

**APPROVAL OF THIS AGREEMENT CREATES A VESTED PROPERTY RIGHT
PURSUANT TO C.R.S. § 24-68-103, AS AMENDED**

**DAWSON TRAILS
DEVELOPMENT AGREEMENT**

DATE: September 6 _____, 2022.

PARTIES: **TOWN OF CASTLE ROCK**, a home rule municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104.

DAWSON TRAILS I, LLC, a Colorado Limited Liability Company,
DAWSON TRAILS II, LLC, a Colorado Limited Liability Company.

DAWSON TRAILS METROPOLITAN DISTRICT NOS. 1-5 and
WESTFIELD TRADE CENTER METROPOLITAN DISTRICTS NOS. 1 AND 2, each a political subdivision of the State of Colorado.

RECITALS:

A. The Parties have determined that it is in their mutual interest to enter into this Agreement governing the development of the Property in conjunction with the concurrent approval of the PDP.

B. The Parties intend that this Agreement will amend and supersede all prior annexation and development agreements encumbering the Property, as more fully set forth in Section 2.02 below.

C. The Parties acknowledge that this Agreement contains reasonable conditions and requirements on the development of the Property, and that these restrictions are imposed to protect and enhance the public health, safety and welfare of future residents of the Town.

D. Each Party has taken the requisite corporate action as may be required under its respective governance instruments to authorize such Party's execution of this Agreement and to legally bind such Party to perform its obligations under this Agreement.

E. Initially capitalized words and phrases used in this Agreement have the meanings stated in Article I, or as indicated elsewhere in the Agreement.

COVENANTS:

NOW, THEREFORE, in consideration of these mutual promises, the Parties agree and covenant as follows:

ARTICLE I DEFINITIONS

1.01 Defined Terms. Unless the context expressly indicates to the contrary, the following words, when capitalized in the text, shall have the meanings indicated:

Agreement: this Dawson Trails Development Agreement, as the same may be amended from time to time.

Charter: the Home Rule Charter of the Town, as amended.

Code: the Castle Rock Municipal Code, as amended.

Costco: the Costco Wholesale warehouse and related improvements, which are planned to be constructed within the Project.

County: Douglas County, Colorado.

C.R.S.: the Colorado Revised Statutes, as amended.

CVI: the future interchange between Interstate 25 and Crystal Valley Parkway, which is described in greater detail in Section **8.04**.

Development Exactions: the capital recovery fees and charges imposed by the Town under the Town Regulations on development and building, including the System Development Fees, as the same may be amended from time to time, and applied uniformly throughout the Town.

District or Districts: individually or collectively, the Dawson Ridge Metropolitan District Nos. 1-5, inclusive, and the Westfield Metropolitan District Nos. 1-2, inclusive, individually and collectively, as appropriate.

District Agreements: the Service Plan for the District(s), the District IGA, and such other agreements entered into by the Town and the Districts after the date of this Agreement, all as the same may be amended from time to time.

District IGA: the Intergovernmental Agreement among the Town and District(s) dated 10/19 2022, as the same may be amended from time to time.

Effective Date: the date when the ordinance(s) approving this Agreement and the PDP are effective pursuant to the Town Charter.

Force Majeure: An act of God, war, civil commotion, act of federal or state government, riot, strike, picketing, or other labor dispute, supply chain disruption, damage to work in progress by casualty, epidemic, or by other cause beyond the reasonable control of a party (financial inability, imprudent management and negligence excepted).

Full Buildout: The completion of Project as evidenced by either (1) the issuance of the certificate of occupancy for the last dwelling unit of the maximum number of dwelling units and total amount of commercial square feet, as are permitted under the PDP to be constructed within the Property, or (2) the Master Developer's issuance of written notice to the Town indicating that it has completed the Project, whichever occurs first.

Groundwater Rights: the right to and interest of Owner in the Denver Basin groundwater underlying the Property, including, but not limited to, the Denver Basin groundwater adjudicated

in Case Nos. (1) W-285; (2) W-4765; (3) W-9496-78; (4) 80CW365; and (5) 83CW356, all in Water Division No. 1 (collectively, the “**Decrees**”).

Legal Challenge: any action initiated by a third party to challenge the validity of the Town’s approval of this Agreement, the PDP, a Plat, or any other approval issued relating in any way to the Property. The term Legal Challenge includes, but is not limited to, an action pursuant to Colorado Rules of Civil Procedure Rule 106(a)(4) or a referendum.

Master Developer: Dawson Trails I, LLC, and Dawson Trails II, LLC, or to the extent specifically identified as such in a writing delivered to the Town as contemplated in this Agreement, their designated successors or assigns. To the extent desired by the Master Developer, the Master Developer may assign its obligations to one or more parties in accordance with Section 2.01, with respect to one or more portions of the Property, so long as such party holds fee simple title to all or a portion of the Property.

Municipal Services: public safety, water and wastewater, stormwater drainage and detention, parks and recreation, transportation and street maintenance, general administrative services including code enforcement and any other service provided by Town within its municipal boundaries under its police powers.

Owner or Owners: the person(s) or entity(ies), individually or collectively, that hold fee simple title to any portion of the Property, according to the records of the County Clerk and Recorder. The use of the singular “Owner” shall refer to all owners of the Property, unless the context of the Agreement otherwise limits the reference and subject to Section 2.01 of this Agreement. As of the date of execution of this Agreement, Master Developer is the Owner of the Property.

Party(ies): individually or collectively, as applicable, the entities first referenced above, including the Town, Dawson Trails I, LLC, a Colorado limited liability company, Dawson Trails II, LLC, a Colorado limited liability company, the Districts and their respective successors and assigns.

PDP: the Dawson Trails Planned Development Plan approved by Ordinance No. 2022-~~017~~ and recorded in the Records, as amended from time to time in accordance with Town Regulations.

Phasing Plan: the matrix and notes on the PDP designating development thresholds and timing of when Public Improvements must be developed and Public Lands conveyed to the Town.

Plat: a subdivision plat of any portion of the Property approved under the Town Regulations.

Project: the residential/commercial mixed-use community anticipated to be developed within the Property, including parks, open space, and other such public amenities as set forth in the PDP and this Agreement.

Property: the real property described in *Exhibit 1*.

Public Improvements: the infrastructure prescribed by Town Regulations or expressly prescribed under this Agreement necessary to furnish Municipal Services and Public Utilities to the Property, including the infrastructure required to extend or connect such on-site infrastructure to complementary infrastructure off-site of the Property and necessary to serve Public Lands. Public Improvements include, without limitation, the infrastructure necessary to serve the Property with water, wastewater, stormwater and/or drainage, park and recreation, fire protection, and transportation improvements including, but not limited to, streets, roads, sidewalks and trails.

Public Lands: those portions of the Property designated on the PDP for dedication to the Town or other public entities for parks, recreational areas, public open space, well sites, utilities, public safety and other public purposes.

Public Utilities: the infrastructure necessary to extend services (other than Municipal Services) to the Property, which are provided by public or quasi-public utilities, including natural gas, electricity and cable television.

Records: the real property records of the Clerk and Recorder of the County.

Regional Mill Levy: a property tax of five (5) mills, subject to future changes made in the method of calculating assessed valuation, to be imposed by the Districts pursuant to the Service Plan and remitted to the Town on an annual basis for the purpose of defraying costs incurred by the Town in providing such services and improvements as the Town, in its sole and reasonable discretion, believes are: (i) public in nature; (ii) for the benefit of the residents and taxpayers of the Districts; and (iii) permitted by State law to be paid for from taxes imposed by the Districts.

SDP: a site development plan for the Property, or any portion of the Property, as required and approved under Title 17 of the Code.

Service Plan: the Amended and Restated Consolidated Service Plan for the Dawson Ridge Metropolitan District No. 1, Dawson Ridge Metropolitan District No. 2, Dawson Ridge Metropolitan District No. 3, Dawson Ridge Metropolitan District No. 4, Dawson Ridge Metropolitan District No. 5, Westfield Metropolitan District No. 1, and the Westfield Metropolitan District No. 2, approved by the Town Council on 9/6, 2022, by adoption of Resolution No. 2022-100.

SIA: a Subdivision Improvements Agreement entered into between the Town and subdivider as identified on a Plat, as required under the Code.

System Development Fees: the capital-recovery charges for the Town water, wastewater, and stormwater systems and renewable water fees imposed under the Code, as the same may be amended from time to time, and applied uniformly throughout the Town.

TIA: the traffic impact analysis prepared by Fox Tuttle Transportation Group, LLC, and dated June 7, 2022, prepared with the PDP, and submitted to and accepted by the Town; and future traffic impact analyses or updates as may be required with future land development applications.

Town: Town of Castle Rock, Colorado.

Town Council: the governing body of the Town, constituted under Article II of the Charter.

Town Regulations: the Charter, Code, ordinances, resolutions, rules and regulations of the Town, technical criteria, and the provisions of all zoning, subdivision and building codes, as the same may be amended from time to time and applied uniformly throughout the Town.

Urban Services: Municipal Services and services provided through Public Utilities.

Vested Property Rights Statute: C.R.S. § 24-68-101 *et seq.*

Certain other terms are defined in the text of the Agreement and shall have the meaning indicated.

1.02 Cross-reference. Any reference to a section or article number, without further description, shall mean such section or article in this Agreement.

ARTICLE II APPLICATION AND EFFECT

2.01 Binding Effect. The Property is both benefited and burdened by the mutual covenants of this Agreement, and such covenants shall constitute real covenants binding upon successors in interest to the Property, including any mortgagees or lienholders subsequently acquiring title to the Property, irrespective of whether specific reference to this Agreement is made in any instrument affecting title to the Property. Except as expressly provided in this Agreement to the contrary, upon assignment of all or a portion of its interest in this Agreement, the Master Developer, as assignor, respectively shall be relieved of all obligations imposed by this Agreement upon the Master Developer, applicable to the portion of the Property designated in the instrument assigning such obligation(s), provided that: (i) the assignee expressly assumes such obligation; (ii) the Master Developer, as assignor, shall not be relieved of any default under this Agreement attributable to the action or inaction of the Master Developer, while the Master Developer was so designated for such portion of the Property; and (iii) the assignee, if other than the Districts, meets the definition of Master Developer as set forth in Section 1.01. Except as expressly provided in this Agreement to the contrary, upon conveyance of all, or a portion of, the Property, an Owner, as grantor, respectively shall be relieved of all obligations imposed by this Agreement applicable to the portion of the Property conveyed.

2.02 Supersession. This Agreement supersedes all prior Town agreements or contracts encumbering the Property including, but not limited to, the Annexation and Development Contracts between the Town and Bellamah Community Development (Bellamah Annexations [Southern Portion] and MSP Investment Co. [Bellamah Annexations-Northern Portion] dated November 1984 [the “1984 Contracts”]), and the Suspension Agreement dated October 8, 1992, insofar as those documents affect the Property. Accordingly, neither the 1984 Contracts nor the Suspension Agreement shall have any force or effect with respect to the Property as of the Effective Date.

2.03 Mortgagee Obligation. No mortgagee or lienholder shall have an affirmative obligation hereunder, nor shall Town have the right to seek performance of this Agreement from mortgagees or lienholders, except in the event that a mortgagee or lienholder acquires fee simple title to all or a portion of the Property, in which event the mortgagee or lienholder shall be bound by the terms, conditions and restrictions of this Agreement.

2.04 Owner/Districts Responsibility. Town shall accept the District(s)' performance of Master Developer's obligations under this Agreement upon the Districts' compliance with Article III. However, the Master Developer retains the ultimate responsibility for performance of the covenants and obligations of this Agreement should the Districts fail to discharge such obligations. To the extent the Districts discharge the obligation of Master Developer under this Agreement, and to the extent permitted by Colorado law as further provided in Article III, the Districts shall have the same contractual rights and responsibilities as Master Developer under this Agreement with respect to such obligation.

2.05 Town Regulations. Subject and subordinate to any provisions to the contrary contained in this Agreement, (i) the Town Regulations shall apply to the Property in the same manner and effect as within other areas of the Town, and (ii) this Agreement shall not in any manner restrict or impair the lawful exercise by the Town Council of its legislative or police powers as applied to the Property, including specifically the amendment, modification or addition to the Town Regulations, subsequent to the execution of this Agreement. Provided, Owner does not waive its right to oppose or challenge the legality or validity of any amendment to the Town Regulations that it could maintain absent this Agreement.

When this Agreement calls for compliance with the Town Regulations, the operative Town Regulations in effect at the time such compliance is required shall govern, unless the provisions of this Agreement expressly provide to the contrary.

2.06 Commencement of Development. Except as provided otherwise herein, execution of this Agreement by Owner does not create any obligation upon Owner or Master Developer to commence or complete development of the Property within any particular timeframe. The Parties, however, understand and agree that this Agreement imposes certain financial obligations on Master Developer which are time-sensitive after the commencement of

development on the Property. Accordingly, subject to day-for-day extension in the event of any Force Majeure, in the event that Owner has not completed the construction of at least \$500,000 in Public Improvements, excluding soft costs, and has not obtained the first building permit for a single-family residential structure by December 31, 2032, then the right of Owner under this Agreement and the Town Regulations to undertake further development of the Property, or to obtain permits for the construction of private improvements, shall be suspended (the “**Development Suspension**”). The Development Suspension may be released by Town Council, in its discretion, upon a showing of good cause for the delay, and the demonstration by Owner of its ability to commence and complete development of the Property in accordance with the PDP. If the Town Council determines that the Development Suspension should not be released, thereafter, the Town may initiate modifications to the PDP through the Town Regulations.

ARTICLE III DISTRICT PARTICIPATION

3.01 Authorization. The Parties anticipate that the Districts will finance and construct a significant portion of the Public Improvements on behalf of Master Developer, or in the alternative, fund the Master Developer construction costs, either directly or as a reimbursement of costs incurred. It is the Parties’ intention that the Districts comply with the Special District Oversight Ordinance of the Town Regulations (“**SDO**”), except as specifically set forth in the Districts’ Service Plan approved by the Town Council, prior to and as a condition of undertaking any of Master Developer’s obligation under this Agreement.

Accordingly, as of the Effective Date, Owner has submitted to the Town for approval the Service Plan, and upon the Town Council’s approval of the Service Plan, the Town and Districts shall enter into the District IGA. The District Agreements, as applicable, shall require the Districts to impose and remit to the Town the Regional Mill Levy, beginning upon a District’s first imposition of a debt service mill levy and continuing until such time as all of the Districts no longer impose a mill levy for any purpose or are otherwise dissolved, whichever is later.

Subject to Town Council approval of the District Agreements (“**District Approvals**”) and the assignment of the Master Developer’s obligations to fund and construct Public Improvements under this Agreement to the Districts, the Districts shall have the same contractual rights and

responsibilities as the Master Developer with respect to such obligations. Town shall accept the performance by the Districts, to the extent that the Districts discharge the obligations imposed on Master Developer under this Agreement. When undertaking development of Public Improvements, references in this Agreement to "Master Developer" shall mean "District(s)" unless the context clearly indicates otherwise. Nothing in this Agreement shall relieve the Districts from obtaining Town approval of Service Plan amendments, as may be required under the Special District Act and the SDO. Notwithstanding anything herein to the contrary, the Parties agree that the Districts may only undertake the construction and financing of Public Improvements authorized by State law or the Districts' Service Plan, and any other improvements or utilities, such as dry utilities, may not be financed or constructed by the Districts, and such responsibilities shall remain the responsibility of the Master Developer.

3.02 Default and Remedies as Between Town and Districts.

(a) As between the Town and any District which is or may become a Party to this Agreement, this Agreement constitutes a legislatively adopted intergovernmental agreement and mutually binding and enforceable comprehensive development plan for the Property and the Project pursuant to C.R.S. §§ 29-1-203 and 29-20-105(2)(g) and, as the General Assembly has expressly authorized pursuant thereto, such Parties intend that their respective obligations under this Agreement are to be enforceable by specific performance and/or injunctive relief or other equitable remedies, in addition to any remedies otherwise available at law.

(b) A "breach" or "default" by a District will be defined as the District's failure to fulfill or perform (a) any express material obligation of the District stated in this Agreement, or (b) any obligation which the District has expressly assumed pursuant to Section 3.01.

(c) In addition to those remedies otherwise available pursuant to Section 10.03, as between the Town and a District, the non-breaching Party will be entitled to enforce the breaching Party's performance of the terms of this Agreement and the PDP, pursuant to, without limitation, C.R.S. § 29-20-105(2)(g), which remedies the General Assembly has expressly authorized, to include the equitable remedies of specific performance and

injunctive relief pursuant to an expedited hearing to enforce such Party's obligations under this Agreement.

3.03 Surety. In recognition of the quasi-governmental nature of the Districts and their financial and taxing powers, Districts may satisfy the requirements under this Agreement or the Town Regulations for posting of financial guarantees to assure the construction and warranty obligations for Public Improvements the Districts have constructed by establishing a cash construction escrow (the "Escrow") in accordance with the following:

- (a) the Escrow shall be established with a title insurance company or financial institution;
- (b) the Escrow deposit shall be in the amount prescribed by the Town Regulations;
- (c) Districts may make progress payments to their contractors from the Escrow deposit, provided the Town approves the payment request, which approval shall be prompt and not unreasonably withheld;
- (d) the Escrow deposit may not be drawn down below the amount required for the warranty surety under the Town Regulations;
- (e) the Escrow agreement shall authorize the Town to access the Escrow deposit in the event of a default by Districts, for the purpose of undertaking completion or remediation work on the Public Improvements, as more specifically provided under the applicable SIA; and
- (f) the Escrow deposit remaining after completion of the Public Improvements and the posting of the required warranty surety shall be returned to the Districts.

In lieu of establishing an Escrow (for construction or warranty), the Districts may, at their discretion, post any other form of financial surety authorized under the Town Regulations.

In the event of a default by the Districts in their obligation to construct the Public Improvements, Town shall have the right to withhold approvals and permits for the applicable portion of the Project until the default is cured.

3.04 Annual Appropriation and Budget. The Districts do not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The Parties expressly understand and agree that the Districts' obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board(s) of the Districts and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this Agreement shall be construed or interpreted as a delegation of governmental powers by the District, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the District or statutory debt limitation, including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The Districts' obligations under this Agreement exist subject to annual budgeting and appropriations and shall remain subject to the same for the entire term of this Agreement, unless otherwise specified in writing by the Parties thereto.

ARTICLE IV GENERAL OBLIGATIONS

4.01 Municipal Services. Except as specifically set forth to the contrary in this Agreement, and so long as Master Developer has satisfied its obligation to develop the necessary Public Improvements under this Agreement and the Town Regulations for the applicable portion of the Project, the Town shall provide the Property with Municipal Services at an equivalent service level, and on the same terms and conditions, including non-discriminatory fees and charges, as provided elsewhere within its municipal boundaries. Town reserves the right to contract with other governmental or private entities for delivery of Municipal Services to the Property, provided such service level is comparable to that provided by the Town in its proprietary capacity, and such Municipal Services are provided on similar terms and conditions as provided to similar developments in other portions of the Town. The respective obligations of the Parties for development of the infrastructure necessary for provision of Municipal Services to the Property are addressed in Article VI.

4.02 Permitted Development. Master Developer shall develop the Property in accordance with this Agreement and Town Regulations, and applicable state and federal law and regulations. Town shall allow and permit the development of the Property in accordance with the Town Regulations, the PDP, and this Agreement upon submission of proper applications; payment of fees, exactions and charges imposed by the Town Regulations; and compliance with conditions precedent to permitting imposed by this Agreement, the PDP, or Town Regulations.

The Town agrees that it shall review and process all applications for land use approvals including, but not limited to, Plats and SDPs, and any approvals of aspects thereof, and building and construction permits required in connection with the Property, in a prompt and efficient manner, in accordance with applicable Town Regulations, the PDP, and this Agreement. Town shall not unreasonably delay, condition, withhold or deny consent to or approval of any development request or permit relating to the Property and/or the Project.

4.03 Coordination. Subject to prior review, Town shall coordinate with, and affirmatively support, the Owner or Master Developer in any filings or applications before other governmental jurisdictions necessary for Owner or Master Developer to fulfill its obligations under this Agreement, or to allow development of the Property in accordance with the PDP and this Agreement.

4.04 Required Easements. To the extent necessary to provide access to or Municipal Services to the Property, Owner shall provide any easements on the Property or, if Owner has a legal right to do so, adjacent to the Property, to the Town as reasonably requested by the same prior to the issuance of the applicable Plat.

ARTICLE V GROUNDWATER RIGHTS

5.01 Requirement. In accordance with the Charter and Code, it is the obligation of Owner to convey to the Town the Groundwater Rights (together with additional water resources, if required under this Agreement) to support the Town's obligation to provide a municipal water supply to the Property. The Town shall have no obligation to issue Plat, SDP, building permit, or other construction permit approvals, or any other approvals for development on the Property, unless Owner is in compliance with the provisions of this Article V.

