April 12, 2018

To All Customers of Dallas Creek Water Company, Inc.

RE: Emergency Domestic Water Supply

Dallas Creek Water Company, Inc. (DCWC) is working with Tri-County Water Conservancy District (TCW) on an Emergency Domestic Water Supply. Our goal is to connect our two water sources in the event of an emergency such as drought, wildfire or a hazmat situation.

Listed below is information regarding this project:

- DCWC submitted a report to the Colorado Public Utilities Commission (PUC) as requested per our rate increase in May of 2018. We listed four options as potential methods for this project. DCWC and TCW have chosen Option 1 to connect their sources for the backup water supply.

- The estimated cost for this option of same size line of 6” diameter pipe is $340,000.  
  - A more detailed outline of associated line items is available upon request or can be viewed through the PUC.

- DCWC and TCW are in the process of applying for grant funding to the Colorado Water Conservation Board (CWCB) and WaterSmart (Bureau of Reclamation).

- The grant applications total is approximately 50% of the estimated cost for the project.

- The participation between DCWC and TCW will be agreed upon between the two entities upon receipt of total costs to be shared after grant applications have been approved.

- DCWC and TCW are looking at the winter of 2019-2020 for construction.
  - This time frame is necessary in order to obtain whatever grant money may be available. There are no guarantees that we will receive grant money as there is considerable competition.
  - TCW’s contribution to be decided upon by the end of 2019.
  - The balance of funds will need PUC approval from DCWC rate payers.

Please check our website for updates as they become available:
www.dallascreekwater.com