

**INTERGOVERNMENTAL AGREEMENT  
WATER and WASTEWATER SERVICE – THE RETREAT**

This Intergovernmental Agreement regarding the provision of central water and wastewater services to real property commonly referenced as the Retreat at TimberRidge ("IGA") is made and entered into as of the 6<sup>th</sup> day of November, 2020, by and between the Sterling Ranch Metropolitan District No. 1 ("SRMD"), a quasi-municipal corporation and political subdivision of the State of Colorado (acting by and through its Utility Enterprise), and the Retreat Metropolitan District No. 1 ("RMD"), a quasi-municipal corporation and political subdivision of the State of Colorado.

**Recitals**

WHEREAS, the parties hereto, being political subdivisions of the State of Colorado as described at C.R.S. §29-1-202(2), are authorized to enter into intergovernmental agreements pursuant to Colo. Const., Art. XVI, §18(2), and C.R.S. §§29-1-203, 32-1-1001(d); and

WHEREAS, C.R.S. §29-20-105 specifically authorizes and encourages local governments to contract with other units of government for the purposes of planning or regulating the development of land, including but not limited to the joint exercise of planning, zoning, subdivision, building and related regulations; and

WHEREAS, SRMD owns certain municipal water rights, water infrastructure, water treatment facilities and water distribution systems ("SRMD Water Infrastructure"), as may in the future be supplemented with other water and water rights and infrastructure; and

WHEREAS, SRMD owns certain wastewater collection infrastructure and treatment facilities, or contractual rights to the use thereof, as may be supplemented with other infrastructure in the future ("SRMD Wastewater Infrastructure"); and

WHEREAS, RMD was formed to assist in the development of municipal utility infrastructure associated with real property commonly referenced as the Retreat at TimberRidge (the "Retreat"), as more particularly described on the attached **Exhibit A**, including water delivery infrastructure and wastewater collection infrastructure (collectively "On-Site Infrastructure") to facilitate the timely development of the Retreat; and

WHEREAS, RMD and SRMD have jointly identified off-site infrastructure necessary for connection of the SRMD Water Infrastructure and SRMD Wastewater Infrastructure to the RMD On-Site Infrastructure, as necessary for SRMD's provision of water and wastewater service under this agreement to RMD (the "Local Infrastructure"); and

WHEREAS, RMD desires to utilize existing SRMD water and water rights, and existing SRMD infrastructure, along with additional off-site water delivery infrastructure

to be constructed by RMD and conveyed to SRMD consistent with the provisions herein, and additional on-site water delivery infrastructure to be constructed and maintained by RMD for the provision of water to municipal uses within the Retreat, and SRMD desires to provide such water and water rights to RMD and its residential and/or commercial customers; and

WHEREAS, RMD and SRMD desire to enter into this IGA to establish the terms and conditions by which they shall cooperatively provide and deliver municipal water supplies and service to the residents and water users of the Retreat.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

## AGREEMENT

### I. RMD Requirements and Obligations.

A. Conveyance of Denver Basin Groundwater. Coincident with the execution of this IGA, RMD, as the successor to TimberRidge Development Group, LLC, a Colorado limited liability company, has delivered to SRMD the Quitclaim Deed attached hereto as **Exhibit B**, conveying to SR Water, LLC the following water and water rights as previously quantified and decreed in Case No. 17CW3002, which in addition to in-lieu-of fees paid to SRMD by a predecessor in title to the Retreat property consistent with that Development and Infrastructure Agreement dated February 21, 2019 (the "Infrastructure Agreement") to which RMD is a successor/assignee, results in conveyance of sufficient water and resources to SRMD as consideration for SRMD's provision of water service to the Retreat:

Aquifer	Sand Thickness (Feet)	Total Ground Water Storage (Acre Feet)
Denver (NNT)	310	11,909
Arapahoe (NT)	255	9,796
Laramie-Fox Hills (NT)	190	3,032

### B. Construction of Water and Wastewater Infrastructure.

1. On-Site Infrastructure. RMD shall construct, at RMD's sole expense, all On-Site Infrastructure, including both water distribution and wastewater collection infrastructure, as specifically set forth in **Exhibit C** for provision of water and wastewater services by SRMD to the Retreat, without any right or claim to cost recovery under the Infrastructure Agreement or this IGA. All such On-Site Infrastructure shall be designed and engineered to meet SRMD specifications, constructed in conjunction with such designs, inspected and approved by SRMD prior to acceptance, and conveyed to SRMD and warranted for such period as consistent with applicable SRMD policies, resolutions, rules and regulations.

2. Local Infrastructure. Further, RMD shall construct all Local Infrastructure, being off-site from the Retreat but within the boundaries of SRMD and on property owned or controlled by SRMD, as necessary for delivery of water and wastewater services to the Retreat. All such Local Infrastructure shall be designed and engineered to meet SRMD specifications, constructed in conjunction with such designs, inspected and approved by SRMD prior to acceptance, and conveyed to SRMD and warrantied for such period as consistent with applicable SRMD policies, resolutions, rules and regulations. Said Local Infrastructure is generally described on the attached **Exhibit D**. The Parties agree that such Local Infrastructure is necessary in order to connect municipal central water and wastewater supplies from SRMD and its existing municipal utility infrastructure to the On-Site Infrastructure at the Retreat.

a. Engineering, Design, Construction and Funding of Local Infrastructure. The engineering, design, permitting and construction of the Local Infrastructure shall be the responsibility of RMD, though compliant with all applicable SRMD rules, regulations, policies and resolutions, and subject to prior approval by the SRMD's engineering consultants. The Local Infrastructure shall be funded by and the responsibility and obligation of RMD, as described herein.

b. Dedication and Acceptance of Sewer Improvements. RMD agrees and acknowledges that though funded and constructed by RMD, all components and phases of Local Infrastructure shall be dedicated to and accepted by SRMD in accordance with the procedures provided in the SRMD's rules, regulations, policies and resolutions.