5.02 Conveyance. The Town and Master Developer acknowledge that Master Developer has provided to the Town, at Master Developer's sole expense, an opinion of a qualified Colorado attorney (the "**Title Opinion**") that: (i) Owner owns the Groundwater Rights and (ii) upon recordation of the special warranty deed conveying the Groundwater Rights to the Town, Town will have good and marketable title to the Groundwater Rights, free of liens, encumbrances or other title defects (the "**Title Opinion Requirements**"). The Town and Master Developer further acknowledge that the Town has not accepted the Title Opinion and is in the process of assessing the Groundwater Rights with respect to the satisfaction of the Title Opinion Requirements. Owner shall reimburse Town for all reasonable actual third-party costs incurred by Town in retaining legal counsel to review and assess the Title Opinion and Title Opinion Requirements with respect to the Groundwater Rights. The Parties acknowledge and agree that, once the Town accepts and concurs with the Title Opinion, the Town shall rely upon such opinion in accepting conveyance of the Groundwater Rights. Within ten (10) days after the Effective Date, the Owner shall convey to the Town title to the Groundwater Rights by special warranty deed. Subject to the terms and conditions of the Decrees, the conveyance of the Groundwater Rights shall transfer to the Town the right to use, reuse, lease or sell the water withdrawn under the Groundwater Rights.

After conveyance of the Groundwater Rights, Owner shall execute such further reasonable and additional instruments of conveyance and other documents which Town reasonably determines necessary to grant to the Town the exclusive ownership, management and control of the Groundwater Rights. Should it be subsequently determined that marketable title to any portion of the Groundwater Rights did not vest in the Town with the conveyance of same, and such defect cannot be cured by Owner or Master Developer, the Water Credit established in Section 5.03 below shall be reduced accordingly, and the Water Bank debited in an amount equal to the SFE equivalent of the Groundwater Rights for which marketable title did not vest.

5.03 Water Credit. Under the Town Regulations, the Groundwater Rights are converted into development entitlements, referred to as a "Water Credit." The Water Credit is expressed as a single-family equivalent ("SFE"). An SFE is the measure of average annual wholesale water production that must be developed to meet the imputed demand from a single-family residence under the Town Regulations. Consequently, one (1) SFE of Water Credit represents that the holder has satisfied the Town's water dedication requirement for one single-

family residence or the equivalent demand attributable to commercial or irrigation uses under the Town Regulations. SFEs are assigned to residential, commercial and irrigation uses under the Town Regulations.

The Title Opinion is currently being assessed for 2,290.35 acre feet of Groundwater Rights for the Property, which includes 2,032.24 acre feet of the Groundwater that was adjudicated under the Decrees (the “**Adjudicated Water Rights**”). Town and Master Developer acknowledge that additional water rights other than the Adjudicated Water Rights may exist within the Groundwater Rights conveyed to the Town. With conveyance of the Groundwater Rights to the Town, a Water Credit for the Property will be established in SFE’s for the Adjudicated Water Rights, to the extent then accepted by the Town. Town shall determine whether the Title Opinion Requirements have been satisfied for the Groundwater Rights, as the same may be presented by, or on behalf of, Master Developer to the Town from time to time. At no time will the Property be platted into developable lots, unless the Property has available Water Credits accepted by the Town, or otherwise provided for in Section 5.06, for such lots. Master Developer will adjudicate all of the unadjudicated Groundwater Rights that do not constitute a part of the Adjudicated Water Rights and, subject to the terms and conditions set forth above, receive an additional Water Credit with respect to such Groundwater Rights. Town shall be named as a co-applicant in the adjudication application. If Master Developer does not complete the adjudication within three (3) years from the Effective Date, the Town may pursue the adjudication and charge the Master Developer for the actual costs of said adjudication. Upon the acceptance of all or any portion of the Title Opinion by the Town, the Town will calculate the initial Water Credit for the portion of the Property related to such accepted portion of the Title Opinion. The Master Developer believes the total initial Water Credit related to the Title Opinion will be approximately as follows:

Aquifer	Adjudicated AF/Year	Groundwater	Equivalent SFE Credit “Water Credits”
Lower Dawson	0		0
Denver	553.91		503.55

Arapahoe	1182.66	1075.16
Laramie Fox	295.67	89.60
Totals	2032.24	1668.31

The final Water Credit calculated by the Town in SFEs may be subject to adjustment over time, pursuant to the Water Efficiency Plan under Section 5.08 below; however, except as set forth in this Agreement, such SFE calculation shall not be affected by changes in the conversion rate of Groundwater Rights into SFEs that the Town may implement through modifications to the Town Regulations after the date of this Agreement, including any future changes in the current non-renewable dedication requirement under the Town Regulations.

5.04 Application of Water Credit. Unless otherwise directed by the Owner in accordance with Section 5.06 below, the Water Credit shall be reduced (i.e. applied):

- (a) Initially, at the time of Plat approval, by the total SFE assigned to all approved development with such Plat (private and public) to the extent the water demand for such use can be determined at Plat approval;
- (b) Subsequently adjusted at the time of SDP approval within the Property, or at building/irrigation permit issuance within the Property, for those uses not accounted for at the time of Plat approval, or as necessary to reflect specific SFE assignment determined at building permit; and
- (c) At the time all potable and irrigation tap sizes are known, the Water Credit in the Water Bank, as defined in Section 5.05 below, shall be adjusted to reflect the SFE assignment in accordance with the Town Regulations.

5.05 Water Bank. In order to properly account for the Water Credit, Town shall administratively maintain an account designated as the Dawson Trails Water Bank (“**Water Bank**”). The Water Bank shall be debited or credited from time to time upon the Owner’s application of any portion of the Water Credit in accordance with this Article V.

The Owner may request in writing an accounting of all entries made to the Water Bank and the current balance. Any objections raised by the Owner regarding an entry shall be reviewed by the Town, provided, however, that the Town's determination after such review shall be final and binding if reasonably made in accordance with this Agreement.

5.06 Required Water Sources. If the Water Bank is exhausted prior to full development of the Property, or if a specific portion of the Property has insufficient Water Credit(s), the Owner of such portion of the Property shall be required, and shall have the right to provide, in addition to those Groundwater Rights referenced in Section 5.03 above, additional water resources acceptable to the Town. At the sole discretion of the Town, cash-in-lieu of water rights in accordance with Town Regulations then in effect may be approved but, because water rights may or may not be available for purchase, will be subject to review and approval by the Town Council for each request to utilize cash-in-lieu. Absent provision of such additional water resources, the Town shall not be obligated to approve any additional Plat(s) or issue building permits for that portion of the Property for which sufficient Water Credits are not allocated, or for which a cash-in-lieu payment has not been made.

5.07 Water Efficiency Plan. Owner shall implement the Water Efficiency Plan attached as *Exhibit 2* ("Water Efficiency Plan") for all development within the Property. The Water Efficiency Plan shall be incorporated into all conveyance documents for the Property and private covenants and restrictions. All builders of residential and non-residential construction on the Property shall be required to implement and follow all requirements of the Water Efficiency Plan.

Minor modifications and clarifications or changes that are more restrictive or net neutral to the Water Efficiency Plan may be made administratively, without requiring an amendment to this Agreement, as reasonably determined by the Town. In the event more restrictive modifications are made to the Water Efficiency Plan, the corresponding credits to the Water Bank for each SFE shall be calculated based on estimated actual use of the related improvement. In the event that more restrictive water use conservation measures than are contained in the Water Efficiency Plan are subsequently adopted by Town Regulations and applied uniformly throughout the Town, the Water Efficiency Plan shall remain in full force and effect with respect to, and only with respect to, the

aspects of the Water Efficiency Plan that are more restrictive than such adopted conservation measures, and the Town-adopted more restrictive measures shall otherwise govern all future Plat approvals. In the event that the use of system development fee credits programs, as set forth in the Code in Section 13.12.080, are eliminated or amended to reduce or eliminate these programs, the Project shall be subject to such regulations, and any such credits that the Project may have qualified for will be eliminated or amended in accordance with such amendments to the Code. Except as expressly set forth herein, nothing in this Agreement shall obligate the Town to any future credits or programs that may exist at the time of this Agreement, if said credits or programs are eliminated or amended by any Code amendment.

ARTICLE VI PUBLIC IMPROVEMENTS DEVELOPMENT

6.01 Generally. Master Developer shall develop the Property in accordance with this Agreement, the PDP, and applicable Town Regulations and state and federal laws and regulations. Except for the Town Improvements defined in 6.04 below, and except as set forth in Section 3.01, development of the Public Improvements shall be the exclusive obligation of Master Developer, and Master Developer shall bear the cost of planning, design, construction and financing of the Public Improvements and all other related and incidental activities, including off-site property or easement acquisition, if such off-site property interests are necessary to construct the Public Improvements or to connect the Public Improvements to existing infrastructure, and are located in the general vicinity of the Property and contained in the applicable Plat, SIA and/or SDP. Town may, at the Town's discretion, exercise its eminent domain powers to acquire such off-site property interests if Master Developer or District reasonably determine that they are unable to secure them, provided that Master Developer bears all costs of condemnation including appraisal, expert witness and attorney's fees and just compensation for the property acquired, if compensation is required.

The Public Improvements shall be developed in strict accordance with Town Regulations, the PDP, this Agreement, the Phasing Plan and the applicable SDP, Plat and SIA. Except as otherwise expressly provided in this Agreement, or the applicable SDP, Plat or SIA, Town shall have no obligation to develop Public Improvements.

6.02 Oversizing. In the event Master Developer independently develops Public Improvements which are sized to serve, or otherwise directly benefit adjacent, third-party developments, the Town and Master Developer shall prescribe in the applicable SIA for said adjacent third-party developments the method by which Master Developer may recover a fair and equitable portion of the cost of development of such Public Improvements from such adjacent third-party developments. The Town shall make diligent and best efforts to obtain such recoupment, subject to applicable legal limitations on its authority to effect such recoupment and pre-existing contractual provisions with such other development interests.

6.03 Cooperation in Public Improvement Development. The Town and Master Developer shall cooperate in obtaining necessary permits and approvals required by other governmental agencies in order to develop the Public Improvements. The Town shall apply for any such permits or approvals in its name, or in the joint names of the Town and Master Developer, if so required by the governmental agencies. The Town shall incur no liability to Master Developer if such governmental agencies do not issue necessary permits and approvals.

6.04 Town Water and Wastewater Improvements. The Town has the obligation to construct, acquire or otherwise develop raw water production, treatment and storage and wastewater treatment of sufficient capacity to serve the Property through Full Buildout (“**Town Water and Wastewater Improvements**”). Unless a portion of the cost of the Town Water and Wastewater Improvements is allocated to Master Developer by mutual agreement, the Town shall have the exclusive obligation to design, engineer and construct the particular component of the Town Water and Wastewater Improvements, such that adequate capacity in the Town Water and Wastewater Improvement is available for service to development within the Property. If Master Developer has the obligation to jointly fund a Town Water and Wastewater Improvement, the Town’s obligation to develop such Town Improvement is dependent on Master Developer providing financial guarantees and tendering funds when reasonably required by the Town.

6.05 Public Improvements Control. Upon dedication of Public Improvements by Master Developer and acceptance of the same by Town, Town shall have the exclusive ownership, management, and maintenance rights and obligations with respect to the Public Improvements, and neither Master Developer nor Owner shall have any further responsibility for ownership or

maintenance of the same. Town may use or allow others to use the capacities in the Public Improvements, provided that the capacities developed by Master Developer at Master Developer's cost shall be reserved for the benefit of the Property, or if used by Town to serve other properties, Town shall provide replacement or alternative capacities in such a manner as to not impede the amount or timing of development on the Property and so as to maintain adequate service to existing development on the Property.

6.06 Subdivision Improvements Agreement. The Town Regulations require that a subdivider enter into a SIA at the time of approval of a Plat. The SIA addresses the engineering requirements for the Public Improvements to be constructed to serve the Plat and the financial guarantees to assure construction of the Public Improvements. Unless modified in the SIA, the provisions of this Article VI will apply to the development of such Public Improvements, irrespective of whether or not reference to this Article VI is made in the SIA.

ARTICLE VII **WATER, WASTEWATER AND STORMWATER**

7.01 Removal of Existing Infrastructure. Master Developer, at its sole expense, shall remove any existing on-site or off-site water, wastewater, and drainage infrastructure previously built to support this development including, but not limited to, any existing water and wastewater pipes and wells and related facilities. To the extent that existing infrastructure is located within open space area(s), Town reserves the right to determine whether the removal of the existing infrastructure would result in damage to the open space area(s). If the Town determines that removal would cause damage to the open space area(s), the Town, in its sole discretion, may relieve the Master Developer of its obligation to remove it; however, if the existing infrastructure is permitted to remain, at no time shall the Master Developer be allowed to connect to and/or use the existing infrastructure as part of the development. If Town agrees to leave any existing infrastructure in place, it will be documented in the SIA, and the Master Developer shall provide engineering locates of the infrastructure to the Town. All existing wells that must be removed shall be removed and abandoned in accordance with the rules of the State Engineer's Office. When the existing water tank is no longer utilized for on-site development purposes, the Master Developer shall, at its sole expense, remove or fill in the existing tank and revegetate the area. While the existing water tank remains in place, it shall remain privately owned and at no time shall be

connected to public infrastructure. After removal of any existing infrastructure, Master Developer shall, at its sole expense, design and construct the necessary water and wastewater infrastructure to serve the Property, per Town Regulations.

7.02 Water System Improvements. Master Developer, at its sole expense, shall design and construct the necessary water system improvements (“**Water System Improvements**”) required to serve the Property as set forth in the applicable Plats, SIAs and SDPs. These Water System Improvements may include, but are not limited to, water storage tanks, pump stations (“**Pump Station**”), back-up power sources, distribution pipes, valves and related appurtenances. In the event that a water storage tank (“**Green Zone Tank**”) is included in any Water System Improvements and said Green Zone Tank is to be located outside of the jurisdictional limits of the Town, the Master Developer shall be responsible for acquiring a fee simple interest in the Green Zone Tank site, as well as any land or permanent easements required to connect any associated transmission line(s) with the Property. If it is determined that a Green Zone Tank is needed, except for roadway connectivity and associated infrastructure as expressly set forth in the PDP, Plat, SIA or SDP, no overlot grading permits for residential development within the area to be served by the Green Zone Tank will be issued until such time as the Master Developer acquires the necessary land for the potential Green Zone Tank and associated transmission line(s) and begins construction of the Green Zone Tank. Master Developer shall convey to the Town the land the Green Zone Tank is on, at time of conveyance and acceptance of the Green Zone Water System and Green Zone Tank to the Town.

7.03 Wastewater. Master Developer, at its sole expense, shall design and construct the necessary on-site and off-site wastewater improvements (“**Wastewater Improvements**”) required to serve the Property, with the exception of Section 7.04 below. The Master Developer shall also replace any off-site wastewater mains and sanitary sewer lines that require upsizing, which shall be determined through the final utility reports. Concurrently with, and as a condition to recordation of the first Plat on the Property, Master Developer shall pay to the Town \$300,000.00, which is its proportional share (80%) of the cost for the Town-completed upsizing of the Malibu Sewer Interceptor. Additionally, it is estimated that the Project will contribute eighty percent (80%) of the wastewater flow to the Prairie Hawk Interceptor. The final contribution percentage will be reviewed and confirmed based upon the actual and reasonably projected wastewater flows at the

time construction of the Prairie Hawk Interceptor is scheduled to begin. The Prairie Hawk Interceptor is in the Town's Capital Improvement Projects list and is currently scheduled to be upsized in the year 2028, in order to support this Project. The Prairie Hawk Interceptor upsizing is currently estimated, at the time of the execution of this Agreement, to cost \$810,313.00; provided, however, these costs will likely increase prior to construction. Therefore, Master Developer or Owner shall pay to the Town its proportional share of the actual costs of upsizing the Prairie Hawk Interceptor, which amount is to be determined by the Town at the time of construction, as set forth above. The Master Developer shall have sixty (60) days after receiving notice of its proportional share of the actual costs to pay the Town. The Town will notify the Master Developer if the Prairie Hawk Interceptor upsizing project is scheduled to be completed in a different year. The Town will make best efforts to complete the Prairie Hawk Interceptor in a timely manner so as to not unreasonably hinder or delay the development of the Project.

7.04 Plum Creek Parkway Sanitary Sewer Interceptor. Town shall be responsible for replacing, or funding the replacement of, the missing segment of the Plum Creek Parkway Sanitary Sewer Interceptor in a manner as to not cause unreasonable delay in the development of the Project. To allow for time for any necessary funding approvals, the Master Developer shall provide the Town with notice at least twelve (12) months in advance of making a connection to the sewer interceptor for the Project.

7.05 Water and Wastewater Service. Upon final acceptance by the Town of the Water System Improvements and Wastewater Improvements, constructed by the Master Developer to the Town specifications, the Town will own, manage, and maintain the Water System Improvements and Wastewater Improvements at Town expense; provided, however, that Owner or its successor will retain ownership and the responsibility to maintain that portion of: (i) each water service line from the curb stop to the building, and (ii) each sanitary sewer service line from the sanitary sewer main to the building. Water and wastewater service will be billed and collected by the Town pursuant to the terms and conditions of the Town Regulations.

7.06 Lift and Pump Stations. In the event wastewater lift and/or potable water pump stations are necessary within the Property, in order to provide adequate water and wastewater service to the Property, Master Developer shall pay to Town an operation and maintenance fee

(“**O&M Fee**”) for each lift and/or pump station. The amount of the O&M Fee payment shall be determined at the time the lift and/or pump station is designed, based on actual costs necessary to operate and maintain said lift and/or pump station(s), and payment shall be due concurrently with recordation of the SIA for the parcel utilizing the lift and/or pump station.

7.07 Drainageway Improvements. Master Developer shall be responsible for preserving and fully stabilizing all major drainageways within the Project boundaries having a watershed area greater than 130 acres, in accordance with Town Regulations. In particular, Master Developer, at its sole expense, shall be responsible for the design and construction of drainage improvements, required pursuant to Town Regulations, to the North Dawson and South Dawson drainageway and the Gamble Ridge and Gamble Ridge North drainageway, in accordance with the approved North and South Dawson Tributaries Master Plan Report dated February 2011, the Gamble Ridge and Gamble Ridge North Tributary Master Plan dated October 2014, and the local governing jurisdiction and state and federal regulations (the “**Drainageway Improvements**”). The Drainageway Improvements include, but are not limited to, (a) all major drainageways and floodplain improvements within Town limits on the west side of Interstate 25; provided, however, that there shall be no reimbursement to the Town for major drainageway improvements completed by the Town as part of the CVI, except, and to the extent such drainageway improvements are oversized in order to accommodate anticipated drainage flows generated by the Project; and (b) major drainageway and floodplain improvements at the outfall points from the Property discharging east of Interstate 25 to the confluence with East Plum Creek (the “**East Drainageway Improvements**”).

The Drainageway Improvements shall be constructed and completed concurrently with any adjacent subdivision improvements and as part of the Public Improvements necessary to serve the Property. The Drainageway Improvements located within the Town boundaries shall be dedicated to the Town in a separate floodplain tract. Portions of Drainageway Improvements on private property, or outside of the Town boundaries, shall be dedicated to the appropriate District or owner’s association for ownership and maintenance. Drainageway Improvements shall be constructed consistent with Town Regulations including, but not limited to, the Town Storm Drainage Design and Technical Criteria Manual, as amended. At the Town’s sole discretion, if Master Developer is unable, for any reason, to obtain the necessary permit(s) for all required

Drainageway Improvements, Master Developer shall deposit with Town an amount equivalent to the estimated cost, as reasonably determined by the Town, of completing such improvements.

ARTICLE VIII TRANSPORTATION IMPROVEMENTS

8.01 Fire Apparatus Access Roads. All fire apparatus access roads shall be completed by Master Developer in accordance with the Town Transportation Design Manual and/or the International Fire Code, as amended from time to time. Any roads that are outside the Property may be subject to state and/or federal standards. Fire apparatus access roads shall be completed throughout phasing of the Project, at intervals that are appropriate to meet the required amount of access points for the level of development that is being constructed. At no time shall there be less than one fire apparatus access point into the Property. Infrastructure and below-grade foundation work may take place with approved fire apparatus access points that meet the minimum standards set forth by the Town for fire apparatus access into below-grade foundation areas.

Town will allow for at-grade and below-grade construction work to occur onsite with the current at-grade railroad crossing or similar approved fire apparatus access. No vertical building construction will be allowed, except for the Costco building site, without a Town-approved grade-separated railroad crossing for a fire apparatus access point. Unless prior approval is given by the Fire Code Official, or as allowed by this Section, at-grade railroad crossings for fire apparatus access points are prohibited. Requests for an at-grade railroad crossing must be in writing to the Fire Code Official and include all extenuating circumstances for the waiver. Any above-grade construction without prior Fire Code Official approval shall immediately be issued a stop work order, and no further work may commence at said site without written approval from the Fire Code Official.

