



WOODMOOR

Water & Sanitation District No. 1

P. O. Box 1407 • Monument, Colorado 80132

Phone (719) 488-2525 • Fax (719) 488-2530

May 18, 2017

To: N.E.S. Inc.
Attn: Andrea Barlow
619 North Cascade Avenue, Suite 200
Colorado Springs, CO 80903

RE: Water and Wastewater Service Commitment
Beach at Woodmoor

Dear Ms. Barlow:

The purpose of this letter is to summarize the current status of the above referenced subdivision/property as it pertains to the current level of water and sanitary sewer service commitment from the Woodmoor Water and Sanitation District No. 1 (the District) as of May 18, 2017.

Services - Current Commitment, History & Background

In 2001 the District acquired Lake Woodmoor (and the underlying property) from KAB-Pankey, LLC. (KAB) as part of a land purchase agreement between KAB and the District ("Agreement"). The Agreement was finalized on May 8, 2001 and to the best of the District's knowledge and belief, the agreement is in good standing with each party (or their successors in interest).

As part of the consideration paid by the District pursuant to the Agreement, the District committed to serving several properties around the lake with supplemental water service (formerly Excess Water Service). Supplemental water service is required to be obtained from the District if the projected water demand (per acre) exceeds the District's standard water service allocation of one half acre feet of water per acre of land (1/2 AF/Ac.). The Agreement specifically lists the properties that the District is committed to serving with supplemental water and that list includes the properties proposed in The Beach at Woodmoor ("Beach"). The Beach properties total 12.38 acres which the District is committed to providing water and sewer services in accordance with its standard policy allocation totaling 6.19 AF annually and additionally has committed to serving Agreement properties (collectively) with up to 86.21 of Supplemental Water Service. With the completion of the Dunes at Woodmoor, there remains 71.89 AF/Yr of supplemental water service that can be allocated (wholly or partially) toward the remaining Agreement Properties, including the Beach. Resultantly, the District's total water service commitment at this time for the Beach is up to 78.08 AF/Yr (i.e. 71.89 AF + 6.19 AF). This quantity of water service commitment is equivalent to serving 218 detached residential structures on the 12.38 acres of land.

At the present time, the District has received and reviewed a preliminary plan for 35 detached residential structures on the Beach property dated April 27, 2017. If development ensues according to that plan, the Beach property is anticipated to utilize approximately 6.5 AF of the supplemental water service commitment previously agreed to by the District pursuant to the Agreement.

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

Sincerely,



Jessie J. Shaffer
District Manager

Cc: Randy Gillette – Assistant Manager
Joseph Seed – District Engineer

JJS:js