c. Local Infrastructure Construction Costs/Recovery. The costs of construction of the Local Infrastructure shall include all reasonable design, construction and engineering fees, inspection fees, the actual and direct costs of construction including labor and material pursuant to construction contracts, expenses related to any easement or right-of-way acquisition, and including reasonable attorney's fees incurred (the "Construction Costs"). The Local Infrastructure shall be designed and sized to accommodate SRMD's provision of water and wastewater service to other properties and developments reasonably served thereby, and RMD shall coordinate and cooperate with SRMD in the design of such Local Infrastructure. Incremental costs resulting from such oversizing of Local Infrastructure by RMD shall be fully recoverable consistent with the provisions this IGA, and the Infrastructure Agreement. The Local Infrastructure Construction Costs are estimated on the attached **Exhibit D**, and will be adjusted periodically to reflect actual Local Infrastructure Construction Costs. RMD agrees that the Local Infrastructure Construction Costs will be documented for certification by SRMD upon completion of the Local Infrastructure, for purposes of determining amounts recoverable by RMD under the Cost-Recovery terms provided herein.

i. Carrying Costs. There will be certain carrying costs associated with funds advanced by RMD for the Construction Costs associated with the Local Infrastructure. The ultimate Cost Recovery of advanced funds, shall include interest accruing at a rate of 4.5% annually from the date such funds are advanced by RMD to compensate RMD for the costs of money for such advanced funds.

ii. Reimbursement and Cost-Recovery Rights. Following completion of the Local Infrastructure by RMD, RMD may recover Construction Costs funded in advance by means of SRMDs imposition of a Cost Recovery Fee upon "Property Owners" within SRMD who will benefit from the Local Infrastructure but did not participate in the costs of its construction, pursuant to the procedures described in this IGA and the Infrastructure Agreement. SRMD agrees to impose and collect the Cost Recovery Fee to the fullest extent allowed by law and to reimburse RMD with the funds derived thereby.

iii. Certification of the Local Infrastructure Costs. Upon final completion of the Local Infrastructure, the final costs of thereof shall be certified by the RMD and delivered to SRMD. Said certified costs shall form the basis for cost recovery by RMD against other Property Owners benefitted by the Local Infrastructure, consistent with the Cost Recovery Procedures described in Paragraph 2.C., below.

3. Cost Recovery Procedures. SRMD and RMD agree that the cost recovery by SRMD on RMD's behalf, against future Property Owners benefitted by the Local Infrastructure of the certified Construction Costs shall be substantially in accordance with the following procedures:

a. Cost Recovery. In addition to SRMDs other typical fees and charges, as a prerequisite to the issuance of water and sewer taps which connect to SRMD's infrastructure, and specifically the Local Infrastructure as described herein, SRMD shall collect a "Cost Recovery Fee" from the applicable Property Owner(s) of the such benefitted property, as provided herein, due upon recording by the El Paso County Board of County Commissioners of the 1<sup>st</sup> final plat within any such Property Owner(s)' developed properties. Such Cost Recovery Fee shall be commensurate with a *pro rata* portion of the Certified Costs allocated amongst all benefitted properties, including the Retreat, for the Local Infrastructure, and shall be calculated by and payable to SRMD. SRMD shall, as applicable, escrow such Cost Recovery Fee(s) and promptly distribute and remit such fees to RMD, until RMD is fully reimbursed and all advanced costs for the Local Infrastructure, excepting its own *pro rata* allocation of the Local Infrastructure Construction Costs associated with the Retreat.

b. Remittance of Collected Cost Recovery Fee. SRMD shall remit to RMD its allocated portion of the Cost Recovery Fee within thirty (30) days from the date of its collection. SRMD shall not collect Cost Recovery Fees in excess of the non-RMD allocated certified Construction Costs. Should such excess funds be inadvertently collected by SRMD, such funds will be refunded to the party so paying.

c. Duration of Cost Recovery Obligation/Renewal. SRMD's obligations to collect and remit the Cost Recovery Fee(s) shall terminate twenty (20) years from the date of the RMD's certification of Construction Costs. The term of the Cost Recovery obligations pursuant to this IGA may be extended upon the mutual written agreement of the parties.

d. Third Party Use of Excess Capacity. In the event SRMD

determines, in its exclusive but reasonable discretion, that there is excess capacity in the Local Infrastructure, or some portion thereof, beyond what is needed to serve the projected development within SRMD and at the Retreat, then SRMD may make such excess capacity available to third parties upon the payment of applicable fees to be determined in SRMD's reasonable discretion, provided RMD has first recovered all advanced costs excepting RMD's own *pro rata* allocation of the costs of the Local Infrastructure associated with the Retreat. In the event that RMD has not fully recovered such advanced funds, SRMD shall, in its reasonable discretion, calculate an appropriate Cost Recovery Fee and impose the same upon such benefitted Third Party, distributing and remitting such fees when collected to RMD until such advanced costs are completely recovered.

## II. SRMD Requirements and Obligations.

A. Provision of Municipal Water Service. By service commitment letters dated April 12, 2018, January 9, 2019 and most recently November 2, 2020, SRMD has committed to the provision of municipal water service to the residential development on the Retreat property, now represented by the service area of RMD. SRMD, consistent with the terms and conditions of this IGA and in consideration of RMD's requirements and obligations hereunder, shall provide municipal water service to up to 167 single family equivalents ("SFEs") to be developed on the Retreat property, expressly including the 59 SFEs currently pending final plat approval before El Paso County as "Retreat at TimberRidge Filing No. 1".