8.02 Emergency Vehicle Access. Owner, at its sole cost and expense, shall design, construct and, to the extent it is within the Property, maintain permanent emergency vehicle access roads (each, an “EVA”) through the Property to provide access to the Keene Ranch subdivision, at approximately the location referenced in the PDP. In addition, provided that the Twin Oaks subdivision approves same via a written instrument reasonably acceptable to Owner and the Town, Owner shall, at its sole cost and expense, design and construct a permanent emergency vehicle

access for the Twin Oaks subdivision at or near the existing Clarkes Circle as it will intersect with Crystal Valley Parkway. The final location of the EVAs, will be determined by the Town at time of SDP, and EVAs shall be constructed with the adjacent Public Improvements on the Property. EVAs shall be designed and constructed to meet the requirements as set forth in the International Fire Code, as amended from time to time, pertaining to weight support and grade specifications, to allow for the movement of vehicles in both directions. The EVAs will require bollards and chains at each end, with Town-approved Knox locks at both sides.

8.03 Dawson Trails Boulevard. The Project's projected traffic demand at Full Buildout requires Dawson Trails Boulevard to be a major arterial from Plum Creek Parkway to the southern Property boundary, as set forth below. Other than as required by the CVI project, the cost of which shall be borne by Town, Master Developer, at its sole cost and expense, shall design the full width of Dawson Trails Boulevard in accordance with the Town's standard street cross sections, and consistent with the approved TIA for a "major arterial" class street, from Plum Creek Parkway to the southern Property boundary. The Parties acknowledge and agree that portions of Dawson Trails Boulevard are expected to be designed and constructed by Town as part of the CVI project, and that Owner's design of same may be incorporated into the Town's design.

(a) **Northern Dawson Trails Boulevard.** Master Developer, at its sole cost and expense, shall construct, at a minimum, two (2) lanes of Dawson Trails Boulevard, to be referred to as "Northern Dawson Trails Boulevard," from the northern terminus of the CVI project north to Plum Creek Parkway. Northern Dawson Trails Boulevard shall be open to the public from CVI to Plum Creek Parkway prior to traffic volumes reaching 25,000 vehicle trips per day (vpd) on the west side of CVI. Once traffic volumes reach 25,000 vpd on the segment of road between the I-25 southbound ramps and the first intersection to the west of these ramps, then no further building permits will be issued until Northern Dawson Trails Boulevard is open to the public from CVI to Plum Creek Parkway. Construction of the first two (2) lanes of Northern Dawson Trails Boulevard may begin earlier, however, it shall not begin until notice to proceed has been given by the Town for the construction of the CVI. Master Developer, at its sole cost and expense, shall construct, when warranted based upon an approved TIA, auxiliary turn lanes at the Plum Creek Parkway and Northern Dawson Trails Boulevard intersection.

The remaining two (2) lanes of the Northern Dawson Trails Boulevard shall be constructed by the Master Developer when traffic volumes reach 12,000 vehicle trips per day north of the Project or per the Phasing Plan, whichever occurs first. In the event Town constructs Northern Dawson Trails Boulevard or portions thereof, Master Developer shall reimburse Town for the Town's design, construction and right-of-way costs. Such payment to Town shall be a condition to recordation of the first Plat of developable property that creates more than 25,000 vpd (proposed and existing traffic) on the west side of CVI.

Town shall make diligent and best efforts to recoup costs, subject to applicable legal limitations on its authority to effect such recoupment and pre-existing contractual provisions with such other development interests, from directly benefited adjacent properties as they are developed. If the District(s) or Master Developer pays for the design and construction of Northern Dawson Trails Boulevard, the Town will not seek recoupment and/or reimbursement of said costs from any properties within the District(s) at the time the District(s) issues debt for such improvements.

(b) **Southern Dawson Trails Boulevard.** Town shall be responsible for the entire cost to design and construct a portion of Dawson Trails Boulevard, to be referred to as "**Southern Dawson Trails Boulevard**," as same is required pursuant to the CVI project; provided, however, except, and to the extent that, Southern Dawson Trails Boulevard is oversized or otherwise amended in order to accommodate Master Developer's design and construction of the Project in excess of the requirements of the CVI project, said costs shall be borne by Master Developer. Except as set forth herein regarding the Town's responsibility for the design and cost of Southern Dawson Trails Boulevard as a part of the CVI project, Master Developer, at its sole cost and expense, shall construct Southern Dawson Trails Boulevard, from CVI south to the southern Property boundary, in accordance with approved plans. Except as set forth herein regarding the Town's responsibility for the design and cost of Southern Dawson Trails Boulevard as a part of the CVI project, Southern Dawson Trails Boulevard shall be constructed by the Master Developer at the time required by the Phasing Plan or the TIA, whichever occurs first. The Town will agree to construction of a transition down to two (2) lanes based on forecasted

Project volumes being less than 12,000 vehicles per day on average, and to allow a transition to two (2) lanes prior to the southern Property boundary to align with the County design, which the Parties acknowledge and agree calls for two (2) lanes commencing at the southern boundary of the Property. Town shall make diligent and best efforts to recoup costs, subject to applicable legal limitations on its authority to effect such recoupment and pre-existing contractual provisions with such other development interests, from directly benefited adjacent properties that are outside of the District boundaries at the time the District(s) issue debt for such improvements, as they are developed.

8.04 Crystal Valley Interchange (CVI).

(a) Unless otherwise expressly provided in this Agreement, no building permits shall be issued until the completion of the Crystal Valley Interchange (CVI) Project and the Master Developer has paid their required contribution, as set forth below. At the time of execution of this Agreement, the estimated cost of the Crystal Valley Interchange (CVI) project is \$118,000,000.00 (“**Total CVI Project Cost**”). The parties have agreed to cost sharing for the CVI project as set forth below.

(b) Subject to the terms herein, the Master Developer shall be responsible for contributing fifty million dollars (\$50,000,000.00) (the “**Developer CVI Contribution**”) to the cost of building the CVI project. Subject to the terms herein, the remaining cost for the CVI project will be funded by contributions from (1) the Town and the County (“**Town and County CVI Contribution**”), estimated to total approximately \$50,000,000.00 and (2) other funding sources including, but not limited to, grants (“**Other CVI Contribution**”), currently estimated to total approximately \$18,000,000.00. At the time Town has an approved Construction Agreed Price (“**CAP**”) for the CVI with the Town’s contractor, Town will notify Master Developer of the Developer CVI Contribution amount. Subject to Force Majeure and the terms herein, Master Developer shall have twenty-one (21) days from the time the Town notifies the Master Developer to pay the Developer CVI Contribution. The Developer CVI Contribution shall be deposited in the CVI Escrow pursuant to the terms set forth below.

As of the Effective Date, the Town is actively pursuing additional grant and other funding for the CVI project. If the Town successfully obtains additional funding, it will first be used to cover the Other CVI Contribution. If the Town successfully obtains additional funding in excess of the remaining costs for the CVI project not covered by the Developer CVI Contribution and the Town and County CVI Contributions, these funds shall be used to reduce the CVI contributions as follows: twenty-five percent (25%) to the Town, twenty-five percent (25%) to the County, and fifty percent (50%) to the Master Developer. If the Total CVI Project Cost is less than \$118,000,000.00, the Other CVI Contribution will be reduced before any reduction in either the Town and County CVI Contribution or the Developer CVI Contribution. If the estimated costs for the CVI project exceed the Total CVI Project Cost set forth above (a “**CVI Project Overage**”), the Town and Master Developer agree to use good faith and commercially reasonable efforts to fund the CVI Project Overage. If the Master Developer does not provide the funding for the Developer CVI Contribution by either March 1, 2023, or twenty-one (21) days from the date the Town has an approved CAP, whichever is later, the Town shall have the right, but not the obligation, to proceed with the CVI project and the Master Developer, or the District(s), shall reimburse the Town for all costs exceeding the Town and County CVI Contribution, but under no circumstances shall these costs exceed sixty-eight million dollars (\$68,000,000.00).

Town shall make diligent and best efforts to recoup costs, subject to applicable legal limitations on its authority to effect such recoupment and pre-existing contractual provisions with such other development interests, from properties that are outside of the District(s) boundaries at the time the District(s) issue debt for such improvements, which will benefit from the CVI project.

(c) Town and Master Developer agree that the funding for the CVI project shall be managed and distributed using a cash construction escrow (the “**CVI Escrow**”) and Escrow Agreement in accordance with the following:

(i) the CVI Escrow shall be established with a title insurance company or financial institution;

(ii) the CVI Escrow deposits shall be in the amounts prescribed in Section 8.04(a) above; and

(iii) the Town shall make progress payments to their contractors from the CVI Escrow, provided the Town approves the payment request, which approval shall be prompt and not unreasonably withheld.

(d) Prior to substantial completion of the CVI, but not before commencement of construction of CVI, a building permit for Costco may be issued, and vertical construction allowed, subject to fire apparatus access routes approved by the Fire Department. A Certificate of Occupancy for Costco will not be issued until CVI is open to the public. The Town will not issue more than five hundred (500) building permits for residential development within the Property, until such time as (i) Northern Dawson Trails Boulevard is open to the public between CVI and Plum Creek Parkway; and (ii) CVI construction has commenced. Once any of these five hundred (500) residential building permits are issued, the Town will issue Certificates of Occupancy once each building has met any and all Town building code and site compliance requirements. Master Developer is solely responsible for the design and construction of, and acquiring any necessary approvals from the Colorado Department of Transportation (CDOT) and/or the Federal Highway Administration (FHWA) for, any improvements to the Plum Creek Parkway interchange that are necessary to support the additional Project traffic impact prior to opening of the CVI.

8.05 Construction Traffic Access. All construction traffic shall only access the Property by a Town-approved construction route.

8.06 Twin Oaks Entrance. Master Developer, at its sole cost and expense, shall design and construct the Twin Oaks Entrance and the entry street located within the Town of Castle Rock, serving the County properties located on Twin Oaks Road and Clarkes Circle. Any maintenance responsibilities shall not be the responsibility of the Town and shall be determined pursuant to a private agreement between the Owner or Master Developer and the property owner's association for Twin Oaks, or such other entities as may be appropriate.

8.07 Public Improvements Participation. Concurrently with, and as a condition to recordation of the first Plat on the Property, Master Developer shall pay to the Town the Property's total pro rata share of the total estimated cost of the following improvements, which improvements will be constructed by Town or others when warranted:

- (a) Thirty-four point nine percent (34.9%) of the total cost of a traffic signal at the intersection of Plum Creek Parkway and Northern Dawson Trails Boulevard; and
- (b) Twenty-four percent (24%) of the total cost of right-turn lanes at the southbound entrance ramp from Plum Creek Parkway to Interstate 25.

8.08 Pedestrian and Bicycle Crossings. Master Developer, at its sole cost and expense, shall design and construct grade-separated crossings at all major collector and arterial roadways for pedestrian and bicycle paths as shown on the PDP.

8.09 Transportation Demand Management Requirements. Master Developer is obligated to implement certain CDOT-approved Transportation Demand Management ("TDM") strategies, as determined necessary to meet the State's 1601 TDM Standards for approval of the CVI. Town acknowledges that Master Developer has agreed to take, or has already taken, certain TDM measures including reducing the density on the Property through the PDP; reducing the density of residential uses in the Project by approximately twenty-six percent (26%); and reducing the square footage of non-residential uses in the Project by over eighty (80%), thereby reducing vehicle trips to the CVI. In addition, Owner is dedicating land, per Section 9.08, for use as a Mobility Hub. Unless required by CDOT as a condition of CVI approval, Master Developer shall not be required to implement any further TDM measures. Notwithstanding the foregoing, the TDM measures will not include requiring the creation of a transportation management agency nor requirements for indoor employee shower/locker rooms and showers in buildings.

8.10 Future Transportation Improvements. As the Project is developed, the Town reserves the ability to require the Master Developer or Owner, as appropriate, to provide transportation improvements as determined necessary by future TIAs, SDPs, or construction documents, in accordance with the Town Regulations.

ARTICLE IX PUBLIC LANDS AND IMPROVEMENTS

9.01 Required Dedication. All Public Lands shall be offered for dedication and, upon acceptance, conveyed to Town, at no cost to Town (i) with the first Plat in which the Public Land tract lies, or (ii) with the first Plat adjacent to the Public Land tract, whichever occurs first; provided, however, that with respect to the Public Land tract(s) described in the map and legal description attached as *Exhibit 3*, said tract(s) shall be conveyed to the Town upon the execution of this Agreement (the “**Initial PLD Tracts**”). In addition, if the Town reasonably requires any other Public Land tract prior to the first Plat that such tract lies within, or the first Plat adjacent to such tract, the Owner shall convey the tract to the Town at such time. All conveyances shall be in accordance with 9.03 below. Notwithstanding the conveyance to the Town of the Initial PLD Tracts, subsequent to such conveyance Master Developer, subject to the Town’s prior consent, which consent shall not be unreasonably withheld, conditioned or delayed, is hereby granted: (a) access in, to, over, through, upon, across and under the Initial PLD Tracts for the purposes of: (I) designing, creating, constructing, installing, maintaining, repairing and replacing slopes by cuts and fills of soil adjacent to public sidewalks and/or public rights-of-way, and the maintenance and re-creation thereof, which shall specifically include the right, in accordance with generally accepted engineering practices, to excavate, slope, cut, fill, install stormwater drainage pipes, open channels and/or facilities, and grade or otherwise change the natural contour of the Initial PLD Tracts to support and accommodate the adjacent public street, roadway or sidewalk; and (II) grading, excavating and/or sloping the Initial PLD Tracts. Town and Master Developer agree to work collaboratively and in good faith on the location of any utility alignment(s). The Parties agree that the preferred location of any utility alignment(s) is along the boundaries of any parcel(s).

9.02 Development Costs. Master Developer, at its sole cost and expense, shall extend water, wastewater, and stormwater utilities and streets of sufficient capacity and/or quantity as necessary to serve Public Lands to the property boundaries of such Public Lands as part of the applicable Phase improvements. Master Developer shall pay to the Town the applicable water and wastewater System Development Fees, renewable water resource fees, and meter set fees in accordance with the Town Regulations (“**Tap Fees**”), to the extent the Town utilizes water for Town parks or buildings developed on Public Lands. The Tap Fees shall be paid to the Town prior to recordation of the Plat which includes the applicable Public Land, or if the number and size of

the Water Tap Fees for the platted Public Land is not known at the time of Plat recordation, within 60 days after notice from the Town that the park or building Tap Fees have been determined based on the Town's development plan for the Public Land. Master Developer shall not be required to pay any Tap Fees for water and/or wastewater service exclusively benefitting school development on Public Lands.

9.03 Conveyance. All Public Lands and other parcels to be conveyed to the Town shall be conveyed to the Town, at no cost to the Town, by special warranty deed, free and clear of monetary liens, but subject to matters of record that would not preclude the Town from utilizing the property for its intended purposes, as reasonably determined by the Town. Unless otherwise provided in the Town Regulations to the contrary, the Owner, as grantor, shall furnish the Town with a policy of title insurance, issued by a title company licensed to do business in the State of Colorado, in the amount of \$10,000 per acre. If so requested by the Town or required by the Town Regulations, Master Developer shall complete and deliver a Phase I environmental audit of all Public Lands prior to conveyance and acceptance by the Town. Should the Phase I identify the need for a Phase II audit, then Master Developer shall deliver such Phase II to Town and shall be solely responsible for any remedial environmental measures of hazards identified in the Phase II audit reasonably imposed by Town, as a condition to Town's acceptance of such Public Lands.

9.04 Wildland Urban Interface Mitigation. All Public Lands and other parcels to be conveyed to the Town shall be assessed, at no cost to the Town, by a professional that is familiar with Wildland Urban Interface (WUI) mitigation. This assessment shall be provided to the Life Safety Division of the Fire Department for review to determine if any treatments are necessary to meet the current Community Wildfire Protection Plan that has been approved by the State and Town. Unless otherwise provided in the Town Regulations to the contrary, the Master Developer, shall furnish the Town with the review letter from the Fire Department, stating that no treatments are required at the time of conveyance. If so requested by the Town or required by Town Regulations, the Master Developer shall contract with a competent contractor that is familiar with WUI mitigation to perform all identified treatments for all Public Lands prior to conveyance and acceptance by the Town. All mitigation treatments shall be completed by the Master Developer as a condition to Town's acceptance of such Public Lands, except for those Public Lands identified as PL 1.07 and PL 1.10, which shall be conveyed to the Town at the time of the Effective Date of

this Agreement, per Section 9.01. All mitigation treatments required pursuant to this Section 9.04 for PL 1.07 and PL 1.1 shall be completed by the Master Developer prior to the first residential building permit for the Project, or within two (2) years of these Public Lands being conveyed to the Town, whichever comes first. Once the initial mitigation is completed by the Master Developer and the Public Land is conveyed to the Town, it shall be the responsibility of the Town to maintain the level of treatment that is appropriate as identified in the reviewed assessment and any subsequent updates.

Any Public Lands being conveyed to another public entity besides the Town shall also be assessed as set forth above, and the results of said assessment shall be provided to the Life Safety Division of the Fire Department for review and determination if any treatments are necessary to meet the current Community Wildfire Protection Plan that has been approved by the State and the Town. If any treatments are required, unless agreed to by such public entity, they shall be the responsibility of the Master Developer. Once the Public Land is conveyed to another public entity, it shall be the responsibility of said other public entity to maintain the level of treatment that is appropriate as identified in the reviewed assessment and any subsequent updates.

9.05 Exclusion of Covenants. Master Developer shall cause the exclusion of all Public Lands from application and effect of restrictive covenants, which may otherwise be imposed on the Property. If any Public Lands are inadvertently made subject to such covenants, this Agreement shall constitute the irrevocable consent of the Master Developer, the Owner and the board of directors of any owner's association to the exclusion of the Public Lands from the application of such covenants. Prior to constructing or placing any structures on Public Land, the Town shall give the Master Developer and the applicable association a reasonable opportunity to review and comment on the design and plans for any such improvements, but the Town shall retain the ultimate authority to determine what improvements are placed on Public Lands.

9.06 Landscape Maintenance. Owner shall have the responsibility for the maintenance of landscaping within any public street right-of-way dedicated by Owner to the Town, including water, irrigation system, features, plantings, etc., for the landscaping between the right-of-way and street curbing, as well as within street medians and roundabout islands. Such maintenance shall be at the sole expense of Owner and to the standard for maintenance established by the Town of

Castle Rock Landscape and Irrigation Criteria Manual. Owner's maintenance obligation includes procurement of water services from the Town and payment of applicable water service charges under the Town Regulations. Owner may delegate its maintenance obligation to the District or a property owner's association, and the Town shall accept performance by the District or property owner's association of such maintenance obligations, provided that the District or property owners association is so authorized under the District Agreements. Upon acceptance of such maintenance obligations by the District or property owner's association, the Town agrees to release Owner from further maintenance obligations under this Agreement, with respect to those improvements accepted.

9.07 Fire Station Conveyance and Funding. Owner shall dedicate, as provided in Section 9.01, Public Land to the Town for a fire station site as shown on the PDP. Such dedicated Public Land must be suitable for fire station facilities in terms of topography, size and location, as consistent with the Town's current fire safety master plan and related policies.

At the time that the 1,400th residential building permit, or a lesser unit amount as determined at the sole discretion of the Fire Department, if the development has permits issued for age-restricted, assisted living or skilled nursing beds, is to be issued, the Master Developer shall remit to the Town two million dollars (\$2,000,000.00) to be used for the design, construction and equipping of the fire station.

At the time that the 2,500th residential permit is to be issued, the Master Developer shall at its sole expense, extend to the applicable Public Land's boundary, water, wastewater, and stormwater utilities and streets (provided that such fire station is situated adjacent to a street required to be constructed by Master Developer as part of the applicable Plat, SDP, or SIA) of sufficient capacity and/or quantity as necessary to serve Public Lands for a fire station as part of the applicable Phase improvements. The Master Developer shall at this time also remit to the Town an additional two million dollars (\$2,000,000.00) to be used for the design, construction and equipping of the fire station.

Once construction of the foregoing infrastructure is completed and the Master Developer has remitted all monies owed, it shall have no further responsibility regarding said fire station,

except that the Owner or Master Developer shall be responsible for payment of any capital impact fees relating to fire service.

9.08 Mobility Hub. Owner shall dedicate no less than five (5) acres of Public Land to the Town for a Mobility Hub, as located and described on the PDP. As part of the applicable Phase improvements, Master Developer shall, at its sole expense, extend water, wastewater, stormwater utilities, and streets (provided that such Mobility Hub is situated adjacent to a street required to be constructed by Master Developer as part of the applicable Plat, SDP, or SIA) of sufficient capacity and/or quantity as necessary to serve such Mobility Hub, to the applicable Public Land's boundary.

9.09 Public Works Maintenance Yard. Owner shall dedicate Public Land to the Town for a Public Works maintenance yard, as included in the overall Public Land dedications as shown on the PDP. Master Developer shall, at its sole cost and expense, extend to the applicable Public Land's boundary, water, wastewater, and stormwater utilities and streets (provided that such Public Works Maintenance Yard is situated adjacent to a street required to be constructed by Master Developer as part of the applicable Plat, SDP, or SIA) of sufficient capacity and/or quantity as necessary to serve Public Lands to be a Public Works maintenance yard as part of the applicable Phase. Master Developer shall, at its sole cost and expense, rough grade the site for the Public Maintenance Yard.

