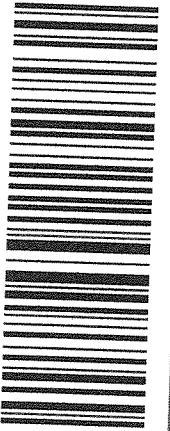


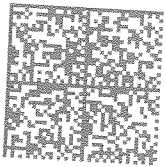
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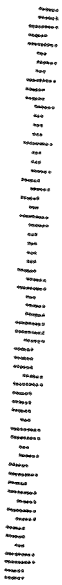
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Kandi L. Anthony
Legal Administrator / Designated Agent for Notice of
Claim
P.O. Box 1575, Mail Code 510
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November 5, 2015

VIA FIRST CLASS CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Wynetta Massey, Esq.
Colorado Springs - Office of the City Attorney
30 S. Nevada, Suite 501
Colorado Springs, CO 80903

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Kandi L. Anthony
Legal Administrator / Designated Agent for
Notice of Claim
P.O. Box 1575, Mail Code 510
Colorado Springs, CO 80901

**Re: Broadmoor Hotel, Inc.'s Notice of Claim Pursuant to the Colorado Governmental
Immunity Act, C.R.S. § 24-10-101, et seq. (the "CGIA")**

Dear Ms. Massey, Mr. Griffith and Ms. Anthony:

This office represents Broadmoor Hotel, Inc. Enclosed please find a Notice of Claim as referenced above.

Sincerely,



John W. Cook

Partner
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D +1 719 448 5912

JWC/at

Enclosures

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**Notice of Claim Pursuant to the Colorado Governmental Immunity Act,
C.R.S. § 24-10-101, et seq. (the "CGIA")**

Broadmoor Hotel, Inc., a Colorado corporation (the "Broadmoor"), and COG Land & Development Company, a Delaware corporation ("COG Land") (collectively, "Claimants"), by and through their counsel, Hogan Lovells US LLP, hereby provide the following Notice of Claim against the City of Colorado Springs ("City"), and its enterprise, Colorado Springs Utilities ("CSU"). In support thereof, and in compliance with C.R.S. § 24-10-109, Claimants submit the following:

1. Name and Address of Claimants and Claimants' Attorney

Claimants	Claimants' Attorney
Broadmoor Hotel, Inc. One Lake Circle Colorado Springs, CO 80906	Hogan Lovells US LLP John W. Cook, #9670 Two North Cascade Avenue, Suite 1300 Colorado Springs, CO 80903
COG Land & Development Company One Lake Circle Colorado Springs, CO 80906	Tel: (719) 448-5900 Fax: (719) 448-5922

2. Factual Basis of Claim

On May 12, 2015, at 5:30 a.m., Claimants discovered water running onto the Broadmoor Mountain Golf Course ("Mountain Course") that was not caused by the Mountain Course irrigation system. Claimant called the CSU repair hotline and CSU met Claimants at 7:00 a.m. that day. Claimants discovered this pipeline break on and/or near their properties (the "Incident") which Claimants believe was caused by CSU's failure to repair, replace, and/or otherwise maintain two water pipelines owned by CSU (the "Pipelines"). The Pipelines are operated by CSU, a "public entity," and constitute a "public water facility" (as those terms are defined in the CGIA). The Pipelines carry water between the Penrose-Fisher and Rosemont reservoirs and are located on a utility easement which generally borders portions of COG Land's property. Certain documents, communications, and other information obtained by Claimants demonstrate that CSU knew, or in the exercise of reasonable diligence, should have known, that the Pipelines were damaged and leaking prior to the Incident. CSU, however, failed to replace and/or repair the Pipelines prior to the Incident. CSU's actions or inactions proximately caused the Incident and substantial damages to Claimants, including, without limitation, increased water absorption and land subsidence in the area surrounding the Pipelines.

3. Nature and Extent of the Injury Claimed

The Incident significantly damaged the Claimants' property and continues to cause adverse impacts, including, without limitation, damaging COG Land's development of five estate lots (the "Estates") and the Broadmoor's operation of the Mountain Course. Although the exact reasons for, and location of, the leak(s), break(s), or other dilapidated conditions in the Pipelines is unknown at this time and within the sole possession of CSU, it is clear that water improperly exited the Pipelines and entered the surrounding property, causing damages to Claimants as a result of CSU's actions or inactions. COG Land is unable to develop the Estates and the Broadmoor was forced to close its Mountain Course to repair the areas directly impacted by the Incident. As further discussed below,

Claimants seek to recover their direct costs to repair the affected areas as well as their lost net profits associated with the inability to utilize the damaged areas.

4. Damages Requested

The Broadmoor suffered, and continues to suffer, monetary damages as a result of the Incident. To date, the Broadmoor has spent \$92,975.55 on repair costs and expects to potentially spend additional funds to repair the remaining damages currently known, which could total several millions of dollars (the "Repair Cost"). In addition to the Repair Cost, the Broadmoor continues to incur significant losses due to lost net profits and related business opportunities. Although impossible to calculate at this time, and subject to daily increase, the Broadmoor estimates such loss to be \$590,000.00 (the "Lost Business").

The damages to COG Land include lost profits associated with developing the Estates, which are currently incapable of being developed and sold. COG Land listed each of the Estates with LIV Sothebys International Realty prior to the Incident with an expected total net profit of \$12,960,000 (the "Estates Net Profit").

The amount of Claimants' losses above is based upon currently available information and is provided only as an estimate of damages known through the date of this notice. Claimants expressly reserve their rights to amend such amounts in the future based upon discovery of additional information.

Claimants hereby notify CSU and/or the City of their claims described above and demand that CSU and/or the City pay Claimants the entire amount of Claimants' losses as described above. Please provide CSU's and/or the City's response no later than ninety days from receipt of this Notice. Failure to respond within ninety days from receipt of this Notice will be deemed as CSU's and/or the City's denial of Claimants' claims pursuant to C.R.S. § 24-10-109(6).

Claimants provide this Notice of Claim out of an abundance of caution and solely to comply with the CGIA, to the extent the CGIA applies to Claimants' claims. By sending this Notice of Claim, Claimants do not admit or concede that the CGIA applies to their claims, and Claimants expressly reserve all causes of action, claims, and other theories of recovery against the City and/or CSU, including, but not limited to, breach of contract, which arise from or relate in any way to the Incident.

Thank you for your prompt attention to this matter.