1. SRMD has developed certain well, treatment, and water delivery infrastructure on lands owned or controlled by SRMD for provision of central municipal water delivery and service to development occurring within the SRMD boundaries, as well as for service to properties outside of the boundaries of SRMD, such as RMD, subject to contractual provisions or inter-governmental agreements, such as this IGA. With the addition of the Local Infrastructure and On-Site Infrastructure to be constructed by RMD, as described above, SRMD will have infrastructure in place sufficient to allow for municipal water service to the Retreat.

2. SRMD has acquired and developed certain water and water rights for use in its municipal water supply system, which when combined with the water rights to be deeded by RMD consistent with Paragraph I.A., above, are in excess of and sufficient to meet the maximum water supply demand for development at the Retreat. SRMD has contracted for and continues to supplement its water rights portfolio, and can and will have sufficient water rights to serve the Retreat development with municipal water service in perpetuity.

B. Provision of Municipal Wastewater Service. SRMD has constructed certain wastewater treatment and collection infrastructure, including but not limited to collection pipelines and lift stations. SRMD has contracted with the Meridian Metropolitan District ("MMD") for the use of excess capacity in MMD's system including at the Waste Water Treatment Facility MMD co-owns with the Cherokee Metropolitan District. With the addition of the Local Infrastructure and On-Site Infrastructure to be constructed by RMD, as described above, SRMD will have infrastructure in place

sufficient to allow for municipal waste water service to the Retreat. SRMD has sufficient contractual interests to provide municipal wastewater service to the residential development at the Retreat, and consistent with the terms and conditions of this IGA and in consideration of RMD's requirements and obligations hereunder, shall provide municipal waste water service to up to 167 single family equivalents ("SFEs") to be developed on the Retreat property, expressly including the 59 SFEs currently pending final plat approval before El Paso County as "Retreat at TimberRidge Filing No. 1".

C. Terms of Service and Rates. SRMD shall provide the municipal water and wastewater services described above to the residential development at the Retreat in a manner consistent with provision of similar services to residential customers actually included within SRMD, and further consistent with all policies, resolutions, rules and regulations of SRMD applicable to municipal water service, municipal wastewater service, and service outside of the District's boundaries, both as may exist today and as may be promulgated or enacted by SRMD in the future. Notwithstanding the foregoing, rates for water and wastewater services provided by SRMD for residential customers in the Retreat shall not exceed 110% of the rates applicable to in-District residential customers of SRMD, absent documentation satisfactory to all parties that the cost of providing such services to the Retreat are in excess of such 10% surcharge. SRMD shall bill each residential customer within the Retreat in the same manner as in-District residential customers, and all residential customers of the Retreat shall be subject to and bound by applicable rules, regulations, policies and resolutions of SRMD as applies to water and wastewater services, billing, collections, termination of service, or otherwise.

### III. General Provisions.

A. Term. This IGA is a contract in perpetuity granting present vested rights. The term of this IGA is perpetual as is deemed lawful under the cases entitled Cherokee Water Dist. v. Colorado Springs, 519 P.2d 339 (Colo. 1974) and City and County of Denver v. Consolidated Ditches Company of Dist. No. 2, 807 P.2d 23 (Colo. 1991). If this perpetual IGA is determined to be invalid for any reason, then the IGA term shall be considered as 99 years with the option of RGA to extend the IGA within the existing term for four successive and additional 99 year terms.

B. Limitation on Damages. Neither RMD nor SRMD shall be liable for consequential or special damages for any breach of this IGA. Such consequential or special damage claims are hereby waived by each party against the other for a full, fair and adequate consideration. This IGA may, however, be specifically enforced by either party.

C. Third Party Beneficiaries. This IGA is for the sole benefit of the parties hereto and their permitted assigns and no third parties are intended to be or shall be benefitted by this IGA.

D. Assignment. The rights, entitlements, responsibilities and obligations of either party to this IGA may be assigned in full or in part only to a successor municipal or quasi-municipal entity with authority and capability to fully perform the duties

assigned, and only with the express written consent of the other party to this IGA, which consent shall not be unreasonably withheld.

E. Termination. Either party may terminate this Agreement upon 180-day's written notice to the other party if, and only if: (1) alternate municipal or quasi-municipal water and wastewater service has become available to the residential development within the Retreat at comparable cost, and connection to and provision of such services has been accomplished; and (2) all On-Site and Local Infrastructure has been constructed and all applicable costs recovered.

F. Cooperation. The Parties agree to take all reasonable measures, whether specified herein or not, to carry out and ensure the satisfactory performance of the provisions and intents of this IGA, for the benefit of customers mutually served by RMD and SRMD. Neither Party shall take actions which directly or indirectly frustrate the purposes of this IGA.

G. Nonappropriation/TABOR. It is the express intention of each Party that this IGA is entered into and to be performed by any utility enterprise of SRMD or RMD. To the extent this IGA may be interpreted otherwise, reasonable available funding sources to RMD and SRMD may require such special districts to incur multi-year debt obligations, and such multi-year debt obligations are subject to the provisions of the Colorado Tax-Payers Bill of Rights (TABOR), as codified in the Colorado Constitution at Article X, Section 20. In order to incur such multi-year debt obligations, it may be necessary for RMD and/or SRMD to obtain voter approval from the eligible voters of such district(s). Failure of the eligible voters of RMD and/or SRMD to approve the incurrence of multi-year debt obligations shall not automatically result in a default under this IGA, unless such failure to approve such multi-year debt obligation(s) results in the overall frustration of the purpose of this IGA. To the extent RMD and/or SRMD is able to make annual appropriations in sufficient amounts to satisfactorily fund performance of the terms of this IGA, no breach shall be deemed to have occurred.

H. Governmental Immunity. Notwithstanding any other provisions herein to the contrary, none of this IGA's terms or conditions shall be construed or interpreted as a waiver, either express or implied, of any of the immunities, rights, benefits, or protections provided to RMD and SRMD under the Colorado Governmental Immunities Act, C.R.S. §24-10-101, *et seq.*, as amended, or as it may be amended (including, without limitation, any amendments to such statute or under any similar statute which may be subsequently enacted).