9.10 Water Treatment. Owner shall dedicate Public Land to the Town for two (2) well sites. Owner shall dedicate Public Land to the Town for a water treatment plant site. The well sites and water treatment plant site acreages are included in the overall Public Land dedications as shown on the PDP.

9.11 Trails. Master Developer shall, at its sole cost and expense, design and construct all on-site soft-surface and hard-surface trails, in conformance with the PDP. Final trail alignments and surface material will be determined by the Town at time of SDP. Trails within drainage ways shall be constructed concurrently with construction of Drainageway Improvements.

ARTICLE X DEFAULT AND REMEDIES

10.01 Event of Default. Failure of any Party to perform any covenant, agreement, obligation or provision of this Agreement constitutes an event of default under this Agreement.

10.02 Default Notice. In the event either Party alleges that the other is in default, the non-defaulting Party shall first notify the defaulting Party in writing of such default and specify the exact nature of the default in such notice. Except as otherwise provided herein, the defaulting Party shall have twenty (20) business days from receipt of such notice within which to cure such default before the non-defaulting party may exercise any of its remedies hereunder. If such default is not of a type which can be cured within such twenty (20)-day period and the defaulting Party commenced the cure within the twenty (20)-day period and is actively and diligently pursuing such cure, the defaulting Party shall have a reasonable period of time, given the nature of the default, following the end of the twenty (20)-day period to cure such default, provided that such defaulting Party is at all times within such additional time period actively and diligently pursuing such cure in good faith.

10.03 Remedies. In addition to specific remedies provided elsewhere in this Agreement (including the Town's right to withhold development approvals on portions of the Property burdened with the unperformed obligation), upon notice of default and failure to cure in accordance with Section 10.02, the non-defaulting Party shall have the right to take whatever action, at law or in equity, which appears necessary or desirable to enforce performance and observation of any obligation, agreement or covenant of the defaulting party under this Agreement, or to collect the monies then due and thereafter to become due. In any such legal action, the prevailing Party shall be entitled to recover its reasonable attorney's fees and litigation costs from the other Party.

The Parties acknowledge and agree that any mortgagee has a right, but not the obligation, to remedy or cure any event of default or breach by Owner or Master Developer under this Agreement, and that the Town will accept such remedy or cure if properly and timely carried out by a mortgagee, provided that any remedy or cure by a mortgagee shall not be construed as an assumption by the mortgagee of, or create any liability to, mortgagee with respect to the obligations

of Owner or Master Developer under this Agreement, unless the mortgagee acquires ownership of the Property.

ARTICLE XI **VESTING**

11.01 Vested Property Rights. Owner has demonstrated that the PDP meets the criteria under Chapter 17.08 of the Code and the Vested Property Rights Statute for vesting of property rights by agreement for a term in excess of three years. The PDP and this Agreement each constitute a “site specific development plan” as defined in Section 104 of the Vested Property Rights Statute and Chapter 17.08 of the Code and, accordingly, vested property rights are established with respect to the PDP and this Agreement in accordance with statute and applicable Code provisions. Pursuant to Section 17.08.080 of the Code, the following provision shall be placed on the PDP:

This Planned Development Plan, inclusive of the embedded PD Zoning Regulations, constitutes a site-specific development plan pursuant to Chapter 17.08 of the Castle Rock Municipal Code and §24-68-101, *et seq.*, C.R.S., and establishes vested property rights that may extend through October 6, 2052, with the option of, upon Town Council approval, a single ten (10)-year extension, to undertake and complete the development and use of the property according with this Planned Development Plan.

11.02 Duration. Development of the Property requires Owner and the Master Developer to make substantial up-front capital investment in Public Improvements, as well as off-site infrastructure mandated by this Agreement. Given the scale of the Project, much of such infrastructure will serve multiple phases of the Project, and the recouping of such investment by Owner and the Master Developer will occur incrementally as development of the Project progresses. The ability of the Owner and the Master Developer to finance development of the Property is dependent on demonstration to the capital markets that there is an extended period of time in which the Project may be developed and marketed as currently envisioned, and that material modifications to the vested PDP will not be unilaterally imposed by the Town.

Accordingly, the Parties find that the Vesting Term, as provided in this Section 11.02, is necessary and appropriate.

Property rights in the PDP and this Agreement are vested pursuant to Chapter 17.08 of the Code and the Vested Property Rights Statute until October 6, 2052, however, such term shall be extended by one day for each day during which the PDP or this Agreement are subject to any Legal Challenge. In addition, such term may be extended, upon Town Council approval, for a single ten (10)-year extension (“**Vesting Term**”).

11.03 Vesting Term Restrictions. During the Vesting Term, the Town shall not take any zoning or land use action (whether by action of the Town Council or pursuant to an initiated ordinance), which would alter, impair, prevent, diminish, impose a moratorium on development, or otherwise delay development or the use of the Property in accordance with the PDP and this Agreement, nor shall the Town unilaterally amend the PDP, except the following actions shall not be precluded during the Vesting Term (“**Permitted Actions**”):

- (a) The enforcement and application of the Town Regulations in effect as of the Effective Date, except as expressly provided in the PDP or this Agreement; or
- (b) The enforcement and application of Town Regulations in effect at any point in time during the Vesting Term which are generally applicable to all similarly situated property, development, or construction within the Town; or
- (c) The enforcement and application of Town Regulations to which Owner consents; or
- (d) Any action with respect to the PDP or this Agreement for which the Town pays just compensation as prescribed under §24-68-105(c), C.R.S.; or
- (e) The imposition of regional, state or federal regulations which are beyond the control of the Town as reasonably determined by the Town.

11.04 Reservation of Rights. Although Owner will not have a claim against the Town for the occurrence of a Permitted Action, Owner reserves the right to challenge the legality of such

action on any basis other than contractual breach of this Agreement, subject to the limitation and remedies under Section 11.05.

11.05 Limitation of Remedies. During the Vesting Term, and provided that Town is not in breach of its obligations under Article XI of this Agreement, Owner shall not assert estoppel or “common law vesting,” or any other legal or equitable cause of action or claim against the Town, as a result of Owner’s investment in Public Improvements or other expenditures in furtherance of development of the Property under the vested PDP. Upon expiration of the Vesting Term, or in the event the Town is in breach of Article XI of this Agreement, (i.e. the Town has failed to timely cure a noticed default), this Section 11.05 shall no longer restrict Owner’s legal remedies. Owner acknowledges that the limitation of its remedies during the Vesting Term is a material factor and an inducement to the Town in granting vested property rights pursuant to this Article XI.

11.06 Rights Which Are Vested. Prior to expiration of the Vesting Term, Master Developer or Owner(s) shall have the right to undertake and complete the development and use of the Property in accordance with this Article XI, including, without limitation, (1) the right to develop the Project as described in this Agreement and in the PDP, including the uses, density and intensity of use; (2) the right to submit, and for the Town to process, development applications and applications for grading permits, building permits, water taps, sewer taps, certificates of occupancy, and other permits in accordance with the procedures set forth in Town Regulations, the PDP, and this Agreement; and (3) in the event of any adverse action as contemplated in C.R.S. § 24-68-105(1), the rights and remedies as set forth in C.R.S. § 24-68-105, and subject to the requirements in Section 11.10. After expiration of the Vesting Term, the PDP shall remain valid and effective; however, the vested property rights in the PDP shall then terminate. The termination of such vested property rights shall not affect any equitable right or entitlement, if any, Owner or Master Developer may have to complete the PDP under law.

11.07 Effective Date. The effective date of the vested property rights in the PDP is the Effective Date. The public notice of vesting required under C.R.S. §24-68-103 shall be included in the publication of the ordinance approving the PDP (“**Ordinance**”). The Town shall publish the Ordinance within 14 days of approval of the Ordinance on second reading.

11.08 Natural and Manmade Hazards. Nothing in this Agreement or otherwise shall require the Town to approve development or use of any portion of the Property where there exist natural or manmade hazards on, or in the immediate vicinity of, the proposed area of use, provided that such natural or manmade hazards could not reasonably have been discovered as of the Effective Date but such hazards, if uncorrected, would pose a serious threat to the public health, safety and welfare.

11.09 Effect of Referendum. Any referendum filed pursuant to Section 104(2) of the Vested Property Rights Statute and approved by the voters of the Town, which purports to invalidate the vested property rights established pursuant to this Article XI of this Agreement, shall not, except as may be expressly set forth therein, have the effect of invalidating the PDP. or any other Town approvals pertaining to the Property.

11.10 Remedy for Breach or Impairment of Vested Property Rights.

(a) In consideration of the establishment of the vested property rights, together with the benefits to the Parties that this Agreement otherwise assures, the Parties, on behalf of themselves and their respective successors and assigns as applicable, have determined that it is in their respective interests to address and to waive certain potential claims, rights and remedies that might otherwise be construed to apply in a manner contrary to the Parties' intent in entering into, and performing their respective obligations pursuant to, this Agreement.

(b) The Town Council has established in its legislative capacity as the legislative governing body of the Town that, although the Vested Property Rights Statute provides for the payment of certain monetary damages upon a deprivation, impairment, violation or other divestment of the vested property rights, the Town desires not to be subject to liability for monetary damages pursuant to the Vested Property Rights Statute as a remedy for breach or default with respect to the vested property rights. Accordingly:

(i) In implementation of the foregoing policy to protect the Town from potential monetary liability under the Vested Property Rights Statute, while

securing to Master Developer and other Owners, as applicable, the benefits of the vested property rights under and pursuant to the Vested Property Rights Statute:

- (A) Owner hereby knowingly, intentionally, voluntarily and irrevocably waives, for itself and for its successors and assigns (including but not limited to any successor Master Developer or Owner), any remedial right it or they, as applicable, may have pursuant to Section 105(1)(c) of the Vested Property Rights Statute to be paid money damages as just compensation upon a deprivation, impairment, violation or other divestment of the vested property rights.
- (B) The Town hereby knowingly, intentionally, voluntarily and irrevocably waives, for itself and for its successors and assigns, any right the Town may have pursuant to Section 105(1)(c) of the Vested Property Rights Statute to pay money damages to any Landowner as just compensation upon a deprivation, impairment, violation or other divestment of the vested property rights.
- (C) The Parties have executed and entered into the foregoing mutual waivers, with the express intent that such waivers will be mutually binding and enforceable as to each them and their respective successors and assigns, having been given in consideration of the mutual benefits accruing to each of them as a result of such mutual waivers, and otherwise accruing to each of them pursuant to this Agreement, and with the intent and mutual understanding that the effect of such mutual waivers will be that the Town is precluded from taking such actions as are set forth in C.R.S. § 24-68-105(1).

(ii) The Town Council, acting in its legislative capacity as the legislative governing body of the Town, expressly authorizes, determines and directs that

Master Developer and other Owners will be entitled to seek and to be awarded, and the Town will be subject to, such mandatory or prohibitory equitable remedies as may be required to secure to the Parties the remedies, limitations on remedies, and enforcement of the other terms and conditions set forth in this Section 11.10(b).

(c) Contingent Remedy. Only if, notwithstanding the foregoing mutual waivers and the Parties' express intent as to the enforceability and remedial effect of such waivers, it is judicially determined that the terms and conditions (either in whole or in part) set forth in Section 11.10(b) will not be enforced against the Town as written, Master Developer and other Landowners will be entitled to pursue and be awarded just compensation pursuant to Section 105(1)(c) of the Vested Property Rights Statute to the extent the Town takes any action which has the effect of divesting, depriving, impairing or violating the vested property rights under any circumstances other than those stated in Section 11.10(b) and such action constitutes a compensable action under the Vested Property Rights Statute.

ARTICLE XII **GENERAL PROVISIONS**

12.01 Amendment. Any and all changes to this Agreement, in order to be mutually effective and binding upon the parties and their successors, must be in writing and duly executed by the Town and the Master Developer. To the extent any such amendment has the effect of changing an obligation of an Owner as set forth herein, the prior written consent of the Owner shall be required in addition to the consent of the Town and the Master Developer.

12.02 Interpretation. In this Agreement, unless the context otherwise requires:

- (a) all definitions, terms and words shall include both the singular and the plural;
- (b) words of the masculine gender include correlative words of the feminine and neuter genders, and words importing singular number include the plural number and vice versa; and

(c) the captions or headings of this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provision, article or section of this Agreement.

12.03 Notice. The addresses of the parties to this Agreement are listed below. Any and all notices allowed, or required to be given, in accordance with this Agreement may be given personally, sent via nationally recognized overnight carrier service, or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same will be deemed to have been given and received three days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered or sent via nationally recognized overnight courier service, a notice will be deemed to have been given and received, the first to occur of, one business day after being deposited with a nationally recognized overnight air courier service, or upon delivery to the party to whom it is addressed. In the event of transfer of the Property, notice shall be sent to the address of such grantee as indicated in the recorded instrument whereby such grantee acquired an interest in the Property.

If to Town: Town Attorney
Town of Castle Rock
100 NWilcox Street
Castle Rock, CO 80104

If to Owner: Dawson Trails I, LLC and Dawson Trails II, LLC
4100 East Mississippi Avenue, Suite 500
Glendale, CO 80246
Attn: Andrew R. Klein, Lawrence P. Jacobson, Jake Schroeder

If to Districts: Dawson Trails Metropolitan Districts Nos. 1-5
Westfield Trade Center Metropolitan Districts Nos. 1-2
c/o White Bear Ankele Tanaka & Waldron
2154 East Commons Avenue, Suite D1
Centennial, CO 80122
Attn: Jennifer Gruber Tanaka, Esq.

12.04 Severability. It is understood and agreed by the parties hereto that, if any part, term, or provision of this Agreement is found by final judicial decree to be illegal or in conflict with any law of the State of Colorado, the validity of the remaining portions or provisions shall

not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

12.05 Conflicts. If the terms and provisions of this Agreement are in conflict with any prior agreement between the Town and the Owner or the Town Regulations, the terms and provisions of this Agreement, as it may be amended from time to time, shall control.

12.06 Verification. The Town and the Owner shall provide the other written verification regarding the status, performance or completion of any action required of the Town or the Owner under the Agreement, or by the terms of any other agreement.

12.07 Additional Documents or Action. The Parties agree to execute any additional documents or take any additional action including, but not limited to, estoppel documents requested or required by lenders or the parties hereto, that is necessary to carry out this Agreement or is reasonably requested by any Party to confirm or clarify the intent of the provisions of this Agreement, and to effectuate the agreements and the intent. If all or any portion of this Agreement, or other agreements approved in connection with this Agreement, are asserted or determined to be invalid, illegal or are otherwise precluded, the Parties, within the scope of their powers and duties, will cooperate in the joint defense of such documents and, if such defense is unsuccessful, the Parties will use reasonable, diligent, good faith efforts to amend, reform or replace such precluded items to assure, to the extent legally permissible, that each Party substantially receives the benefit that it would have received under this Agreement.

12.08 Entire Agreement. This instrument embodies the whole agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations or agreements, either verbal or written.

12.09 Days. If the day for any performance or event provided for herein is a Saturday, Sunday or a day on which national banks are not open for regular transactions of business, or a legal holiday pursuant to Section 24-11-101(1), C.R.S, such day will be extended until the next day on which such banks and state offices are open for the transaction of business.

12.10 Recording. This agreement will be recorded in the Records after mutual execution by the Parties following the Effective Date.

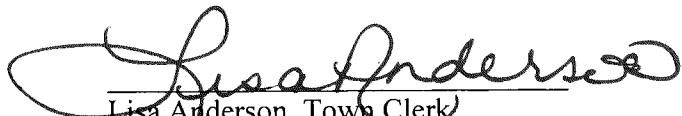
12.11 Cooperation in Defending Legal Challenges. In the event of a third-party action challenging the validity of this Agreement or PDP approval, the Parties agree to cooperate in good faith with one another in the performance of their respective rights and obligations hereunder, in order that each may reasonably realize their respective benefits hereunder.

12.12 Relationship Between Owner and Master Developer. As of the date of execution of this Agreement, the Owner and Master Developer are the same entities. However, it is the Parties' intent that this Agreement will not create any obligation to construct Public Improvements, make certain payments as contemplated herein, or otherwise develop the Project, on individual lot owners that may become Owners of lots following the Town's approval of one or more Plats for the Property. Thus, unless expressly set forth otherwise in this Agreement, it is the Parties' intent that the obligations established herein are the obligations of the Master Developer.

12.13 Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the Town or to the Districts, their respective officials, employees, contractors, or agents, or any other person acting on behalf of the Town or the Districts and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

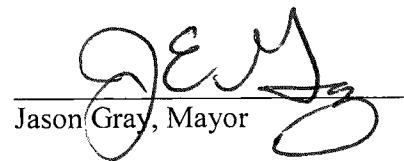
ATTEST:



Lisa Anderson

Lisa Anderson, Town Clerk

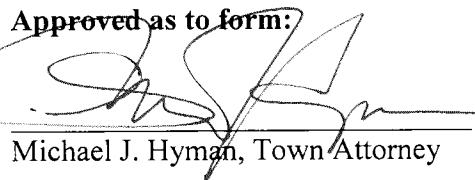
TOWN OF CASTLE ROCK



Jason Gray

Jason Gray, Mayor

Approved as to form:



Michael J. Hyman

Michael J. Hyman, Town Attorney

COUNTY OF DOUGLAS)
) ss.
STATE OF COLORADO)

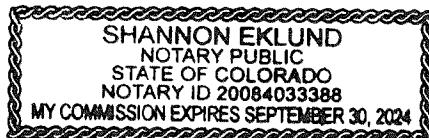


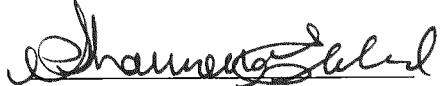
The foregoing instrument was acknowledged before me this 7TH day of September, 2022, by Lisa Anderson as Town Clerk and Jason Gray as Mayor for the Town of Castle Rock, Colorado.

Witness my official hand and seal.

My commission expires: 9/30/2024

(SEAL)

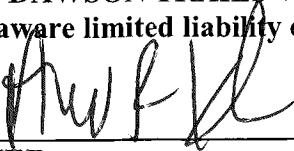



Shannon Eklund

Notary Public

OWNER:

ACM DAWSON TRAILS VIII JV, LLC
a Delaware limited liability company



OWNER

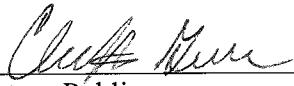
STATE OF Colorado)
) ss.
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 30th day of
November, 2022 by Andrew R. Klein, as
Notary Public of ACM Dawson Trails VIII JV LLC, a Delaware limited liability
company.

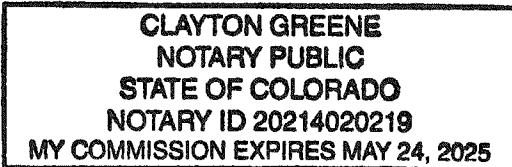
Witness my official hand and seal.

My commission expires: May 24, 2025

(S E A L)



Notary Public



DISTRICTS:**DAWSON TRAILS METROPOLITAN DISTRICTS NOS. 1-5**By: PresidentIts: President

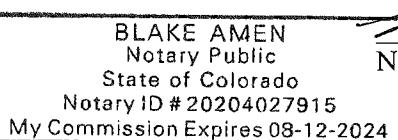
STATE OF Colorado)
 COUNTY OF Arapahoe) ss.

The foregoing instrument was acknowledged before me this 29 day of
November, 2022 by Lawrence P. Jacobson, as
President of Dawson Trails Metropolitan District Nos. 1-5.

Witness my official hand and seal.

My commission expires: 8/12/24

(S E A L)




Notary Public
WESTFIELD TRADE CENTER METROPOLITAN DISTRICTS NOS. 1-2By: PresidentIts: President

STATE OF Colorado)
 COUNTY OF Arapahoe) ss.

The foregoing instrument was acknowledged before me this 29 day of
November, 2022 by Lawrence P. Jacobson, as
President of Westfield Trade Center Metropolitan District Nos. 1-2.

Witness my official hand and seal.

My commission expires: 8/12/24

(S E A L)



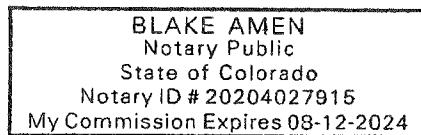
Notary Public


EXHIBIT 1

DAWSON RIDGE PROJECT PERIMETER DESCRIPTION:

TWO (2) PARCELS OF LAND PORTIONS OF SECTIONS 15, 21, 22, 27, 28, 29, 32, 33 & 34, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE BEARINGS FOR THIS DESCRIPTION ARE BASED ON THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SECTION 21, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH P.M., BEING ASSUMED TO BEAR S89°55'56"E, FROM THE SOUTH 1/16TH CORNER OF SAID SECTIONS 21 & 22, BEING MONUMENTED BY A PIPE WITH A 2" ALUMINUM CAP STAMPED "LS 6935" TO THE SOUTH 1/16TH CORNER OF SAID SECTIONS 20 & 21, BEING MONUMENTED BY A PIPE WITH A 2 INCH ALUMINUM CAP, STAMPED "LS 6935", WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO.

