

Eagle Bend Metropolitan District
8390 E. Crescent Parkway, Suite 300
Greenwood Village, CO 80111
303. 779. 5710

Meeting Regarding Potential 3rd EBMD Well
Wednesday, October 31, 2018 at 10:00 a.m.
HEB Administration Building

Attendees:

Mark Harding, Rangeview Metropolitan District/President, Pure Cycle
Will Schippers, EBMD Board of Directors
Larry Moore, EBMD Board President
Denise Denslow, District Manager

The purpose of this meeting was to verify information regarding the water rights needed for a potential 3rd well for Eagle Bend MD. EBMD and Rangeview have discussed a number of alternatives over the past 10 years regarding developing water it owns from beneath Section 36 and selling water to EBMD, to the outright purchase of water rights. At various times the parties have discussed certain specifics relating to various proposals however none of these terms have matured into an agreement among the parties.

Mr. Moore teed up the meeting, informing Mr. Harding of the District's need to firm up pricing on a potential well/alternate water source, and that TZA had been directed to provide a proposal to engage in this activity. As part of this process, EBMD needs to know if the cost to purchase water rights from Rangeview Metropolitan District remain the same as been stated before at \$3000 an acre foot. The following information was confirmed during this meeting:

- The current price of the Rangeview water rights is \$3000 an acre foot.
- Rangeview would anticipate that EBMD would purchase all the available rights in the four aquifers. The most cost effective and best water quality would likely be from the Arapahoe aquifer.
- Rangeview is a willing and able seller of these water rights.
- The cost for all water rights at \$3000 an acre foot is \$2.1m; Mr. Harding expressed potential room for negotiation to \$1.8m
- EBMD may be able to use the water rights remaining in the other aquifers in some type of deal with the City, but there is nothing currently known.
- EBMD would have to go through all state permitting processes in order to be able to drill a well.
- The City of Aurora would have to approve the drilling of this well.
- The \$2.1M does not include any costs to drill the well or transport water to the golf course.

The meeting ended with Mark Harding with no follow up requested.