I. Waiver. The failure of either Party to insist in one or more cases upon the strict observation or performance of any of the terms of this IGA shall not be considered a waiver or relinquishment of any rights, entitlements, obligations or responsibilities under the terms of this IGA.

J. Regulatory Compliance. The Parties hereto agree to observe and comply with all applicable federal, state and local laws, codes, regulations and ordinances in the performance of this IGA.

K. Default. The Parties shall each have a period of 30 days from written notice of default in which to cure any non-performance under the terms of this IGA, or such longer period of time up to 90 days if such non-performance cannot be cured with due diligence within such initial period of time. In the event of any non-performance that is not cured as provided above, the non-defaulting party shall be entitled to enforce the IGA through legal action for damages, specific performance or both.

L. Mediation/Attorney Fees. In the event of any dispute between the parties concerning this IGA which the Parties are unable to amicably resolve, the Parties shall submit such dispute to mediation before a neutral arbiter. Following mediation, in the event of any action to enforce this IGA or to collect damages as a result of any breach of the obligations herein, excepting the mediation described above, the prevailing party shall be entitled to recover from the other party all costs and expenses, including reasonable attorney fees incurred in such action as well as all additional costs of enforcing and collecting any judgment rendered in such action.

M. Integration. This Agreement sets forth the entire agreement and understanding of the parties with respect to the specific matters addressed in this IGA and the parties acknowledge that no oral or other agreements, understandings, representations, or warranties exist with respect to the subject matter of this IGA. All negotiations and any prior agreements relating to the subject matter of this IGA are merged herein.

N. Authority. Each party represents and warrants that it has the full power and authority to enter into and perform this IGA, and that each parties Board of Directors has specifically authorized the signatory below to enter into and perform this IGA.

O. No Conflict. The parties represent to each other that this IGA does not violate or conflict with any agreement, contract, law, judgment, order, rule or regulation by which the Parties may be bound or affected.

P. Modification. This IGA may be supplemented or modified only by writing signed by both parties.

Q. Applicable Law. This IGA shall in all respects be governed, construed, and enforced in accordance with the laws of the State of Colorado.

R. Venue. Proper venue shall be in the District Court of El Paso County, Colorado, except for water matters that are within the exclusive jurisdiction of the District Court for Water Division 2, State of Colorado.

S. Severability. If any clause or provision of this IGA shall be adjudged to be invalid or unenforceable by a court of competent jurisdiction, or by operation of any law, the invalidity or unenforceability of such clause or provision shall not affect the validity of this IGA as a whole, or of the remaining clauses and provisions of this IGA, provided that the invalid or unenforceable clause or provision does not affect the fundamental consideration flowing to either party under this IGA.



T. Notices. Any notice required to be given under this IGA shall be deemed to have been given upon receipt of delivery and shall be addressed to the respective parties as follows:

If to SRMD:

Sterling Ranch Metropolitan District No. 1  
c/o James Morley, District President  
20 Boulder Crescent  
Colorado Springs, CO 80903

If to RMD:

Retreat Metropolitan District  
c/o Russ Dykstra  
Spencer Fane, LLP  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203

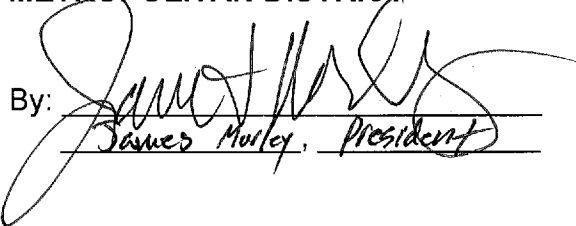
Any party may change the names and addresses of its representatives to receive such notice by providing written notice to the other party in accordance with this paragraph.

U. Binding Effect. The covenants, agreements, and obligations contained herein shall extend to, bind, and inure to the benefit of the parties hereto, as well as their respective personal representatives, heirs, successors, and assigns.

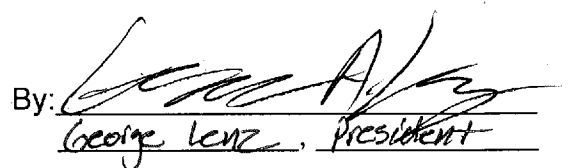
V. Captions. The captions utilized in this IGA are for convenience and reference only, are not a part of this IGA, and do not define or limit any of the terms of this IGA. Unless context clearly requires otherwise, the singular includes the plural and vice versa.

W. Counterparts. This IGA may be executed in counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same instrument.

**STERLING RANCH  
METROPOLITAN DISTRICT**

By:   
James Morley, President

**RETREAT METROPOLITAN DISTRICT**

By:   
George Lenz, President



## EXHIBIT A

619 North Cascade Avenue, Suite 200  
Colorado Springs, Colorado 80903  
(719)785-0790 (719)785-0799(fax)

JOB NO. 1185.00-17  
SEPTEMBER 24, 2020  
PAGE 1 OF 3

### **LEGAL DESCRIPTION: IGA BOUNDARY**

A PARCEL OF LAND BEING A PORTION OF SECTIONS 22, 27 AND 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**BASIS OF BEARINGS:** THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, BEING MONUMENTED AT THE WEST END WHICH IS THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28, BY A 3-1/4" ALUMINUM SURVEYORS CAP STAMPED "ESI PLS 10376, 2006" AND AT THE EAST END, WHICH IS A 30' WITNESS CORNER TO THE EAST OF THE EAST QUARTER CORNER OF SAID SECTION 28, BY A 3-1/4" ALUMINUM SURVEYORS CAP STAMPED "ESI 10376, 2006", IS ASSUMED TO BEAR S89°08'28"W A DISTANCE OF 1356.68 FEET.