PARCEL 1:

BEGINNING AT THE SOUTH 1/16TH CORNER OF SAID SECTIONS 21 & 22, ALSO BEING A POINT ON THE SOUTH LINE OF TWIN OAKS, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 161972, IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER'S OFFICE;
 THENCE S 89°28'35" E, ALONG THE SOUTH LINE OF SAID TWIN OAKS SUBDIVISION AND ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SAID SECTION 22, A DISTANCE OF 404.37 FEET TO A POINT ON THE WEST LINE OF THE TWIN OAKS ROAD RIGHT-OF-WAY, AS DEDICATED BY SAID TWIN OAKS SUBDIVISION;
 THENCE ALONG THE WEST LINE OF SAID TWIN OAKS DRIVE RIGHT-OF-WAY AND ALONG THE SOUTH LINE OF THE TERRITORIAL ROAD RIGHT-OF-WAY, AS DEDICATED BY SAID TWIN OAKS SUBDIVISION, THE FOLLOWING FOUR (4) COURSES:

1. S 02°01'48" E, A DISTANCE OF 52.10 FEET TO THE SOUTH LINE OF SAID TERRITORIAL ROAD RIGHT-OF-WAY;
2. N 87°58'41" E, A DISTANCE OF 109.24 FEET TO A POINT OF CURVATURE;
3. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 245.68 FEET, A CENTRAL ANGLE OF 28°36'44" AND AN ARC LENGTH OF 122.69 FEET;
4. N 59°21'57" E, A DISTANCE OF 23.19 FEET TO A POINT ON THE SOUTH LINE OF SAID TWIN OAKS SUBDIVISION;

THENCE S 89°28'35" E, ALONG SAID SOUTH LINE, A DISTANCE OF 174.31 FEET TO THE SOUTHEAST CORNER OF SAID TWIN OAKS SUBDIVISION;

THENCE N 17°17'13" E, ALONG THE EAST LINE OF SAID TWIN OAKS SUBDIVISION, A DISTANCE OF 139.27 FEET TO A POINT ON THE EAST LINE OF SAID TERRITORIAL ROAD RIGHT-OF-WAY AND A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE EAST LINE OF SAID TERRITORIAL ROAD RIGHT-OF-WAY THE FOLLOWING TWO (2) COURSES:

1. ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 198.98 FEET, A CENTRAL ANGLE OF 31°52'19" AND AN ARC LENGTH OF 110.69 FEET, SUBTENDED BY A CHORD OF WHICH BEARS N 33°13'23" E, A DISTANCE OF 109.26 FEET;
2. N 17°17'13" E, A DISTANCE OF 534.55 FEET TO A POINT ON THE SOUTH LINE OF THE TERRITORIAL ROAD RIGHT-OF-WAY AS DEDICATED BY THAT DEED RECORDED AT RECEPTION NO. 8816440, SAID DOUGLAS COUNTY RECORDS;

THENCE N 89°40'41" E, ALONG SAID SOUTH LINE, A DISTANCE OF 1599.61 FEET TO A POINT ON THE WEST LINE OF THE BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT-OF-WAY;

THENCE S 15°17'57" W, ALONG SAID WEST LINE, A DISTANCE OF 8675.32 FEET TO THE NORTHEAST CORNER OF THAT PARCEL OF LAND DESCRIBED IN THAT DEED RECORDED AT RECEPTION NO.

2004131453, SAID DOUGLAS COUNTY RECORDS;

THENCE ALONG THE NORTH, WEST AND SOUTH LINES OF SAID PARCEL, THE FOLLOWING THREE (3) COURSES:

1. S 89°46'16" W, A DISTANCE OF 678.73 FEET;
2. S 00°19'26" W, A DISTANCE OF 600.54 FEET;
3. S 89°29'06" E, A DISTANCE OF 515.85 FEET TO A POINT ON THE WEST LINE OF SAID BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT OF WAY;

THENCE S 15°17'57" W, ALONG SAID WEST LINE, A DISTANCE OF 547.53 FEET TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 33; THENCE N 00°02'14" W, ALONG SAID EAST LINE, A DISTANCE OF 226.55 FEET TO A POINT ON THE WEST LINE OF SAID BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT-OF-WAY;

THENCE S 15°19'54" W, ALONG SAID WEST LINE, A DISTANCE OF 789.53 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 33;

THENCE N 89°35'18" W, ALONG SAID SOUTH LINE, A DISTANCE OF 5123.28 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 32, ALSO BEING THE NORTHEAST CORNER OF KEENE RANCH FILING NO. 1, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 9523375, SAID DOUGLAS COUNTY RECORDS;

THENCE S 89°21'58" W, ALONG THE NORTH LINE OF SAID KEENE RANCH FILING NO. 1 AND ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, A DISTANCE OF 2414.68 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL OF LAND DESCRIBED IN THAT DEED RECORDED AT RECEPTION NO. 2004051359, SAID DOUGLAS COUNTY RECORDS; THENCE ALONG THE EAST AND NORTH LINES OF SAID PARCEL OF LAND, THE FOLLOWING TWO (2) COURSES:

1. N 00°19'46" W, A DISTANCE OF 208.73 FEET TO THE NORTHEAST CORNER OF SAID DEED;
2. S 89°21'58" W, A DISTANCE OF 208.73 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, ALSO BEING A POINT ON THE EAST LINE OF SAID KEENE RANCH FILING NO. 1;

THENCE N 00°19'46 W, ALONG THE EAST LINE OF SAID KEENE RANCH FILING NO. 1, ALONG THE EAST LINE OF KEENE RANCH FILING NO. 2, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 9639479, SAID DOUGLAS COUNTY RECORDS, AND ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, A DISTANCE OF 2505.72 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 32; THENCE N 00°39'34" W, ALONG THE EAST LINE OF SAID KEENE RANCH FILING NO. 2 AND ALONG THE WEST LINE OF THE EAST HALF OF SAID SECTION 29, A DISTANCE OF 5308.62 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 29, BEING THE NORTHEAST CORNER OF SAID KEENE RANCH FILING NO. 2 PLAT, AND THE SOUTHWEST CORNER OF CASTLE MESA SOUTH, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 145078, SAID DOUGLAS COUNTY RECORDS;

THENCE S 89°02'42" E, ALONG THE NORTH LINE OF THE EAST HALF OF SAID SECTION 29 AND ALONG THE SOUTH LINE OF SAID CASTLE MESA SOUTH SUBDIVISION, A DISTANCE OF 2661.01 FEET TO THE SOUTHEAST CORNER OF SAID CASTLE MESA SOUTH SUBDIVISION, BEING THE SOUTHWEST CORNER OF SAID SECTION 21;

THENCE N 00°02'04" W, ALONG THE EAST LINE OF SAID CASTLE MESA SOUTH SUBDIVISION AND ALONG THE WEST LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SAID SECTION 21, A DISTANCE OF 1322.70 FEET TO THE SOUTH 1/16TH CORNER OF SAID SECTIONS 20 & 21, BEING THE SOUTHWEST CORNER OF SAID TWIN OAKS SUBDIVISION;

THENCE S 89°55'56" E, ALONG THE SOUTH LINE OF SAID TWIN OAKS SUBDIVISION AND ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SAID SECTION 21, A DISTANCE OF 5286.17 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THE FOLLOWING TWO (2) PARCELS OF LAND;

TWO (2) PARCELS OF LAND, AS DESCRIBED IN SAID DEED RECORDED AT RECEPTION NO. 2004051359, SAID DOUGLAS COUNTY RECORDS, BEING A PORTION OF THE SOUTH HALF OF SECTION 28, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE BEARINGS FOR THESE EXCEPTION PARCELS ARE BASED ON THE SOUTH LINE OF SECTION 28, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH P.M., BEING ASSUMED TO BEAR S89°47'47"E, FROM THE SOUTHWEST CORNER OF SAID SECTION 28, BEING MONUMENTED BY A 1" PIPE WITH A 2-1/2" ALUMINUM CAP STAMPED "LS 6935" TO THE SOUTHEAST CORNER OF SAID SECTION 28, BEING MONUMENTED BY #6 REBAR WITH A 2-1/2" ALUMINUM CAP, STAMPED "LS 6935", WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO.

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 28, THENCE N 65°29'17" E, A DISTANCE OF 1262.53 FEET TO THE POINT OF BEGINNING;
THENCE N 00°45'02" W, A DISTANCE OF 208.73 FEET;
THENCE S 89°47'38" E, A DISTANCE OF 208.73 FEET;
THENCE S 00°45'02" E, A DISTANCE OF 208.73 FEET;
THENCE N 89°47'38" W, A DISTANCE OF 208.73 FEET TO THE POINT OF BEGINNING;

ALSO EXCEPTING THE FOLLOWING PARCEL

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 28, THENCE N 40°06'49" E, A DISTANCE OF 1765.27 FEET TO THE POINT OF BEGINNING;
THENCE N 89°47'47" W, A DISTANCE OF 208.73 FEET;
THENCE N 00°45'11" W, A DISTANCE OF 208.73 FEET;
THENCE S 89°47'47" E, A DISTANCE OF 208.73 FEET;
THENCE S 00°45'11" E, A DISTANCE OF 208.73 FEET TO THE POINT OF BEGINNING;

CONTAINING A NET AREA OF 81,902,811 SQUARE FEET OR 1,880.230 ACRES, MORE OR LESS.

PARCEL 2:

COMMENCING AT THE SOUTH 1/16TH CORNER OF SAID SECTIONS 21 & 22, ALSO BEING A POINT ON THE SOUTH LINE OF TWIN OAKS, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 161972, IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER'S OFFICE;
THENCE N 53°44'53" E, A DISTANCE OF 1331.13 FEET TO A POINT ON THE EAST LINE OF SAID TWIN OAKS PLAT AND A POINT ON THE NORTH LINE OF THE TERRITORIAL ROAD RIGHT-OF-WAY, AS DEDICATED BY THAT DEED RECORDED AT RECEPTION NO. 8816440, SAID DOUGLAS COUNTY RECORDS AND THE POINT OF BEGINNING;

THENCE ALONG THE EAST LINE OF SAID TWIN OAKS PLAT, THE FOLLOWING THREE (3) COURSES:

1. N 17°17'13" E, A DISTANCE OF 557.93 FEET;

2. S 89°27'27" E, A DISTANCE OF 65.00 FEET;
3. N 00°22'15" W, A DISTANCE OF 1329.37 FEET TO THE SOUTHWEST CORNER OF LOT 3, SAID TWIN OAKS PLAT;

THENCE N 03°03'12" W, ALONG THE WEST LINE OF SAID LOT 3, A DISTANCE OF 567.45 FEET TO THE NORTHWEST CORNER OF SAID LOT 3, BEING A POINT OF CURVATURE ON THE SOUTH LINE OF THE BRISCOE LANE RIGHT-OF-WAY, AS DEDICATED BE SAID TWIN OAKS PLAT;

THENCE ALONG THE PORTIONS OF BRISCOE LANE VACATED BY ORDINANCE NO. 86-24, RECORDED IN BOOK 680 AT PAGE 920, SAID DOUGLAS COUNTY RECORDS THE FOLLOWING TWO (2) COURSES:

1. N 39°55'38" W, A DISTANCE OF 30.00 FEET TO A POINT OF NON-TANGENT CURVATURE;
2. ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 329.30 FEET, A CENTRAL ANGLE OF 27°16'16" AND AN ARC LENGTH OF 156.74 FEET, SUBTENDED BY A CHORD OF WHICH BEARS N 63°42'30" E, A DISTANCE OF 155.26 FEET;

THENCE N 12°39'22" W, ALONG THE WEST LINE OF LOT 4, SAID TWIN OAKS PLAT, A DISTANCE OF 687.67 FEET TO THE NORTHWEST CORNER OF SAID LOT 4 ALSO BEING THE WEST 1/16TH CORNER OF SAID SECTIONS 15 & 22;

THENCE S 89°31'22" E, ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 15, A DISTANCE OF 890.07 FEET TO THE SOUTHWEST CORNER OF THAT PARCEL OF LAND DESCRIBED AS PARCEL E IN THAT DEED RECORDED AT RECEPTION NO. 2019088324, SAID DOUGLAS COUNTY RECORDS; THENCE ALONG THE WEST AND NORTH LINES OF PARCELS E, F & G THE FOLLOWING FOUR (4) COURSES:

1. N 00°11'34" E, A DISTANCE OF 900.14 FEET;
2. S 89°48'26" E, ALONG THE NORTH LINES OF PARCELS E AND F, A DISTANCE OF 1014.77 FEET TO THE SOUTHWEST CORNER OF THAT PARCEL OF LAND DESCRIBED AS PARCEL G;
3. N 00°11'34" E, A DISTANCE OF 842.72 FEET;
4. S 89°48'26" E, A DISTANCE OF 928.55 FEET TO A POINT ON THE WEST LINE OF THE BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT OF WAY AND A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE WEST LINE OF SAID BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT-OF-WAY THE FOLLOWING TWO (2) COURSES:

1. ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 5779.58 FEET, A CENTRAL ANGLE OF 05°35'04" AND AN ARC LENGTH OF 563.33 FEET, SUBTENDED BY A CHORD OF WHICH BEARS S 18°04'54" W, A DISTANCE OF 563.11 FEET;
2. S 15°17'57" W, A DISTANCE OF 4536.04 FEET TO A POINT ON THE NORTH LINE OF SAID TERRITORIAL ROAD RIGHT-OF-WAY;

THENCE S 89°40'41" W, ALONG SAID NORTH LINE, A DISTANCE OF 1628.83 FEET TO THE POINT OF BEGINNING.

CONTAINING AN AREA OF 7,993,235 SQUARE FEET OR 183.499 ACRES, MORE OR LESS.

OVERALL DAWSON RIDGE PROJECT PERIMETER DESCRIPTION CONTAINS AN AREA OF 89,896,046 SQUARE FEET OR 2,063.729 ACRES, MORE OR LESS.

EXHIBIT 2

Dawson Trails Water Efficiency Program

WEP21-0003

Version 1.6

Last Update: July 18, 2022

Prepared for:	Prepared by:
Town of Castle Rock c/o Castle Rock Water 175 Kellogg Court Castle Rock, CO 80109 Phone: (720) 733-6000 Email: water@crgov.com	AquaSan Network, Inc. c/o Kaleb Zanett 45 Mule Deer Trail Littleton, CO 80127 Phone: (303) 437-4063 Email: kaleb@aquasan.biz
	Developer/Owner: Dawson Trails I LLC & Dawson Trails II LLC 4100 E. Mississippi Avenue Suite 500 Denver, CO 80246 Phone: (303) 984-9800 Email: ljacobson@westsideinv.com

Outline

- Terms and Abbreviations
- Introduction
- Design Criteria
- Resident Education
- Verification
- References

Attachments

- Exhibit A – Dawson Trails PDP
- Exhibit B – Inspection Sheet: Domestic Usage
- Exhibit C – Inspection Sheet: Irrigation Usage
- Exhibit D1 – Dawson Trails Water Consumption Analysis Summary
- Exhibit D2 – Dawson Trails Water Consumption Analysis



Terms and Abbreviations

- Acre-Feet: AF
- Advanced Metering Infrastructure: AMI
- British Thermal Unit: Btu
- Consortium for Energy Efficiency: CEE
- Dwelling Unit: DU
- Evapotranspiration: ET
- Gallons per flush: GPF
- Gallons per minute: GPM
- Part per Million: PPM
- Pounds per Square Inch: PSI
- Single Family Detached: SFD
- Single Family Equivalent: SFE
- Square Feet: SF
- Water Factor: WF

CONFIDENTIAL

PHONE: (303) 437 4063

ADDRESS: 4100 EAST MISSISSIPPI AVENUE, SUITE 500
DENVER, CO 80246

WEB: WWW.AQUASAN.BIZ



Introduction

Executive Summary

Dawson Trails I LLC and Dawson Trails II LLC (Dawson) are developing the Dawson Trails property (Project) located approximately three miles south by southwest of downtown Castle Rock (Town). The Project will provide the Town and its expanding and diversifying population with single family and multifamily housing, retail, primary employment, office, commercial, and community spaces (including parks and trails) that foster the efficient and responsible uses of water resources. In support of these efforts, Dawson partnered with AquaSan Network, Inc. (AquaSan) and Norris Design (Norris) to establish the Dawson Trails Water Efficiency Program (DTWEP) that provides for efficacious utilization of the current water assets associated with the Project, while also ensuring that all new development constructed at the Project meets or exceeds the requirements as outlined in the Town's Water Efficiency Plan (WEP) and the Town's Landscape and Irrigation Criteria Manual (Landscape Manual). The DTWEP will meet, and in some instances exceed, the Town's WEP and Landscape Manual by implementing efficacious conservation practices to reduce water demands throughout the Project in a manner that is acceptable to the Town as well as the housing and commercial industries. The DTWEP as outlined below will be a constituent of the codes, covenants, and restrictions of the Project unless otherwise approved by Dawson and the Town. The DTWEP standards will be verified using the DTWEP *Inspection Sheets for Domestic and Irrigation Usage* provided in Exhibits B and C respectively.

Project Description

1. Development Plan: per PDP in Exhibit A
2. Buildout: Tables 1A-1C

Table 1A: Dawson Trails Residential Buildout

Type	Units
Multifamily	2,323
Single Family, Townhome, Duplex Units	3,527
Total	5,850

Table 1B: Dawson Trails Nonresidential Buildout

Type	Square Footage (SF)
Retail (Grocery, Mercantile, Restaurant, Lodging)	900,000
Office	800,000
Flex Space (Office, Light Industrial)	1,500,000
Total	3,200,000

CONFIDENTIAL



Table 1C: Dawson Trails Irrigated Area Buildout

Type	Area (SF)	Area (Acres)
Individual Residential Lots	4,917,924	112.90
Residential Neighborhoods	7,568,986	173.76
Multifamily	500,940	11.50
Commerce Areas	1,276,744	29.31
Neighborhood Parks and Open Space	8,311,248	190.80
Public Land Dedication Areas	7,383,420	169.50
Right of Way Areas	1,947,132	44.70
Total	31,906,393	732.47

CONFIDENTIAL

PHONE: (303) 437 4063

ADDRESS: 4100 EAST MISSISSIPPI AVENUE, SUITE 500
DENVER, CO 80246

WEB: WWW.AQUASAN.BIZ



Design Guidelines

In the event that a) the Town adjusts the Design Guidelines of the DTWEP that results in a decrease in water usage; b) Dawson or a builder chooses to exceed the standards in the Design Guidelines of the DTWEP and can submit sufficient data (as reviewed and approved by the Town) demonstrating a decreased water usage than what is currently allocated by the DTWEP; or c) the Town or State statutes are amended regarding water use and reuses that results in a decrease in water usage as budgeted in the DTWEP, the SFE calculation may be adjusted lower based on the new water usage of the development.

Single Family: including but not limited to single family detached, duplex (single family attached on separate lots), and individually owned townhomes

Required Indoor Water Efficiency

1. Service Static Pressure
 - a. Limited to 60 PSI at the fixture's point of service.
2. Water Closets
 - a. Tank: WaterSense labeled, maximum 0.80 GPF – or – dual flush, maximum 0.80 GPF.
3. Kitchen Faucets
 - a. WaterSense labeled, maximum 1.50 GPM.
4. Bathroom Faucets
 - a. WaterSense labeled, maximum 1.20 GPM.
5. Showerheads
 - a. Only one showerhead per enclosure.
 - b. WaterSense labeled, maximum 1.50 GPM.
6. Clothes Washers
 - a. Energy Star Labeled, maximum 5.4 gallons/cycle/cubic foot (WF of 5.4 or less; WF = total consumption per cycle/capacity).
7. Dishwashers
 - a. Energy Star labeled, maximum 3.5 gallons/cycle (WF of 3.5 or less).

Required Outdoor Water Efficiency

1. Landscape Design
 - a. Single Family designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirements) and Section 6 (Single Family and Two-Family Residential) for specific requirements. Additional requirements to the Landscape Manual shall include:
 - i. All residential front and rear yards will be designed and installed by the builder.
 - ii. The following requirements shall apply to all residential landscapes:
 1. Turf types shall not include Kentucky Bluegrass varieties. Allowable turf type shall include turf species that can survive on 19" or less of supplemental irrigation per year. Allowable turf species shall be approved by the Town and can be found in Appendix B in the Landscape Manual.
 2. Turf areas shall be limited to only back yards and shall not exceed 500 SF.
 3. In lieu of irrigated landscape, artificial landscape may be used.
 4. 100% ColoradoScape landscapes are required for front and side yards and encouraged for back yards. Front and side yards are defined as any landscape areas installed in front of the fence or visible from the street. Backyards are defined as the areas behind the fence. ColoradoScape landscapes must provide a minimum coverage of plant materials of 75% at



5-year maturity in front yards and side yards when adjacent to streets. Rear yards shall have a minimum of 40% plant coverage at 5-year maturity. The remainder of yard coverage can be composed of mulches, aggregate surfacing, artificial turfs, or hardscape. Soil Amendment as defined in the Landscape Manual is required in all landscape areas per the Landscape Manual. Plant materials classified as Low and Very low Hydrozones are required.

