

MEMORANDUM

Board of Directors
TrailMark Metropolitan District

Fairview Water Rights – August 2012 Update to March 2011 Summary

In the March 2011 summary of the District's Fairview Water Rights, we reported that the District had a dispute with the Denver Botanic Gardens over the amount of consumptive use water from the Fairview water rights that was conveyed to the Gardens by the developer of the TrailMark subdivision. The Gardens was claiming 30 acre feet per year, while the District believes that the Gardens was conveyed 20 acre feet per year. As a result, the District filed a statement of opposition to the Gardens' water rights application to challenge the Gardens' position on this issue.

In June, the District successfully resolved its dispute with the Gardens. Both parties signed a stipulation by which the District consented to the entry of the Gardens' water rights decree which provides that the Gardens owns the right to only 20 acre feet per year of consumable water from the Fairview water rights.

Sincerely,

Wayne F. Forman

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