COMMENCING AT THE EAST QUARTER CORNER OF SECTION 28, TOWNSHIP 12 SOUTH, RANGE 65 WEST OF THE SIXTH PRINCIPAL MERIDIAN, EL PASO COUNTY, COLORADO SAID POINT BEING THE POINT OF BEGINNING;

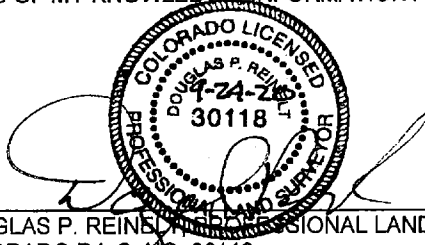
THENCE S89°08'28"W, ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 28, A DISTANCE OF 176.41 FEET;  
THENCE N00°51'32"W, A DISTANCE OF 271.57 FEET;  
THENCE N38°51'24"W, A DISTANCE OF 132.99 FEET;  
THENCE N00°50'00"W, A DISTANCE OF 607.94 FEET;  
THENCE N90°00'00"E, A DISTANCE OF 543.99 FEET;  
THENCE N33°00'00"E, A DISTANCE OF 157.65 FEET;  
THENCE N16°00'00"E, A DISTANCE OF 294.34 FEET;  
THENCE N10°00'00"W, A DISTANCE OF 566.77 FEET;  
THENCE N26°00'00"W, A DISTANCE OF 431.96 FEET;  
THENCE N09°30'00"W, A DISTANCE OF 265.91 FEET;  
THENCE N01°21'05"W, A DISTANCE OF 72.63 FEET TO A POINT ON A LINE 30.00 FEET NORTH OF AND PARALLEL TO THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 27, TOWNSHIP 12 SOUTH, RANGE 5 WEST OF THE SIXTH PRINCIPAL MERIDIAN;  
THENCE N88°38'56"E, ON SAID PARALLEL LINE A DISTANCE OF 331.70 FEET TO A POINT ON THE WESTERLY BOUNDARY OF A PARCEL OF LAND DESCRIBED IN A DOCUMENT RECORDED UNDER RECEPTION NO. 219150438;  
THENCE S47°35'42"W, ON SAID WESTERLY BOUNDARY A DISTANCE OF 60.91 FEET TO THE SOUTHWESTERLY CORNER OF SAID PARCEL OF LAND DESCRIBED IN A DOCUMENT RECORDED UNDER RECEPTION NO. 219150438 BEING A POINT ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 27;  
THENCE N88°38'56"E, ON THE SOUTHERLY BOUNDARY OF SAID PARCEL OF LAND DESCRIBED IN A DOCUMENT RECORDED UNDER RECEPTION NO. 219150438 AND THE NORTH LINE OF THE NORTHWEST QUARTER OF SAID SECTION 27 A DISTANCE OF 898.52 FEET TO THE NORTHEAST CORNER OF THE NORTHWEST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 27;  
THENCE S00°54'30"E, ON THE EAST LINE OF THE NORTHWEST QUARTER AND THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 27, A DISTANCE OF 3925.63 FEET TO THE SOUTHEAST CORNER OF SAID NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 27;

THENCE S87°35'00"W, ON THE SOUTH LINE OF SAID NORTHWEST QUARTER OF THE  
SOUTHWEST QUARTER OF SECTION 27, A DISTANCE OF 1332.78 FEET TO THE  
SOUTHWEST CORNER OF SAID NORTHWEST QUARTER OF THE SOUTHWEST  
QUARTER OF SECTION 27;  
THENCE N00°53'18"W ON THE WEST LINE OF SAID NORTHWEST QUARTER OF THE  
SOUTHWEST QUARTER OF SECTION 27, A DISTANCE OF 1316.78 FEET TO THE EAST  
QUARTER CORNER OF SAID SECTION 28 SAID POINT BEING THE POINT OF  
BEGINNING;

CONTAINING A CALCULATED AREA OF 113.256 ACRES.

**LEGAL DESCRIPTION STATEMENT:**

I, DOUGLAS P. REINELT, A LICENSED PROFESSIONAL LAND SURVEYOR IN THE STATE  
OF COLORADO, DO HEREBY STATE THAT THE ABOVE LEGAL DESCRIPTION AND  
ATTACHED EXHIBIT WERE PREPARED UNDER MY RESPONSIBLE CHARGE AND ON THE  
BASIS OF MY KNOWLEDGE, INFORMATION AND BELIEF, ARE CORRECT.