5. All Plant Hydrozones will be taken from the Town's Plant List available at www.crgov.com.
6. Builders will provide specifics for the number of plant types and master typical landscape design for their lots.
7. Outdoor water features are not allowed.

2. Irrigation Design

- a. Residential irrigation designs shall follow the Landscape Manual. Refer to Section 4 (General Requirements) and Section 6 (Single Family and Two-Family Residential) for specific requirements. Additional requirements shall include:
 - i. Controllers: Wi-Fi enabled automatic irrigation system controllers shall be Town approved and WaterSense labeled weather based (ET) or soil-moisture based, that automatically adjust irrigation in response to changes in plants' needs as weather or soil moisture conditions change.
 1. Weather-based (ET) controllers without integral rain sensors shall have a separate wired or wireless rain sensor. Rain sensor must not be bypassed and must remain fully operational.
 2. Controllers must have the ability to be programmed for every third day watering schedule.
 - ii. Sprinkler Heads: Pop-up or rotor heads that utilize high efficiency spray nozzles designed with head-to-head coverage. This may include conventional rotors, stream rotators or high efficiency pop-up spray nozzles and must not exceed 1.25" per hour. The distribution uniformity must be verified by third-party tests.
 1. Minimum pop-up height must = 6".
 2. Sprinkler bodies shall have built in pressure regulating stems to match the manufacturer's associated nozzle requirements and check valves.
 3. Maximum spacing for the sprinkler heads to be head-to-head at 90% of maximum spray radius.
 4. A combination of pop-up sprays on turf areas of 25' or less and short to medium range rotors in areas greater than 25'.
 5. Traditional fixed and traditional variable arc spray nozzles are not allowed.
 6. Pop-up spray nozzles cannot be zoned together with multi-trajectory rotating stream nozzles or traditional rotor heads.
 7. Overhead irrigation shall not spray water directly on buildings or hardscape areas and are prohibited on landscape areas having any dimensions less than 10 feet in width/length.
 8. Irrigation is not allowed in areas less than 4 feet in width unless approved on the Site Development Plan or in an approved urban area.
 - iii. Drip Irrigation
 1. Drip irrigation shall be point source or sub-surface drip irrigation for all trees, shrubs, perennials, and annual beds.
 2. Drip emitters and subsurface drip shall be equipped with pressure compensating emitters and internal check valves at each emitter.
 3. Filtration shall be at the control valve assembly (min. 200 mesh).

CONFIDENTIAL



Additional Water Efficiencies: must achieve minimum of seven (7) points in total.

In addition to the required Design Guidelines detailed above, single family homes at Dawson will need to achieve a total of seven points towards optional water efficiencies. These optional efficiencies will be recorded in the *Inspection Sheet – Domestic Usage* (Exhibit B) and builders may select any combination from the following options to achieve this total:

1. Kitchen Faucets
 - a. WaterSense labeled, less than 1.50 GPM (1 point per location, maximum of 2 points).
2. Bathroom Faucets
 - a. WaterSense labeled, 1.00 GPM or less (1 point per location, maximum of 3 points).
3. Water Recirculation
 - a. Installation of continuous whole-home hot water recirculation system with traditional water heater (3 points).
4. Point-of-use tankless electric water heater (1 point per location, maximum of 3 points)
5. Greywater System
 - a. System that allows for the collection and re-use of greywater for toilet flushing (3 points).
6. Monitoring and Leak Detection
 - a. Wi-Fi enabled monitoring device for leak and flow detection with automatic shutoff (2 points).
7. ColoradoScape: a natural landscape which uses low to very low water (less than ten (10) inches of water per year) with plant material that blends in with the native Town's landscapes. Plant material must be maintained in its natural form, utilizing a combination of hardscape and landscape materials that provide a variety of colors, textures, sizes, shapes, and seasonal interest.
 - a. Front Yard and Side Yard (3 points)*
 - b. Back Yard (4 points)

*Required as per the "Single Family Residential Outdoor Water Efficiency" Section 1.a.ii.4. of the DTWEP Design Guidelines.

Multifamily: including but not limited to apartment complex, condominium complex, and rentable townhome-like apartment complex

Required Indoor Water Efficiency

1. Service Static Pressure
 - a. Limited to 60 PSI at the fixture's point of service.
2. Water Closets
 - a. Tank (Private): WaterSense labeled, maximum 0.80 GPF – or – dual flush, maximum 0.80 GPF.
 - b. Flush Valve/Flushometer (Public): WaterSense labeled, maximum 1.00 GPF – or – dual flush, maximum 1.00 GPF.
3. Urinals
 - a. WaterSense labeled, maximum 0.125 GPF.
4. Kitchen Faucets
 - a. WaterSense labeled, maximum 1.50 GPM.
5. Bathroom Faucets
 - a. WaterSense labeled, maximum 1.00 GPM.
6. Showerheads
 - a. Only one showerhead per enclosure.
 - b. WaterSense labeled, maximum 1.50 GPM.
7. Clothes Washers
 - a. Energy Star Labeled, maximum 5.4 gallons/cycle/cubic foot (WF of 5.4 or less; WF = total consumption per cycle/capacity).

CONFIDENTIAL



8. Dishwashers
 - a. Energy Star labeled, less than or equal to 3.5 gallons/cycle (WF of 3.5 or less).
9. Monitoring and Leak Detection
 - a. Each unit will be sub-metered. Each unit will be equipped with a Wi-Fi enabled monitoring device for leak and flow detection with automatic shutoff.

Required Outdoor Water Efficiency

1. Landscape Design
 - a. Multifamily designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirement) and Section 5 (Multi-Family Residential) for specific requirements. Additional requirements shall include:
 - i. Passive use areas may vary in size and turf areas must demonstrate usable programmable spaces.
 - ii. Nonfunctional turf areas are not allowed in multifamily designs.
 - iii. For passive recreation areas, artificial turf may be used and should be considered as an alternative to traditional turf.
 - iv. Outdoor pools and water features lose water to evaporation; therefore, outdoor pools and water features must be covered when not in operation and will be counted towards the total irrigable turf area.

Nonresidential

Required Indoor Water Efficiency for Restrooms, Common Areas, and Amenity Areas

1. Service Static Pressure
 - a. Limited to 60 PSI at the fixture's point of service.
2. Water Closets
 - a. Tank (Private): WaterSense labeled, maximum 0.80 GPF – or – dual flush, maximum 0.80 GPF.
 - b. Flush Valve/Flushometer (Public): WaterSense labeled, maximum 1.00 GPF – or – dual flush, maximum 1.00 GPF.
3. Urinals
 - a. WaterSense labeled, maximum 0.125 GPF.
4. Kitchen Faucets
 - a. WaterSense labeled, maximum 1.50 GPM.
5. Bathroom Faucets
 - a. WaterSense labeled, maximum 1.00 GPM.
6. Showerheads
 - a. WaterSense labeled, maximum 1.50 GPM.
7. Clothes Washers
 - a. Energy Star labeled.
8. Dishwashers
 - a. Restaurant or commercial kitchen: Energy Star labeled.
 - b. All other applications: Energy Star labeled, maximum 3.5 gallons/cycle (WF of 3.5 or less).
9. Pre-Rinse Spray Valves
 - a. WaterSense labeled, maximum 1.00 GPM with automatic shutoff.
10. Monitoring and Leak Detection
 - a. Sub-metering and Wi-Fi enabled monitoring device for leak and flow detection are required for all master-metered multi-unit buildings, as well as the following applications or thresholds:
 - i. At the point of connection

CONFIDENTIAL

ADDRESS: 4100 EAST MISSISSIPPI AVENUE, SUITE 500
DENVER, CO 80246

PHONE: (303) 437 4063

WEB: WWW.AQUASAN.BIZ



- ii. All cooling tower uses
- iii. Evaporative coolers: >0.6 GPM
- iv. Steam and hot-water boilers: >500,000 Btu/hour
- v. Any large water using process: >1,000 gallons/day

11. Other

- a. Hotels must offer a towel and linen reuse program.
- b. Pools are covered when not in operation and will be counted towards total irrigable area.
- c. Ice Machines
 - i. Energy Star labeled and air cooled.
- d. Steam Cookers
 - i. Energy Star labeled and air cooled.
- e. Dipper Wells
 - i. In-line flow restrictor, maximum 0.30 GPM.
- f. Freezers
 - i. Energy Star labeled and air cooled.

12. Cooling

- a. Must operate at > 6 cycles of concentrations and be operated by a conductivity controller – or – utilization of adiabatic cooling.

Required Outdoor Water Efficiency

1. Landscape Design

- a. Commercial designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirements) and Section 7 (Non-Residential Properties) for specific requirements.
- b. No turf is allowed in nonresidential landscaped areas.

Streetscape, Rights of Way, and Tracts along Rights of Way

Required Outdoor Water Efficiency

1. Landscape Design

- a. Streetscape, rights of way and tracts along rights of way designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirements) and Section 9 (Streetscape, Rights of Way, and Tracts along Rights of Way) for specific requirements.

Common Areas, Parks, and Sports Fields

Required Outdoor Water Efficiency

1. Landscape Design

- a. Common Areas, parks, and sports fields designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirements) and Section 10 (Parks and Sport Fields) for specific requirements.

CONFIDENTIAL

PHONE: (303) 437 4063

ADDRESS: 4100 EAST MISSISSIPPI AVENUE, SUITE 500
DENVER, CO 80246

WEB: WWW.AQUASAN.BIZ



Resident Education

1. Each builder shall create educational materials to be provided to residents and tenants through a "Water Efficiency Education Packet" (Packet). The Packet will be approved by the Town and will contain the following information:
 - a. Indoor
 - i. Water fixture requirements.
 - ii. Hot water circulation programming.
 - iii. Flow monitoring and automatic shutoff valve location and programming (if applicable).
 - b. Outdoor
 - i. Smart irrigation controller and shutoff valve location and programming to include water schedule.
 - ii. Irrigation system requirements including but not limited to: sprinkler heads, nozzles, rain sensors, flow sensors, master valves, and smart controllers.
 - iii. Winterization preparation.
 - iv. Care and operation of irrigation system and plant material.
 - v. Soil preparation appropriate for existing conditions and selected plant materials.
 - vi. Expected plant material watering needs
 - c. Other
 - i. Water budget rate structure.
2. Residents and tenants shall be provided the opportunity to attend seasonal education by the Town for spring, summer, fall, and winter maintenance, care and waterwise conservation. This shall include presentations supplemented by written materials.
3. Each builder will install a permanent placard at the sprinkler controller and water meter of each domestic and irrigation point of connection stating: "This property has been designed and constructed to meet a Water Efficiency Plan approved by the Town of Castle Rock. This Smart Meter and the corresponding water budget is part of the Water Efficiency Plan specifically designed for this property. Any changes to the installed fixtures and/or landscaping may adversely affect your water bill. For more information, contact Castle Rock Water: (720) 733-6000 or crgov.com/water." A drawing and specification of the placard will be located in the "Water Efficiency Education Packet."



Verification

1. The DTWEP requires each completed residential unit, commercial space, landscape, and irrigation system be inspected by Castle Rock Water. Castle Rock Water shall certify that all residential units, commercial spaces, landscapes, and irrigation systems are being constructed in compliance with the standards outlined in the DTWEP. Castle Rock Water must verify that the number of fixtures match the Water Fixture Unit Calculation submitted and approved with the building permit, as well as the outdoor turf type.
2. Indoor Water Efficiency Standards
 - a. As part of the building permit application, builders will be required to submit detailed information regarding the specific high-efficiency fixtures and appliances being installed to verify that they meet or exceed the standards outlined in the DTWEP. A sample verification *Inspection Sheet – Domestic Usage* is provided in Exhibit B.
3. Outdoor Water Efficiency Standards
 - a. In accordance with the irrigation standards outlined in the DTWEP, a landscape and irrigation plan must be completed for all irrigable area. Each submittal to the Town will be compared to the Design Guidelines to ensure compliance with the DTWEP. Each submittal will be compared to the irrigated turf and outdoor water budget restrictions to ensure compliance with the minimum stated standards. The submittal shall include the name of the Town-registered landscape and irrigation contractors. A sample verification *Inspection Sheet – Irrigation Usage* is provided in Exhibit C.
4. Inspections
 - a. The inspection and certification process has been developed by the Town and the inspectors will be specifically trained to assess compliance with the applicable water efficiency standards. Third party inspection and certification for indoor DTWEP requirements, paid for by the builder, must be provided to the Town prior to the issuance of a Certificate of Occupancy. Outdoor DTWEP requirements will be inspected by Castle Rock Water, prior to Certificate of Occupancy. If a residential Certificate of Occupancy is requested without outdoor inspection and certification due to the time of year, the builder is required to install landscape and irrigation, and schedule an outdoor inspection with Castle Rock Water within 180 days from the Certificate of Occupancy date.
 - b. Any deficiencies must be corrected within 30 days following inspection.
 - c. Failure to satisfactorily complete any inspection item before issuance of Certificate of Occupancy (except as set forth in (a) and (b) above) will result in recalculating the system development fees without the DTWEP and adjustments made to the water bank.
 - d. Except as set forth in (a) above, neither Dawson nor builders shall be responsible for changes or non-compliance arising after issuance of Certificate of Occupancy as a result of action or inaction by the applicable homeowner.
 - e. Outdoor inspections will be completed weather permitting.
5. Castle Rock Water will monitor water usage and enforcement per its policies.

CONFIDENTIAL

PHONE: (303) 437 4063

ADDRESS: 4100 EAST MISSISSIPPI AVENUE, SUITE 500
DENVER, CO 80246

WEB: WWW.AQUASAN.BIZ



Monitoring and Enforcement

1. Individual customer accounts at the Project will receive a custom water budget rate structure (prepared and administered by the Town) where the indoor budget is based on the actual indoor consumption as determined by the average winter monthly consumption (AWMC), and the outdoor budget is based on the plant type/Hydrozones and the actual irrigated area as identified in the approved landscape and irrigation design. The customer water budget rate structure will be used as a tool for monitoring compliance with the DTWEP and reduced water demands. A tiered approach will continue to be used to financially incentivize customers to manage water use within the unit's water budget, and to charge a higher tier for excessive water use. Neither Dawson nor builders shall be responsible for monitoring or enforcement.
2. The Town shall reserve the right to adjust the water budget rate structure consistent with changes to the Town Municipal Code. The Town shall reserve the right to adjust the water budget allocation based on new technology and scientific data consistent with revisions to the Town Municipal Code. The Town's surcharge tier may be adjusted consistent with intent of this reduced water usage development and may be modified by the Town Municipal Code.
3. The water budget rate structure will initially be based as follows:
 - a. Tier 1 – Indoor Use.
 - b. Tier 2 – Outdoor Use. Amount of water required to meet outdoor demands. The outdoor water budget for each building will be customized according to the lot size and the specific landscape and irrigation plan, based on the actual irrigated area and monthly plant material water needs.
 - c. Tier 3 – Excessive Use. Amount of water used in excess of indoor and outdoor water budget. Customers whose water use falls in this tier will be charged a higher rate for excessive water use.
 - d. Tier 4 – Surcharge. The water conservation measure adopted by the Town council assesses an additional charge to each 1,000 gallons used over 40,000 gallons by customers. This tier only applies to residential accounts.

CONFIDENTIAL

PHONE: (303) 437 4063

ADDRESS: 4100 EAST MISSISSIPPI AVENUE, SUITE 500
DENVER, CO 80246

WEB: WWW.AQUASAN.BIZ



References

Product Resources

1. Examples of WaterSense Approved Fixtures: <https://www.epa.gov/watersense/product-search>
2. Examples of ENERGY STAR Approved Appliances: <https://www.energystar.gov/productfinder/>
3. Examples of CEE Approved Appliances: <https://library.cee1.org/content/qualifying-product-lists-residential-clothes-washers>
4. Hot Water Recirculation Solutions: <https://www.uponor-usa.com/en/residential-solutions/uponor-logic>

Literature

1. Town of Castle Rock Minimum Standards for Water Efficiency Plans. July 2021.
2. Town of Castle Rock Landscape and Irrigation Criteria Manual. April 2021.

Exhibit B to Dawson Trails Water Efficiency Program
Inspection Sheet – Domestic Usage and Additional Efficiencies
WEP21-0003

Permit Number: _____

Date: _____

Lot Number / Building Address: _____

Building Type (circle one): Single Family Duplex Townhome Multifamily Nonresidential Mixed-Use

Based on the building type selected, please fill out the following Table 1:

Table 1: Buildout

Multifamily (including but not limited to apartment complex, condominium complex, and rentable townhome-like apartment complex)

Type	Number of Units
Studio	_____
1-Bedroom	_____
2-Bedroom	_____
3-Bedroom	_____
4-Bedroom	_____
5-Bedroom	_____
Total	_____

Single Family (including but not limited to single family detached, duplex (single family attached on separate lots), and individually owned townhomes)

Type	Number of Units
Studio	_____
1-Bedroom	_____
2-Bedroom	_____
3-Bedroom	_____
4-Bedroom	_____
5-Bedroom	_____
Total	_____

Nonresidential and/or Mixed Use

Type	Square Footage
Retail (Grocery)	_____
Retail (Mercantile)	_____
Retail (Restaurant)	_____
Retail (Lodging)	_____
Office	_____
Flex Space (Light Industrial)	_____
Total	_____

Domestic Water Meter Size (in): _____

Please fill out the following information in Table 2. All fixtures, appliances, and management practices must comply with the Design Guidelines detailed in the Dawson Trails Water Efficiency Program. The Inspection Sheet may be modified as deemed appropriate.



Permit Number: _____ Address: _____

Table 2: Indoor Water Fixtures and Appliances Verification Sheet

Fixture Type	Number of Fixtures	Water Metrics	Make/Model	Count	Optional Efficiency Points (for Single Family)
Water Closet (Tank – Private)	Type 1: _____ Type 2: _____	GPF: _____ GPF: _____	/ _____	_____	
Water Closet (Flush – Public)	Type 1: _____ Type 2: _____	GPF: _____ GPF: _____	/ _____	_____	
Urinal (Public)	Type 1: _____ Type 2: _____	GPF: _____ GPF: _____	/ _____	_____	
Sink Faucet (Lavatory)	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Showerhead	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Bathtub Faucet	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Sink Faucet (Kitchen)	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Dishwasher	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Sink Faucet (Laundry)	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Clothes Washer	Type 1: _____ Type 2: _____	WF: _____ WF: _____	/ _____	_____	
Sink Faucet (Utility, Service or Mop)	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Pre-Rinse Spray Valve	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Dipper Well	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Hose Bibb	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	/ _____	_____	
Other	Continuous Hot Water Recirculation Unit/Program	Yes/No/NA (circle one)	/ _____	_____	
	Flow Monitoring/Leak Detection System with Automatic Shutoff	Yes/No/NA	/ _____	_____	
	Point of Use Tankless Electric Water Heater	Yes/No/NA	/ _____	_____	
	Placard Installation (x2)	Yes/No/NA			
	Towel and Linen Reuse Program	Yes/No/NA			
	Pool Cover and Size	Yes/No/NA Size: _____			
	Steam Cooker Ice Machine Freezer	Energy Star: Yes/No/NA Energy Star: Yes/No/NA Energy Star: Yes/No/NA	/ _____	_____	
Single Family Irrigation	Cooling System >6 Cycles of Concentration or Adiabatic	Yes/No/NA			
	ColoradoScape	Front & Side Yard: 3 points* Back Yard: 4 points Total Yard: 7 points *Required per DTWEP			
Point Total for Single Family (must be >=7)					

Developer Initials: _____



Certification Statement

I hereby certify that, to the best of my knowledge, the provided information is complete, true, and accurate. I understand that misrepresentation or falsification of any information provided on this sheet, whenever, discovered, may prohibit me from completing or performing work related to the Dawson Trails development in Castle Rock, CO.

Printed Contact Name: _____

Inspector Name: _____

Contact Signature: _____

Inspection Date: _____

Company: _____

Date: _____

**Exhibit C to Dawson Trails Water Efficiency Program
Inspection Sheet – Irrigation Usage
WEP21-0003**

Permit Number: _____

Date: _____

Lot Number / Building Address: _____

Irrigation Type(s): _____

Total Square Feet of Irrigation (by type): _____

Irrigation Water Meter Size if Separate from Domestic Water Meter (in): _____

The Inspection Sheet may be modified as deemed appropriate.

