

P. O. Box 1407 • Monument, Colorado 80132 Phone (719) 488-2525 • Fax (719) 488-2530

November 21, 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

North Bay at Lake 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 November 21, 2018.

<u>Services – Current Commitment:</u>

In a letter addressed to N.E.S, Inc. dated May 18, 2017 the District summarized the lake acquisition agreement between the District and KAB-Pankey, LLC. in which commitments to certain lands within the District were agreed to (the "Agreement"). To the best of the District's knowledge and belief, the agreement remains in good standing between the parties (or their successors in interest).

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 North Bay at Lake Woodmoor Development ("North Bay"). The North Bay property totals 7.2 acres which the District is committed to providing water and sewer services in accordance with its standard policy allocation totaling 3.6 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 and the Beach at Woodmoor, there will remain 64.182 AF/Yr of supplemental water service that can be allocated (wholly or partially) toward the remaining Agreement Properties, including North Bay. Resultantly, the District's total water service commitment at this time for North Bay is up to 67.782 AF/Yr (i.e. 64.182 AF + 3.6 AF).

At the present time, the District has received and reviewed construction plans for 28 muli-family residential units on North Bay property. If development ensues according to that plan, the North Bay water demands, as proposed by the Developer, are anticipated to total 9.580 AF annually which the District is committed to serving.

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

Sincerely,

Jessie J. Shaffer District Manager

Randy Gillette – Assistant Manager Ariel Hacker – District Engineer Cc:

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