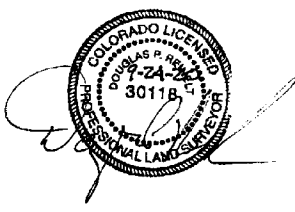
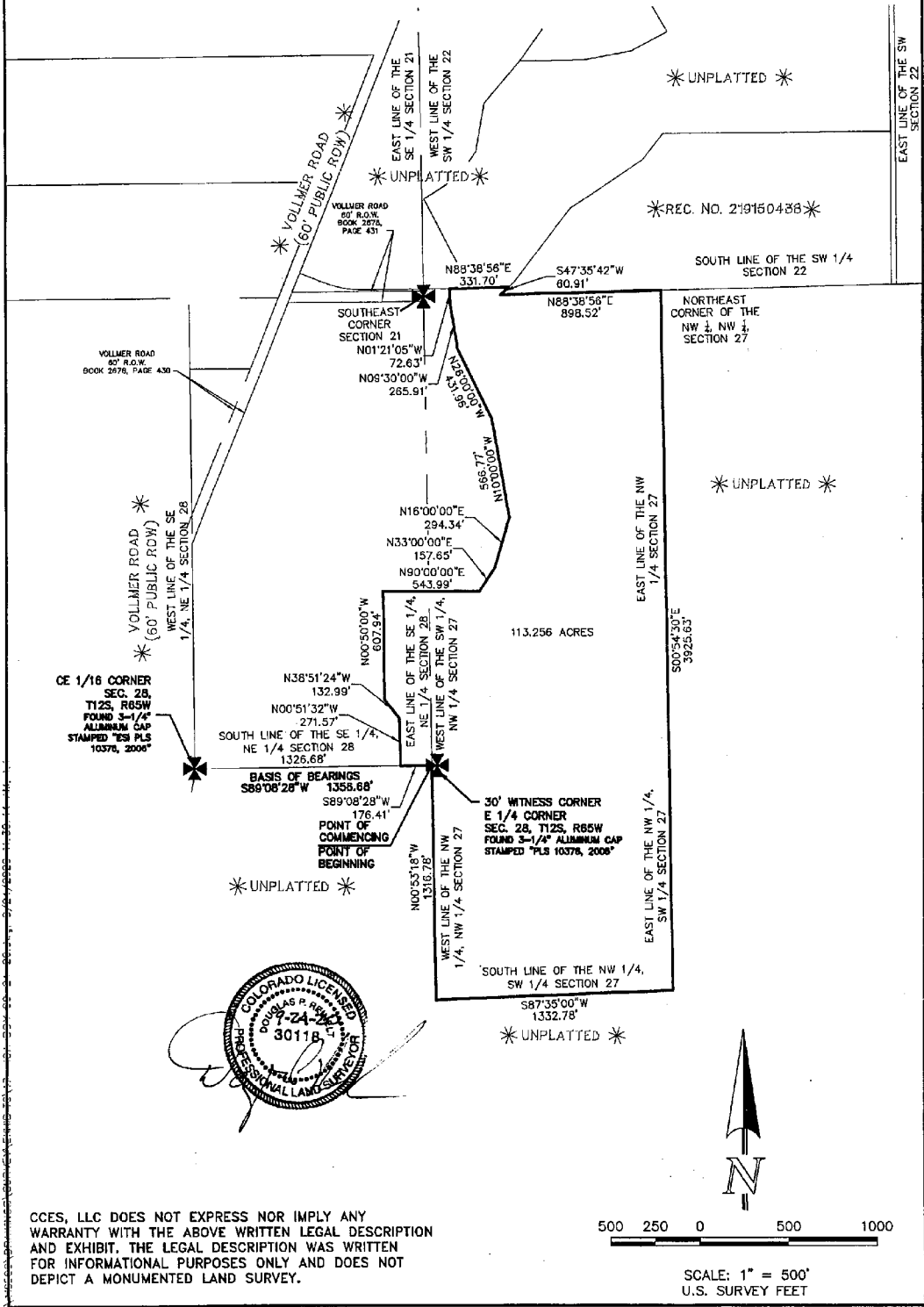
DOUGLAS P. REINELT, LICENSED PROFESSIONAL LAND SURVEYOR  
COLORADO P.L.S. NO. 30118  
FOR AND ON BEHALF OF CLASSIC CONSULTING  
ENGINEERS AND SURVEYORS

SEPT 24, 2020  
DATE



818 N. Cascade Avenue, Suite 200  
 Colorado Springs, Colorado 80913  
 (719)785-4790  
 (719)785-4799 (Fax)

JOB NO. 1185.00-17  
 SEPTEMBER 24, 2020  
 SHEET 3 OF 3



SCALE: 1" = 500'  
 U.S. SURVEY FEET

CCES, LLC DOES NOT EXPRESS NOR IMPLY ANY WARRANTY WITH THE ABOVE WRITTEN LEGAL DESCRIPTION AND EXHIBIT. THE LEGAL DESCRIPTION WAS WRITTEN FOR INFORMATIONAL PURPOSES ONLY AND DOES NOT DEPICT A MONUMENTED LAND SURVEY.

**Exhibit B**

**QUITCLAIM DEED**

(water rights)

**THIS DEED**, made this \_\_\_ day of \_\_\_\_\_, 2020, between Retreat Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado ("Grantor") and the SR Water, LLC, a Colorado limited liability company ("Grantee"):

**WITNESS**, that the Grantor, for and in consideration of the sum of \$1.00 and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, QUITCLAIMED, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm unto the Grantee, their heirs, successors and assigns forever, all the right, title, interest, claim and demand, if any, which the Grantor may have in and to the real property, together with improvements, if any, situate, lying and being in the County of El Paso and State of Colorado, described as following water rights:

Water rights, and rights to use and extract groundwater associated with and appurtenant to that real property more particularly described in **Exhibit A** hereto (the "Overlying Land"), commonly referenced as "The Retreat", specifically including only the following groundwater rights:

The following described groundwater in the Denver, Arapahoe and Laramie-Fox Hills aquifers underlying the Overlying Land as adjudicated in Case No. 17CW3002:

<u>Denver (not-nontributary):</u>	11,909 acre feet
<u>Arapahoe (nontributary):</u>	9,796 acre feet
<u>Laramie-Fox Hills (nontributary):</u>	3,032 acre feet

These rights to extract and use groundwater granted herein may be subject to re-quantification by the Division 2 Water Court and/or the State Engineer's Office to reflect actual aquifer conditions, as provided in Case No. 17CW3002. All other water rights and rights to extract and use groundwater decreed in Case No. 17CW3002 not expressly conveyed herein are reserved to Grantor, specifically including the entirety of the not-nontributary Dawson aquifer, a 2,796 acre foot portion of the nontributary Laramie-Fox Hills aquifer not included in the above description, and the plan for augmentation utilizing such reserved groundwater decreed in Case No. 18CW3002, Water Division No. 2.