Landscape Design

The design guidelines for outdoor uses were developed to limit the use of irrigated turf and reduce overall outdoor water demands. The turf areas are restricted to rear yards only and must not exceed 500 SF. Turf grass type shall be low to moderate water using turf per Section 6 in the Town of Castle Rock Landscape and Irrigation Criteria Manual - Kentucky Blue Grass is not permitted

Proposed landscape plans must be summarized as specified in Table 1 below. The Town of Castle Rock approved plant list shall be used to classify selected plants into the appropriate Irrigated Water Use Zone. Landscape plans must be submitted to document compliance with the turf limitations from Table 1.

Table 1: Landscape Irrigation Demands

Irrigated Water Use Zone	Size of Zone (SF)	Gallons/SF/Year	Gallons/Year
Moderate Hydrozone (Turf) Turf Type:		11.84	
Moderate Hydrozone (Non-turf)		9.35	
Low Hydrozone / ColoradoScape		6.23	
Very Low Hydrozone / ColoradoScape		3.12	
Total			



Permit Number: _____ Address: _____

Irrigation System Design

Automatic irrigation system controllers shall be approved by the Town, and be weather based (ET) or soil-moisture based, that automatically adjust irrigation in response to changes in the plants' needs as weather conditions or soil moisture changes. All equipment must comply with the standards listed in the current version of approved Dawson Trails Water Efficiency Program. Design requirements are subject to change as reflected in updated EPA WaterSense Program details and Town of Castle Rock Landscape and Irrigation Criteria Manual.

The Inspection Sheet may be modified as deemed appropriate.

Table 3: Proposed Irrigation System Equipment

Device	Make/Model
Smart Controller	/
Fixed Spray Heads	/
Rotor Heads	/
Drip Emitters	/
Master Valve	/
Flow Sensor	/
ET Monitor / Rain Sensor	/

Certification Statement

I hereby certify that, to the best of my knowledge, the provided information is complete, true, and accurate. I understand that misrepresentation or falsification of any information provided on this sheet, whenever discovered, may prohibit me from completing or performing work related to the Dawson Trails development in Castle Rock, CO.

Printed Contact Name: _____
 Contact Signature: _____
 Company: _____
 Date: _____

Inspector Name: _____
 Inspection Date: _____

Exhibit D1 to Dawson Trails Water Efficiency Program

Water Consumption Analysis Summary

WEP21-0003

Introduction

Water budgets are a key factor for the Town of Castle Rock in planning and developing the necessary water resources needed to serve new development. As part of the Dawson Trails Water Efficiency Program, AquaSan Network, Inc. (AquaSan) and Norris Design (Norris) were tasked to provide water budgets for both domestic and irrigation uses expected at the Project in order to accurately represent the anticipated water usage. These water budgets were examined under the Design Guidelines provided in the Dawson Trails Water Efficiency Program, which give specific instructions on indoor and outdoor requirements implemented to maximize water efficiency and provide for responsible resource management.

Methodology

Domestic water usage is a heavily studied topic by various national organizations including the Environmental Protection Agency (EPA), the American Water Works Association (AWWA) Water Research Foundation, the U.S. Energy Information Administration (EIA), as well as numerous local water districts and utilities in response to a need for greater resource management among dwindling water supplies. As such, ample data surrounding water consumption and water demands exist to provide insightful information as to how water is used in the residential and commercial sectors, while also identifying the best methods for achieving water savings. AquaSan performed a meta-analysis using several of these water consumption studies that examined domestic usage to provide indoor water budgets that accurately represent the Dawson Trails planned development. Irrigation water budgets were provided by Norris and detail the landscape's water usage under different Hydrozones to include: moderate turf usage, moderate non-turf usage, low usage / ColoradoScape, and very low / ColoradoScape.

Results

Analyzing data collected from several water consumption and occupancy studies, as well as detailed landscape and irrigation analysis, AquaSan and Norris have developed the following water budgets for the Dawson Trails development:

Domestic Water Budget

Table 1A: Dawson Trails Domestic Water Budget – Multifamily

Type	Domestic Water Budget (Gal/Unit/Year)
Studio	27,000
1-Bedroom	31,000
2-Bedroom	35,000
3-Bedroom	38,000
4-Bedroom	41,000
5-Bedroom	44,000



Table 1B: Dawson Trails Domestic Water Budget – Single Family, Townhome, and Duplex

Type	Domestic Water Budget (Gal/Unit/Year)
Studio	23,000
1-Bedroom	29,000
2-Bedroom	35,000
3-Bedroom	40,000
4-Bedroom	41,000
5-Bedroom	45,000

Table 1C: Dawson Trails Domestic Water Budget – Nonresidential

Type	Domestic Water Budget (Gal/SF/Year)
Retail (Grocery)	77.00
Retail (Mercantile)	11.00
Retail (Restaurant)	250.00
Retail (Lodging)	91.00
Office	14.00
Flex Space (Light Industrial)	5.00

Irrigation Water Budget

Table 2A: Dawson Trails Irrigation Water Budget – Residential

Type	Irrigation Water Budget (Gallons/SF/Year)
Multifamily (Passive Use Areas)	10.50
Multifamily (Common Areas)	6.00
Single Family, Townhome, Duplex	8.50



Table 2B: Dawson Trails Irrigation Water Budget – Nonresidential

Type	Irrigation Water Budget (Gallons/SF/Year)
Retail (Grocery)	8.00
Retail (Mercantile)	8.00
Retail (Restaurant)	8.00
Retail (Lodging)	8.00
Office	8.00
Flex Space (Light Industrial)	8.00

Table 2C: Dawson Trails Irrigation Water Budget – Other

Type	Irrigation Water Budget (Gallons/SF/Year)
Neighborhood Parks and Open Space	8.50
Public Land Dedication Areas	8.50
Right of Way Areas	6.00

Exhibit D2 to Dawson Trails Water Efficiency Program Water Consumption Analysis WEP21-0003

Introduction

AquaSan Network, Inc. (AquaSan) and Norris Design (Norris) have conducted a water consumption analysis to include domestic and outdoor water use projections for the Dawson Trails Development (also referred to as "Dawson Trails" or "Project") in support of establishing the Water Budget. In order to provide accurate estimates that best represent the Project, a meta-analysis of several water consumption and occupancy studies was performed examining domestic usage in both the residential and nonresidential sectors, with irrigation estimations provided by Norris. The information presented in this Exhibit reviews the domestic and outdoor water demands expected at Dawson Trails under the Dawson Trails Water Efficiency Program (DTWEP) and calculates the anticipated water usage for the Project for different building types. It should be noted that these efficiencies can be surpassed through water management techniques that exceed the standards in the WEP, in which case developers may submit supplementary data that demonstrates a reduced water usage.

Outline

- Project Synopsis
- Residential Domestic Analysis
- Nonresidential Domestic Analysis
- Irrigation Analysis
- Summary
- References

Attachments

- Appendix 1 – Water Use Projections Excel Sheet



Project Synopsis

In review, Dawson Trails will consist of 5,850 total units, 3,200,000 square feet (SF) of commercial space, and approximately 730 acres of irrigable areas. The residential, nonresidential, and irrigation buildouts for the Project are described below in Figures 1A, 1B and 1C:

Figure 1A: Residential Buildout at Dawson Trails

Type	Units
Multifamily	2,323
Single Family, Townhome, Duplex	3,527
Total	5,850

Figure 1B: Nonresidential Buildout at Dawson Trails

Type	Square Footage (SF)
Retail (Grocery, Mercantile, Restaurant, Lodging)	900,000
Office	800,000
Flex Space (Office, Light Industrial)	1,500,000
Total	3,200,000

Figure 1C: Irrigation Buildout at Dawson Trails

Type	Area (SF)	Area (Acres)
Individual Residential Lots	4,917,924	112.90
Residential Neighborhoods	7,568,986	173.76
Multifamily	500,940	11.50
Commerce Areas	1,276,744	29.31
Neighborhood Parks and Open Space	8,311,248	190.80
Public Land Dedication Areas	7,383,420	169.50
Right of Way Areas	1,947,132	44.70
Total	31,906,393	732.47

CONFIDENTIAL



Residential Domestic (Indoor) Analysis

Residential Domestic Usage

To determine accurate domestic water usage rates for the residential portion of Dawson Trails using the prescribed DTWEP, AquaSan first examined the relationship between domestic water consumption and different home efficiencies, as well as the influences of occupancy on daily usage. This information is characterized in the 2011 report, Analysis of Water Use in New Single Family Homes.¹ In this study, domestic water consumption was analyzed in four different single family home types, which included:

- EPA Retrofit: standard single family residences that were retrofitted with high-efficiency appliances and fixtures.
- REUWS: standard single family residences built in the mid 1990's and monitored in the AWWA Research Foundation's 1999 report, Residential End Uses of Water.²
- New Homes: standard single family residences built after January 1, 2001.
- HE New Homes: standard single family residences built with appliances and fixtures equal to WaterSense Program Guidelines Version 1.0. The WaterSense guidelines reviewed in this study for indoor uses serve as the most accurate comparison of the four home types to the Dawson Trails residences following the DTWEP.

The four residential home types observed in this study are shown in Figures 2A and 2B, which disaggregate their daily water usage as it relates to their occupancy. It should also be noted that the end uses of domestic water in single family homes and multifamily homes do not differ significantly, and the values below apply to both residential applications under this capacity:

Figure 2A: Daily Water Usage by Home Type vs. Occupancy

Number of Residents	EPA Retrofit (Gal/Day)	REUWS (Gal/Day)	New Homes (Gal/Day)	HE New Homes (Gal/Day)
1	50.21	87.41	66.30	59.58
2	85.62	141.02	102.60	86.03
3	117.00	186.54	132.46	106.65
4	146.01	227.50	158.79	124.22
5	173.38	265.37	182.75	139.82

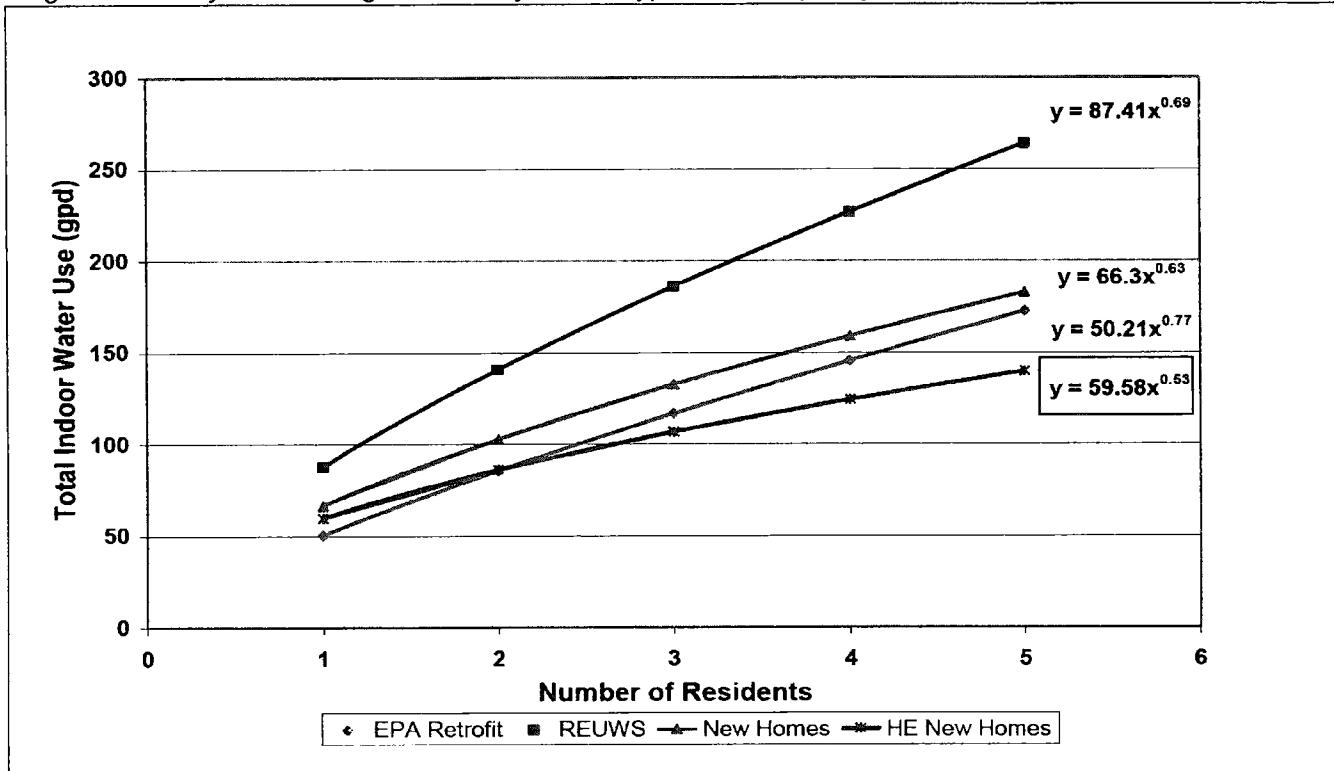
¹ DeOreo, William B. "Analysis of Water Use in New Single-Family Homes." Aquacraft, Inc. Water and Engineering Management, 2011.

² Mayer, Peter W. *Residential End Uses of Water*. AWWA Research Foundation and American Water Works Association, 1999.

CONFIDENTIAL



Figure 2B: Daily Water Usage Curves by Home Type vs. Occupancy



Figures 2A and 2B reveal the significant impacts that water saving efforts have achieved for residences, such as the 1992 Energy Policy Act and the continued development of high-efficiency water appliances and fixtures. These data also demonstrate the relationships between the GCD and occupancy, which are displayed below in Figure 2C:

Figure 2C: Daily Water Usage per Capita by Home Type

Number of Residents	EPA Retrofit (GCD)	REUWS (GCD)	New Homes (GCD)	HE New Homes (GCD)
1	50.21	87.41	66.30	59.58
2	42.81	70.51	51.30	43.01
3	39.00	62.18	44.15	35.55
4	36.50	56.88	39.70	31.06
5	34.68	53.07	36.55	27.96

As seen above, each additional capita per residence results in an overall decrease in the GCD. This correlation is extremely important to understand because it allows AquaSan to define a more accurate GCD for residences based on occupancy rates, instead of using a generalized value for all units. As it relates to Dawson Trails, the HE New Homes curve (with equation $y = 59.58x^{0.53}$) provides the most comparable GCD values to the Project following the DTWEP. With the water consumption defined at differing occupancy rates under the HE New Homes curve, AquaSan must now determine the expected occupancy for the different residential products to assess the domestic usage.



Residential Occupancy

Based on current data obtained from the Town of Castle Rock (Town), residences average 2.90 persons per household, with 2-bedroom single family homes averaging 2.34 persons per home and 3-bedroom single family homes 3.04 persons per home based on metered sewer data.³ In order to define per bedroom occupancy rates for unit types outside of these measured parameters, AquaSan reviewed data collected from the Residential Energy Consumption Survey (RECS) and presented in the EPA's WaterSense Technical Evaluation Process for Approving Home Certifications Methods.⁴ The occupancy equations derived from the RECS are shown below and calculated for the differing multifamily and single family home sizes based on their number of bedrooms in Figure 3:

- *Multifamily Occupants = 1.49 + (0.45 * Number of bedrooms per unit)*
- *Single Family, Townhome, and Duplex Occupants = 1.09 + (0.54 * Number of bedrooms)*

Figure 3: Multifamily, Single Family, Townhome, and Duplex Occupancy Based on Number of Bedrooms

Type of Residence	Studio Occupancy	1-Bedroom Occupancy	2-Bedroom Occupancy	3-Bedroom Occupancy	4-Bedroom Occupancy	5-Bedroom Occupancy
Multifamily	1.49	1.94	2.39	2.84	3.29	3.74
Single Family, Townhome, Duplex	1.09	1.63	2.34 ⁵	3.04 ⁶	3.25	3.79

Daily Demands

By applying the residential occupancy rates observed by the Town and in the RECS to the HE New Home curve equation, AquaSan has an objective evaluation of the occupancy and subsequent water usage for the different residential products based on their bedroom counts. These domestic consumption values are calculated below:

Water Usage Equation

- *HE New Homes equation: $y = 59.58x^{0.53}$*
- *y = Daily Usage (gal)*
- *x = Expected Occupancy (capita)*

Multifamily

- *Studio Daily Domestic Usage (gal): $(59.58) * (1.49)^{0.53} = 73.60$ gal/day*
- *1-Bedroom Daily Domestic Usage (gal): $(59.58) * (1.94)^{0.53} = 84.65$ gal/day*
- *2-Bedroom Daily Domestic Usage (gal): $(59.58) * (2.39)^{0.53} = 94.55$ gal/day*
- *3-Bedroom Daily Domestic Usage (gal): $(59.58) * (2.84)^{0.53} = 103.60$ gal/day*
- *4-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.29)^{0.53} = 112.00$ gal/day*
- *5-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.74)^{0.53} = 119.87$ gal/day*

Single Family, Townhome, and Duplex

- *Studio Daily Domestic Usage (gal): $(59.58) * (1.09)^{0.53} = 62.36$ gal/day*
- *1-Bedroom Daily Domestic Usage (gal): $(59.58) * (1.63)^{0.53} = 77.19$ gal/day*
- *2-Bedroom Daily Domestic Usage (gal): $(59.58) * (2.34)^{0.53} = 93.49$ gal/day*
- *3-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.04)^{0.53} = 107.40$ gal/day*
- *4-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.25)^{0.53} = 111.28$ gal/day*
- *5-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.79)^{0.53} = 120.72$ gal/day*

³ <https://www.towncharts.com/Colorado/Housing/Castle-Rock-Town-CO-Housing-data.html>

⁴ EPA WaterSense, 'WaterSense Technical Evaluation Process for Approving Home Certification Methods, Version 1.0.' EPA WaterSense, 2021, https://www.epa.gov/sites/default/files/2021-02/documents/watersense_final_technical_evaluation_process_for_home_certification_v1.0.pdf

⁵ Value provided by Castle Rock Water on March 23, 2022

⁶ Value provided by Castle Rock Water on March 23, 2022



Dawson Trails Yearly Residential Domestic Water Budget

Using the values calculated above, AquaSan can now determine the yearly residential domestic water budgets for Dawson Trails under its multifamily, single family, townhome, and duplex product types. These yearly consumption values (rounded up to the nearest thousand) are calculated in the "Residential Domestic Usage" Tab of Appendix 1 and summarized below in Figures 4A – 4B:

Figure 4A: Dawson Trails Domestic Water Budget – Multifamily

Type	Domestic Water Budget (Gal/Unit/Year)
Studio	27,000
1-Bedroom	31,000
2-Bedroom	35,000
3-Bedroom	38,000
4-Bedroom	41,000
5-Bedroom	44,000

Figure 4B: Dawson Trails Domestic Water Budget – Single Family, Townhome, and Duplex

Type	Domestic Water Budget (Gal/Unit/Year)
Studio	23,000
1-Bedroom	29,000
2-Bedroom	35,000
3-Bedroom	40,000
4-Bedroom	41,000
5-Bedroom	45,000



Nonresidential Domestic (Indoor) Analysis

Nonresidential Domestic Water Usage

In addition to the 5,850 residential units, Dawson Trails will also develop 3,200,000 SF of nonresidential space primarily in the form of retail, office, and flex space end uses. As nonresidential water consumption varies significantly across the different sectors, AquaSan reviewed aggregated data published across several end use studies including:

- 2012 Commercial Buildings Energy Consumption Survey: Water Consumption in Large Buildings Summary by the U.S. Energy Information Administration (EIA).
- Benchmarking Task Force Collaboration for Industrial, Commercial and Institutional Water Conservation by the Colorado WaterWise Council (CWWC).
- Commercial and Institutional End Uses of Water by the AWWA Research Foundation (AWWA).
- Developing Water Use Metrics for the Commercial and Institutional Sectors with focus on Aurora Water and Colorado Springs Utilities data by the Water Research Foundation (WRF-AW and WRF-CSU).

The average water usage per SF concluded in these studies is detailed below in Figure 5:

Figure 5: Average Annual Water Use per SF in Nonresidential Buildings⁷⁸⁹¹⁰

Type	EIA (Gal/SF/Year)	CWWC (Gal/SF/Year)	AWWA (Gal/SF/Year)	WRF-AW (Gal/SF/Year)	WRF-CSU (Gal/SF/Year)
Grocery	-	-	55.3	-	-
Mercantile	12.2	-	-	7.8	6.7
Restaurant	-	192.0	306.0	159.9	135.1
Lodging	44.5	120.0	72.6	55.5	62.9
Office	14.5	-	14.2	9.6	7.0
Industrial	3.3	-	-	-	4.6

Monte Carlo Simulation

To model an encompassing value that represents each of these studies, a projection analysis tool known as a Monte Carlo Simulation was performed on the average water usage calculated from each dataset. The purpose of a Monte Carlo Simulation is to model the probability of results (in this case, annual water consumption per SF) while accounting for risk and uncertainty in the recorded values. The simulations were conducted with 100,000 iterations of randomly generated numbers following the average consumption under the different nonresidential sectors and reviewed at the 75th percentile to account for the efficient fixtures, appliances, and management practices required in the DTWEP. The results of these simulations are displayed below in Figures 6A and 6B:

⁷ U.S. Energy Information Administration, "2012 Commercial Buildings Energy Consumption Survey: Water Consumption in Large Buildings Summary," U.S. Energy Information Administration, 2017, <https://www.eia.gov/consumption/commercial/reports/2012/water/>

⁸ The Brendie Group, Inc. "Benchmarking Task Force Collaboration for Industrial, Commercial & Institutional Water Conservation," Colorado Water Wise Council, 2007.

