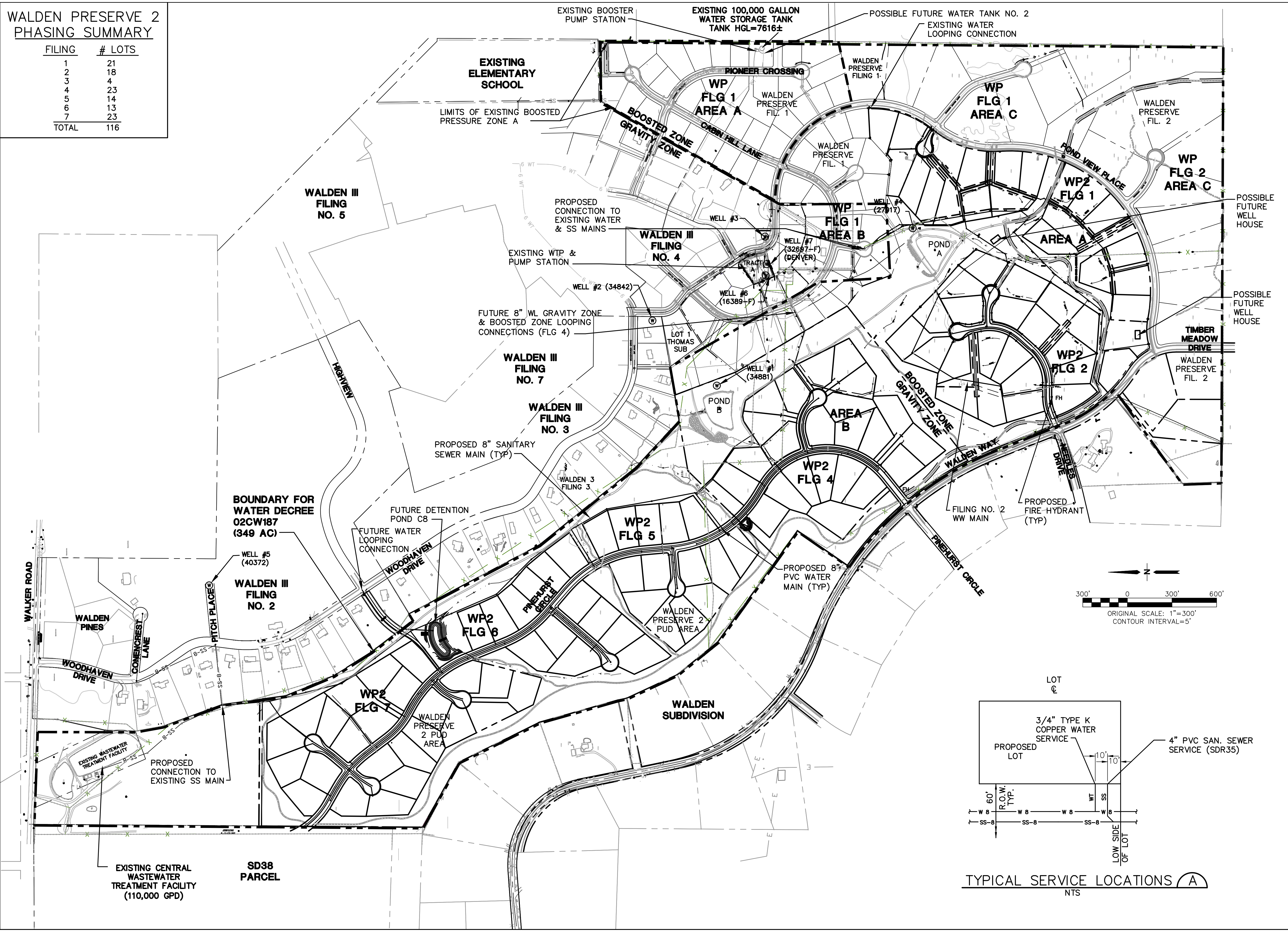
ATTACHMENT A

APPENDIX C

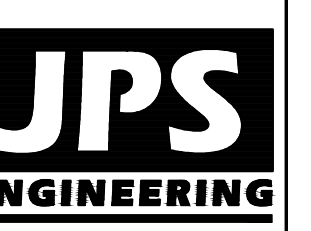
MASTER UTILITY PLAN

**WALDEN PRESERVE 2
PHASING SUMMARY**

FILING	# LOTS
1	21
2	18
3	4
4	23
5	14
6	13
7	23
TOTAL	116



WALDEN PRESERVE



19 E. Willamette Ave.
Colorado Springs, CO
80903
PH: 719-477-9429
FAX: 719-471-0766
www.jpsegr.com



CALL UTILITY NOTIFICATION
CENTER OF COLORADO
1-800-922-1987
CALL 24 HOURS A DAY IN ADVANCE
BEFORE YOU DIG, GRADE, OR EXCAVATE
FOR THE MARKING OF UNDERGROUND
MEMBER UTILITIES

No.	REVISION	DATE
1	FINAL PLAT SUBMITTAL	9/11/18

**MASTER
UTILITY PLAN**

HORZ. SCALE: 1"=300'	DRAWN: BJJ
VERT. SCALE: N/A	DESIGNED: JPS
SURVEYED: PINNACLE	CHECKED: JPS
CREATED: 7/03/14	LAST MODIFIED: 9/11/18
PROJECT NO: 040201	MODIFIED BY: BJJ
SHEET:	

U1

Z:\040201\walden\dwg\civil\WALDEN PRESERVE 2\FLG-4\U1.dwg Sep 11, 2018 - 3:00pm