**TOGETHER**, with all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all the estate, right, title, interest, claim and demand whatsoever of the Grantor, either in law or equity, of, in and to the above bargained premises, with the hereditaments and appurtenances;

**Exhibit B**

**TO HAVE AND TO HOLD** the said premises above bargained and described, with the appurtenances, unto the Grantee, their heirs and assigns forever. The Grantor, for itself, its heirs, personal representatives, successors and assigns does hereby quitclaim all interests, if any, in said premises to Grantee, their heirs, personal representatives and assigns.

*(remainder of page intentionally blank, signatures follow)*



Exhibit C

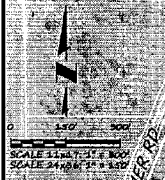
RMD Onsite Infrastructure

(Attached)



**EXHIBIT C ONSITE WATER AND SEWER INFRASTRUCTURE**

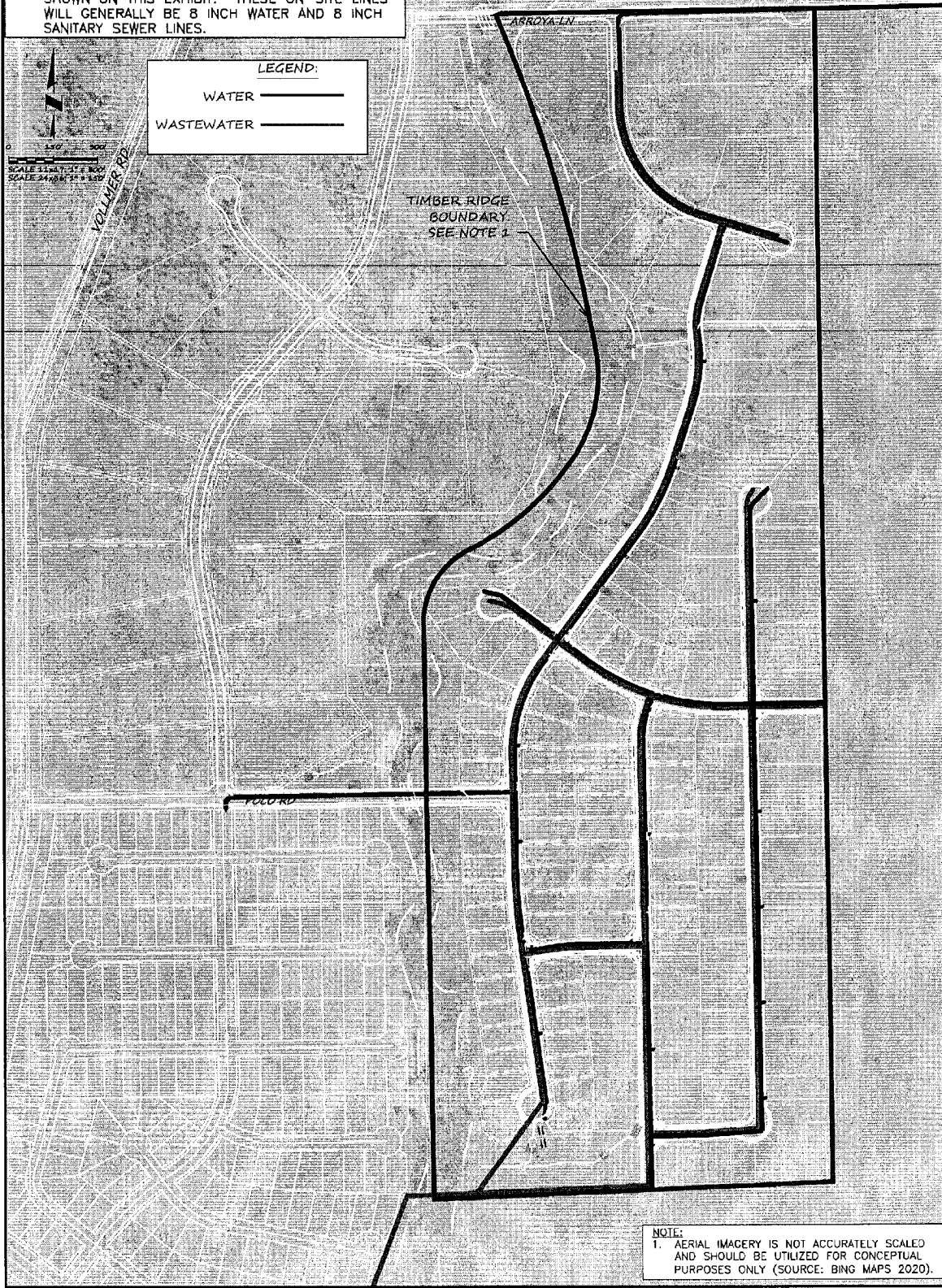
1. THIS INCLUDES GRAVITY SEWER LINES AND WATER DISTRIBUTION LINES LAID OUT GENERALLY AS SHOWN ON THIS EXHIBIT. THESE ON-SITE LINES WILL GENERALLY BE 8 INCH WATER AND 8 INCH SANITARY SEWER LINES.



**LEGEND:**

WATER ———

WASTEWATER ———



**NOTE:**  
 1. AERIAL IMAGERY IS NOT ACCURATELY SCALED AND SHOULD BE UTILIZED FOR CONCEPTUAL PURPOSES ONLY (SOURCE: BING MAPS 2020).

Project No. 300.02	<b>EXHIBIT</b> <b>C</b>
Date: 11/09/20	
Designer: JPH	
Checker: JPH	
Reviewer:	

**EXHIBIT C**  
 RMD ONSITE INFRASTRUCTURE  
 RETREAT AT TIMBER RIDGE

**JDS-HYDRO** CONSULTANTS, INC.  
 5540 TECH CENTER DR., SUITE 100  
 COLORADO SPRINGS, COLORADO 80919  
 (719) 227-0072

HEREUNDER, THE CONTRACTOR SHALL VERIFY ALL INFORMATION AND REPORTS AS PREPARED BY THE PROVIDER TO ACCURATELY REPRESENT THE INFORMATION AND TO BE USED AS PART OF UNLIMITED DAMAGES ACCORDING TO THE PLAN.