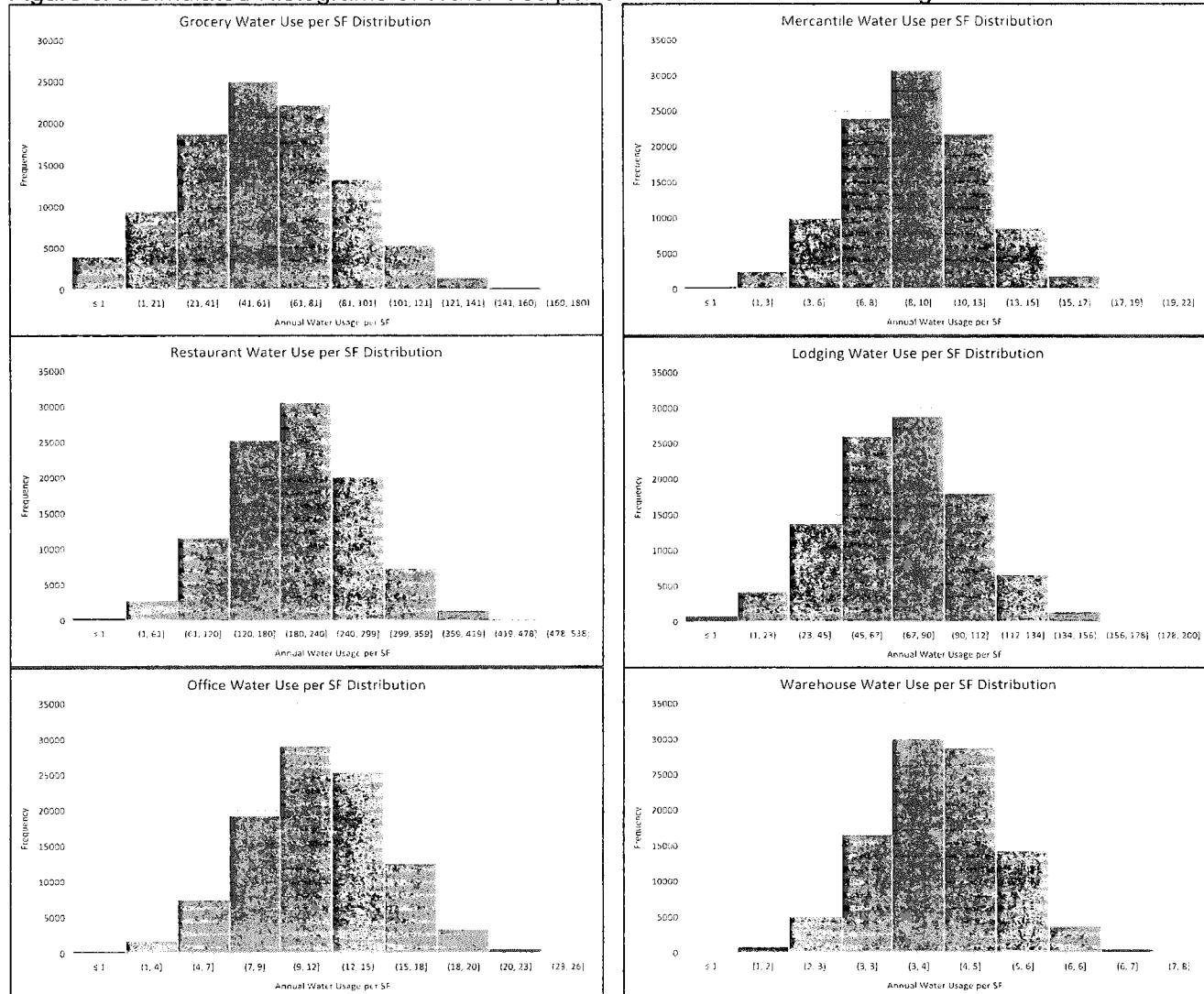
⁹ Dziegielewski, Benedyki, et al. Commercial and Institutional End Uses of Water, AWWA Research Foundation and American Water Works Association, 2000.

¹⁰ Fedak, Rebecca, et al. Developing Water Use Metrics for the Commercial and Institutional Sectors, The Water Research Foundation, 2019.

CONFIDENTIAL



Figure 6A: Simulated Histograms of Water Use per SF in Nonresidential Buildings

Figure 6B: Simulated Water Use per SF in Nonresidential Buildings at the 75th Percentile

Type	Average (Gal/SF/Year)	Standard Deviation (Gal/SF/Year)	75 th Percentile (Gal/SF/Year)
Grocery	55.3	31.1	76.3
Mercantile	8.9	2.9	10.8
Restaurant	198.3	75.5	249.9
Lodging	71.1	29.2	90.6
Office	11.3	3.7	13.8
Industrial	4.0	0.9	4.6



As demonstrated from the simulations, the Monte Carlo method is useful in providing an overarching representation of possible water consumption when using risk-generated flow data derived from the mean and standard deviation of the end use studies used in determining their water use per SF. As AquaSan is examining various uses from different buildings, it is important that these predictive analytics are used to establish a relative value for each nonresidential building type. Using the results from these simulations at the 75th percentile, AquaSan is now able to determine the water usage per SF at Dawson Trails' nonresidential buildings.

Dawson Trails Yearly Nonresidential Domestic Water Budget

Based on the values (rounded up to the nearest one) calculated above, the yearly consumption values for the nonresidential product types are determined in the "Nonresidential Usage" tab of Appendix 1 and summarized below in Figure 7:

Figure 7: Dawson Trails Domestic Water Budget – Nonresidential

Type	Domestic Water Budget (Gal/SF/Year)
Retail (Grocery)	77.00
Retail (Mercantile)	11.00
Retail (Restaurant)	250.00
Retail (Lodging)	91.00
Office	14.00
Flex Space (Light Industrial)	5.00



Irrigation Analysis

Irrigation Usage

Outdoor water usage is primarily based on irrigation design, total landscaped area, landscape type, and weather. As currently estimated, Dawson Trails will provide approximately 732.47 acres of irrigable area categorized under several different landscape types. Norris Design has completed the irrigation water budgets based on a standardized gallons per square-foot per year determination for each product type that aligns with the Town's Landscape and Irrigation Criteria Manual. The conversions rates established from the Town and resulting water budgets are detailed below in Figures 8A-8D:

Dawson Trails Yearly Irrigation Water Budget

Figure 8A: Dawson Trails Hydrozone Conversion

Type	Irrigation Water Budget (Inches/SF/Year)	Irrigation Water Budget (Gallons/SF/Year)
Moderate Hydrozone (Turf)	19.00	11.84
Moderate Hydrozone (Non-Turf)	15.00	9.35
Low Hydrozone / ColoradoScape	10.00	6.23
Very Low Hydrozone / ColoradoScape	5.00	3.12

Figure 8B: Dawson Trails Irrigation Water Budget – Residential

Type	Irrigation Water Budget (Gallons/SF/Year)
Multifamily (Passive Use Areas)	10.50
Multifamily (Common Areas)	6.00
Single Family, Townhome, Duplex	8.50

Figure 8C: Dawson Trails Irrigation Water Budget – Nonresidential

Type	Irrigation Water Budget (Gallons/SF/Year)
Retail (Grocery)	8.00
Retail (Mercantile)	8.00
Retail (Restaurant)	8.00
Retail (Lodging)	8.00
Office	8.00
Flex Space (Light Industrial)	8.00



Figure 8D: Dawson Trails Domestic Water Budget – Parks, Open Space, PLD, and ROW¹¹

Type	Irrigation Water Budget (Gallons/SF/Year)
Neighborhood Parks* and Open Space**	8.50
Public Land Dedication Areas	8.50
Right of Way Areas	6.00

***Parks:** Assumes 30% Moderate Hydrozone, 70% Low / ColoradoScape and Very Low / ColoradoScape Hydrozone

****Open Space:** Assumes 10% Moderate Hydrozone, 90% Low / ColoradoScape and Very Low / ColoradoScape Hydrozone

¹¹ Residential neighborhoods will have attached walks; residential front landscape area will be irrigated by the residential domestic water system.

CONFIDENTIAL

PHONE: (303) 437 4063

ADDRESS: 4100 EAST MISSISSIPPI AVENUE, SUITE 500
DENVER, CO 80246

WEB: WWW.AQUASAN.BIZ



Summary

The data collected in this report are used to quantify the water demands in both the domestic and irrigation applications for Dawson Trails. These projections have been validated by AquaSan and Norris Design in support of determining a water budget for Dawson Trails as part of the DTWEP – a summary of these demands based on the estimated buildout is shown below in Figure 9:

Figure 9: Dawson Trails Water Consumption Estimation

Water Demand Measurement	Estimated Consumption (Gal/Year)	Estimated Consumption (Acre-Foot/Year)
Residential Domestic		
Multifamily	76,775,150	235.61
Single Family, Townhome, Duplex	141,432,700	434.04
Total	218,207,850	669.66
Nonresidential Domestic		
Retail (Grocery, Mercantile, Restaurant, Lodging)	85,185,000	261.42
Office	11,200,000	34.37
Flex Space (Office, Light Industrial)	10,200,000	31.30
Total	106,585,000	327.10
Irrigation		
Individual Residential Lots	44,609,002	136.90
Residential Neighborhoods	47,704,586	146.40
Multifamily	3,747,287	11.50
Commerce Areas	9,254,168	28.40
Neighborhood Parks and Open Space	45,716,895	140.30
Public Land Dedication Areas	52,983,373	162.60
Right of Way Areas	9,742,945	29.90
Total	213,758,256	656.00
Grand Total Water	538,551,106	1,652.75



References

Mayer, Peter W. Residential End Uses of Water. AWWA Research Foundation and American Water Works Association, 1999.

DeOreo, William B., et al. Residential End Uses of Water, Version 2. The Water Research Foundation, 2016.

Dziegielewski, Benedykt, et al. Commercial and Institutional End Uses of Water. AWWA Research Foundation and American Water Works Association, 2000.

Fedak, Rebecca, et al. Developing Water Use Metrics for the Commercial and Institutional Sectors. The Water Research Foundation, 2019.

Kiefer, Jack C. and Krentz, Lisa R., Water Use in the Multi-Family Housing Sector. The Water Research Foundation, 2018.

DeOreo, William B. "Analysis of Water Use In New Single-Family Homes." Aquacraft, Inc. Water and Engineering Management, 2011.

DeOreo, William, et al. "Analysis of Water Use Patterns in Multi-Family Residences." Aquacraft, Inc. Water and Engineering Management, 2008.

The Brindle Group, Inc. "Benchmarking Task Force Collaboration for Industrial, Commercial & Institutional Water Conservation." Colorado Water Wise Council, 2007.

Denver Water. "Water Efficiency Plan." Denver Water, 2020, <https://www.denverwater.org/sites/default/files/water-efficiency-plan-final.pdf>

EPA WaterSense. "WaterSense Specifications for Homes, Version 2.0." EPA WaterSense, 2021, https://www.epa.gov/sites/default/files/2021-02/documents/watersense_final_homes_specification_v2.0.pdf

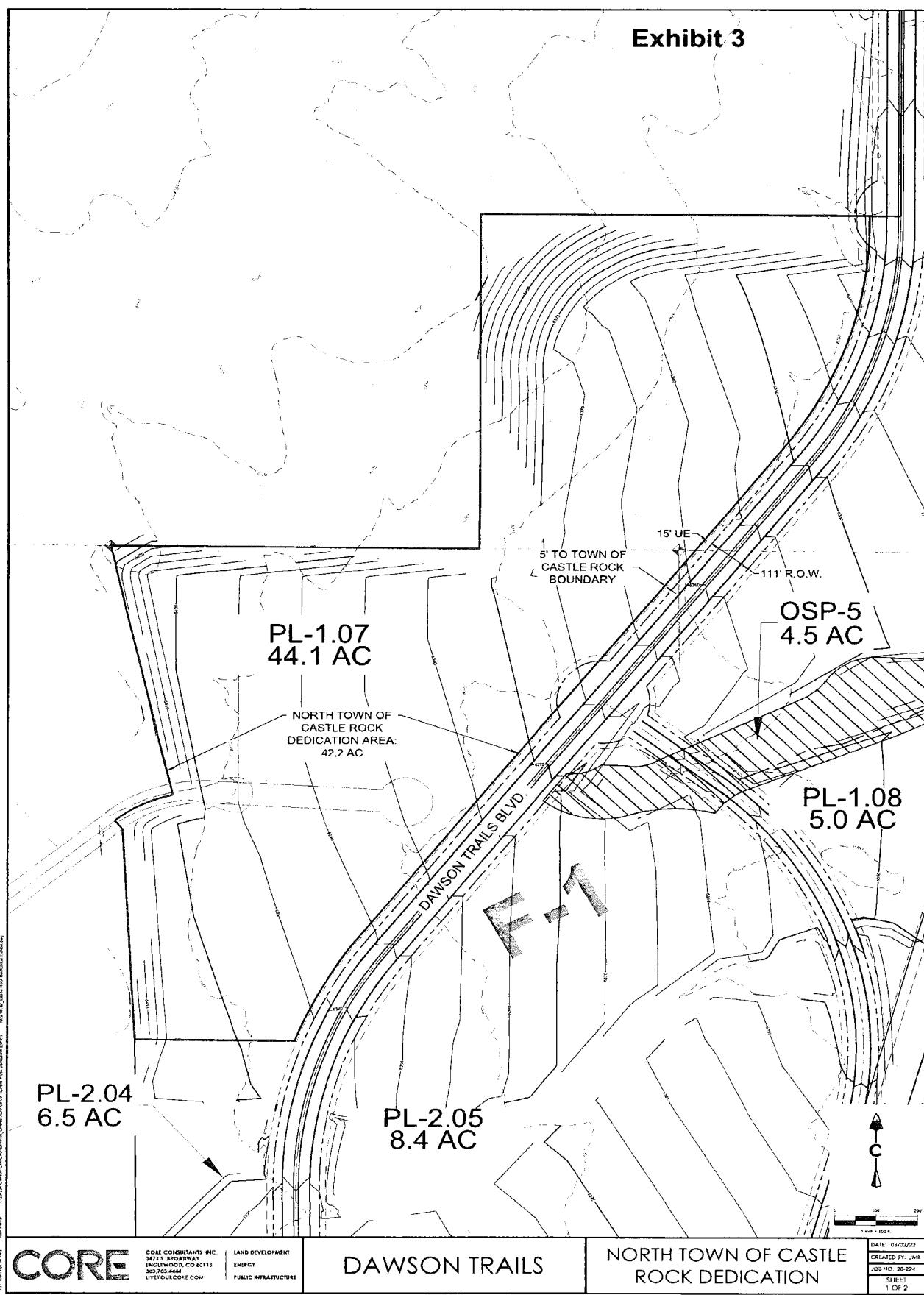
U.S. Energy Information Administration. "2012 Commercial Buildings Energy Consumption Survey: Water Consumption in Large Buildings Summary." U.S. Energy Information Administration, 2017, <https://www.eia.gov/consumption/commercial/reports/2012/water/>

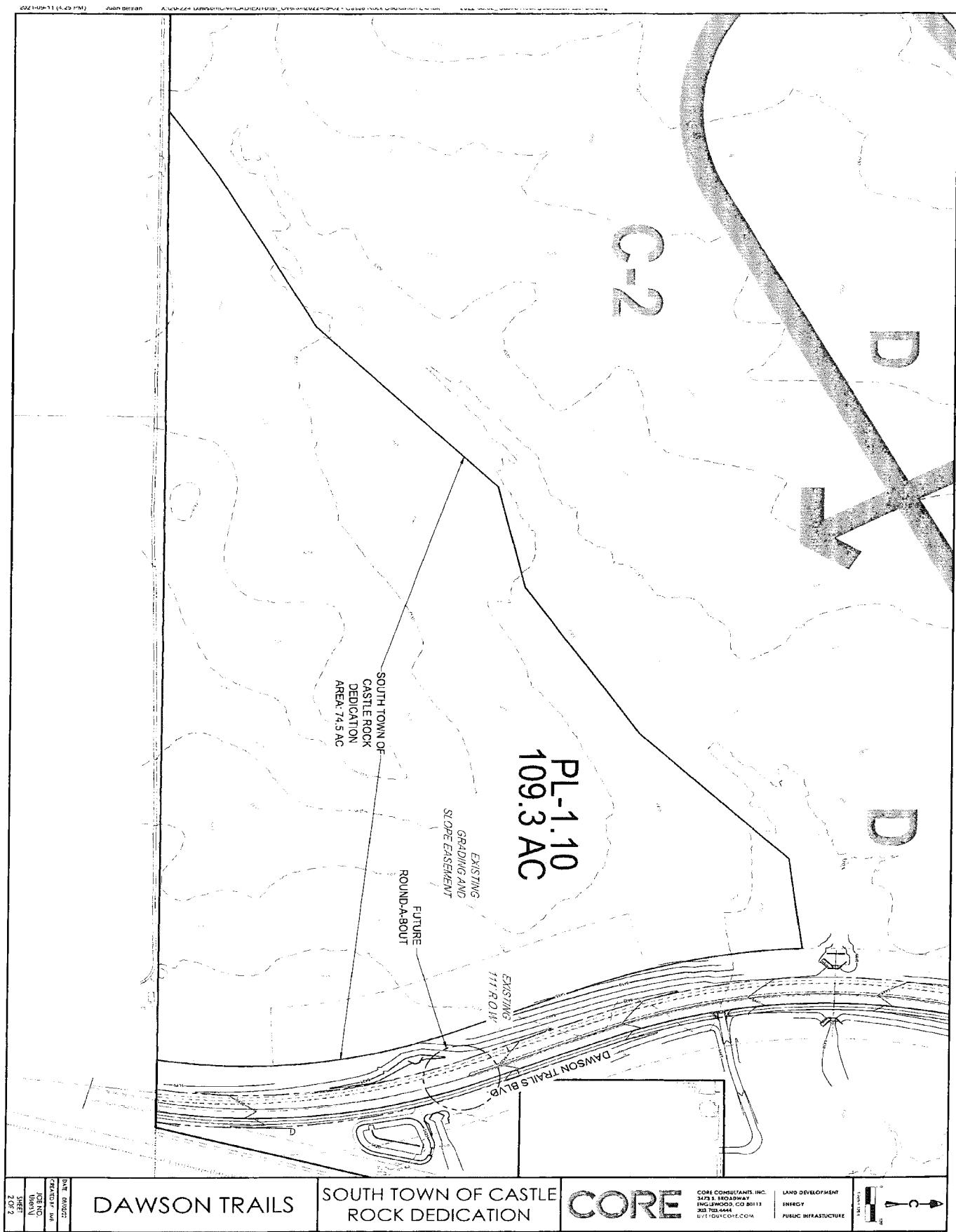
Hoffman, H.W. "Institutional, Commercial and Industrial (ICI) Water Use by the Numbers." H.W. Hoffman & Associates, LLC, 2018, <https://www.iapmo.org/media/5275/3-hoffman-institutional-commercial-and-industrial-ici.pdf>

The Water Research Foundation. "Water use in the Commercial and Institutional Sectors." The Water Research Foundation, 2020, <https://www.waterrf.org/resource/water-use-commercial-and-institutional-sectors>

<https://www.towncharts.com/Colorado/Housing/Castle-Rock-town-CO-Housing-data.html>

Exhibit 3





DAWSON TRAILS

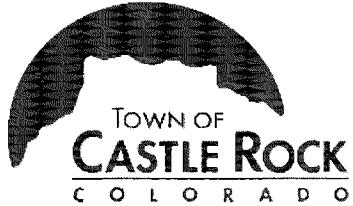
SOUTH TOWN OF CASTLE ROCK DEDICATION

CORE

CORE CONSULTANTS, INC.
3473 S. BROADWAY
ENGLEWOOD, CO 80113
303.763.4444
<http://www.core.com>

LAND DEVELOPMENT
ENERGY
PUBLIC INFRASTRUCTURE

DATE	06/02/22
CREATED BY	IMR
JOB NO.	
Users\	
SHEET	
2 OF 2	



CERTIFICATION OF COPY OF RECORD

State of Colorado)
)
 ss
County of Douglas)

I, Lisa Anderson, Town Clerk of the Town of Castle Rock, in said county and state, do hereby certify that on September 13, 2022, I carefully compared with the original executed document the attached copy of that document of the Town of Castle Rock, Ordinance No. 2022-018, any Exhibits I now hold in my possession. They are complete, full, true, and exact copies of the document they purport to reproduce.

Given under my hand and official seal this 13th day of September, 2022.

(seal)



Lisa Anderson
Town Clerk
Town of Castle Rock
100 Wilcox Street
Castle Rock, CO 80104