



Sterling Ranch Metropolitan District 1

April 12, 2018

TO: El Paso County

FROM: Sterling Ranch Metropolitan District No. 1

Re: Water/Wastewater Service Commitment for the Retreat at Timber Ridge

To Whom It May Concern:

Please be advised that Sterling Ranch Metropolitan District No. 1 (the "District") is willing to provide water and wastewater services to 164 lots located on approximately 200 acres of land southeast of the intersection of Vollmer Road and Arroya Lane.

The District is in the process of developing a central water system and public wastewater facilities, including wells, treatment, storage and water rights sufficient to supply the needs of the 164 urban lots within the proposed Retreat at Timber Ridge residential development. The calculated the water and wastewater needs as follows:

Annual Water Supply:

57.89 Acre-Feet

Average Daily Wastewater Flows:

28,208 Gallons/Day

The Retreat at Timber Ridge will convey Denver Basin water rights in the Laramie Fox Hills and Arapahoe formations equivalent to 43.79 annual acre-feet on a 300 year basis to the District and the District will provide sufficient water resources on a 300 year basis to make up the estimated 14.11 annual acre-foot shortfall out of the District's overall sources of supply.

The District hereby commits to providing water and wastewater services to the 164 urban lots located on the Retreat at Timber Ridge. Please do not hesitate to contact me if there are additional questions.

Sincerely,

President

Sterling Ranch Metropolitan District No. 1