Exhibit D

RMD Offsite Infrastructure

(Attached)

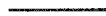


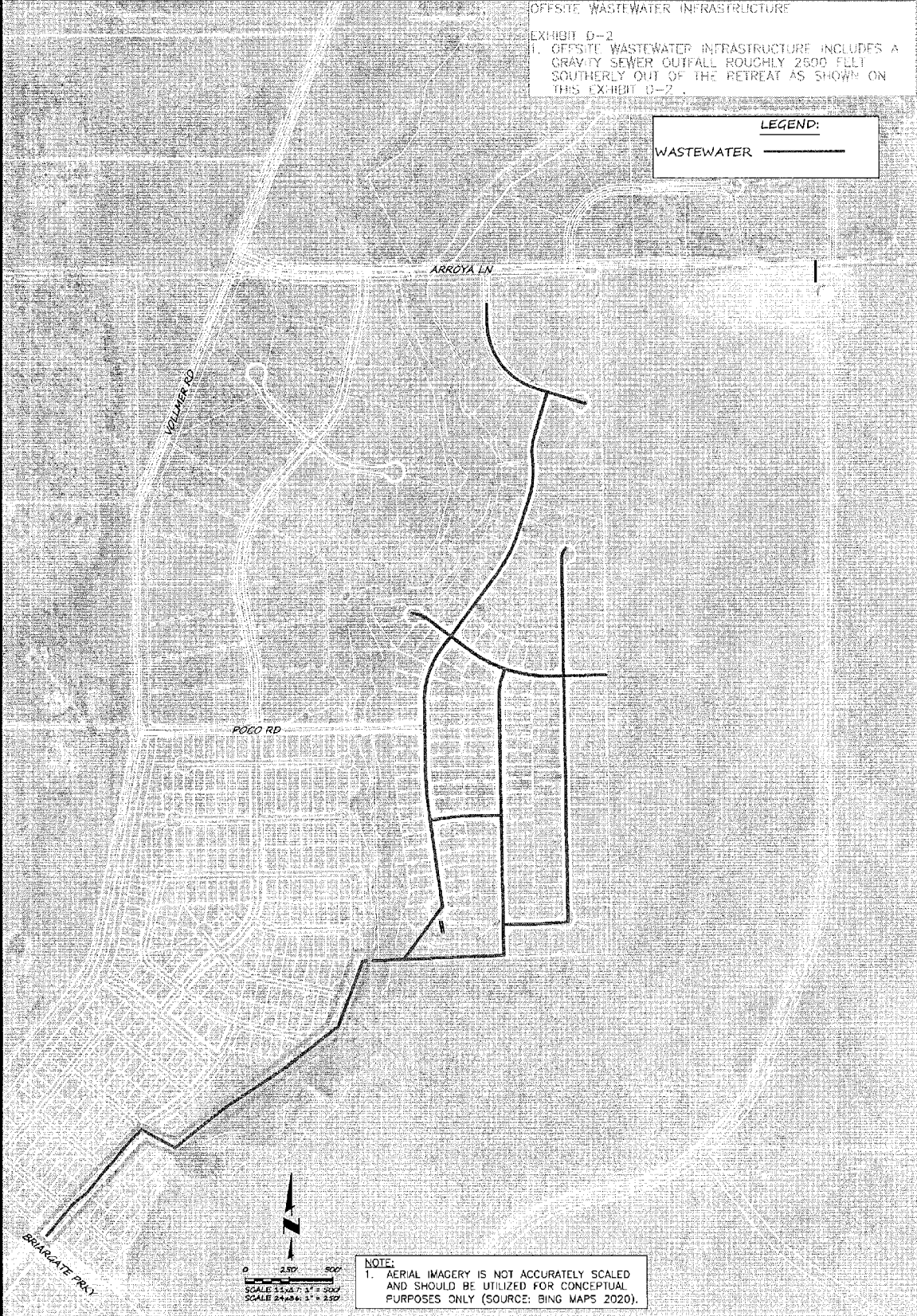


OFFSITE WASTEWATER INFRASTRUCTURE

EXHIBIT D-2

1. OFFSITE WASTEWATER INFRASTRUCTURE INCLUDES A GRAVITY SEWER OUTFALL ROUGHLY 2500 FLLT SOUTHERLY OUT OF THE RETREAT AS SHOWN ON THIS EXHIBIT D-2.

**LEGEND:**  
 WASTEWATER 



**NOTE:**  
 1. AERIAL IMAGERY IS NOT ACCURATELY SCALED AND SHOULD BE UTILIZED FOR CONCEPTUAL PURPOSES ONLY (SOURCE: BING MAPS 2020).

SHEET	D-2	1 OF 3	EXHIBIT
			Project No.: 100.02
			Date: 11/09/23
			Drawn: JHM
			Checked: JHM
			Reviewed:
			Approved:

EXHIBIT D-2  
 RMD OFFSITE WASTEWATER INFRASTRUCTURE  
 RETREAT AT TIMBER RIDGE

**DS-HYDRO** CONSULTANTS, INC.  
 5540 TECH CENTER DR., SUITE 100  
 COLORADO SPRINGS, COLORADO 80916  
 (715) 227-0072

REGARDLESS OF THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND EXPANSION OF EXISTING WASTE AND SEWERAGE TO BE REPORTED TO THE OWNER. CONSULTANTS, INC. SHALL BE RESPONSIBLE FOR ANY ERRORS OR OMISSIONS IN THE DESIGN AND CONSTRUCTION OF THE WASTEWATER SYSTEM.