

ATTACHMENT M

ARTICLE III IMPLEMENTATION AGREEMENT
SUMMIT COUNTY

This Agreement is entered into between the CITY AND COUNTY OF DENVER, acting by and through its BOARD OF WATER COMMISSIONERS (Denver Water); BOARD OF COMMISSIONERS OF THE COUNTY OF SUMMIT (County); and DUNDEE RESORT DEVELOPMENT, LLC, which operates Arapahoe Basin Ski Area (Ski Area).

RECITALS

1. Denver Water has entered into the Colorado River Cooperative Agreement, dated September 26, 2013 (Cooperative Agreement) with numerous West Slope entities (West Slope *Signatories*), including the County, that resolved longstanding issues between the parties.
2. In Article III of the Cooperative Agreement, the County negotiated for Denver Water to provide certain monetary and water supply benefits to entities located in Summit County, including Ski Area, who are not West Slope *Signatories*.
3. This Agreement is intended to afford to Denver Water the consideration negotiated in the Cooperative Agreement in return for the benefits provided to Ski Area.
4. Italicized terms in this Agreement shall have the same meaning as the corresponding term in the Cooperative Agreement.

NOW THEREFORE, Denver Water, County and Ski Area agree as follows:

1. Pursuant to Article III of the Cooperative Agreement, Ski Area will receive the following benefits:
 - a. Upon *Resolution of Blue River Decree Issues*, Denver Water will provide to Ski Area 35 acre-feet of water annually from the "Additional 1493 Acre Feet", pursuant to Article III(B)(14) of the Cooperative Agreement. Ski Area shall provide *Replacement Water* to Denver Water in accordance with Article III(B)(14)(b).
 - b. Accounting for the water provided to Ski Area will be the collective responsibility of the water users listed in Article III(B)(14)(a) of the Cooperative Agreement, in accordance with the terms of Article III(B)(14)(c).
2. In consideration for the benefits described in paragraph 1, Ski Area agrees to comply with all the provisions of Articles IV and VII of the Cooperative Agreement that are applicable to West Slope *Signatories*. With regard to all conditional water rights presently owned by Ski Area, which are listed in Attachment A, Denver Water agrees to withdraw any statements of opposition to Ski Area's pending diligence filings and not to oppose Ski Area's pending or future diligence applications, including applications to

make the listed conditional rights absolute, provided, however, that Denver Water may file statements of opposition to such applications for the limited purpose of ensuring compliance with the obligations of this Agreement.

3. In consideration for terms of this Agreement, Ski Area agrees that: it is not a third party beneficiary of or under the Cooperative Agreement; that it will not assert a claim to be a third party beneficiary of or under the Cooperative Agreement; any references to the Cooperative Agreement are strictly for the purposes set forth herein; and, that by all appropriate action it has ratified and approved this Agreement.
4. Venue for resolution of any dispute of water matters under this Agreement resulting in litigation shall be the District Court, Colorado, for the appropriate Water Division or federal district court, as appropriate under the Blue River Decree. Venue for all other matters under this Agreement resulting in litigation shall be the Colorado District Court for the county in which any defendant resides. This Agreement shall be construed in accordance with and governed by the laws of the State of Colorado.
7. For the purposes of this Agreement, any notice shall be deemed received on the day the written notice is placed in the U.S. Mail, first class postage prepaid, addressed as follows:

To Denver Water:

Denver Water Board
Attention: Manager
1600 West 12th Avenue
Denver, CO 80204

To Ski Area:

Dundee Resort Development, LLC
Attention: Vice President/Chief Operating Officer
Arapahoe Basin Ski Area
P.O. Box 5808
Dillon, Colorado 80435

To County:

County Manager
208 E. Lincoln Avenue
P.O. Box 68
Breckenridge, CO 80424

8. This Implementation Agreement may be executed in two or more counterparts, each of which shall be deemed an original, all of which shall constitute one and the same. Such counterparts may be transmitted by facsimile, the facsimile to have full force and effect as if it were an original.

9. Nothing contained herein shall be construed to be a waiver or partial waiver of any Party's governmental immunity.

IN WITNESS WHEREOF, the parties have executed this Agreement, effective the 14th day of November, 2012.

CITY AND COUNTY OF DENVER,
acting by and through its
BOARD OF WATER COMMISSIONERS

ATTEST:

[Signature]
Secretary

[Signature]
President

APPROVED AS TO FORM:

[Signature]
Legal Division

REGISTERED AND COUNTERSIGNED:
Dennis J. Gallagher, Auditor
CITY AND COUNTY OF DENVER

By: [Signature]
Deputy Auditor

SUMMIT COUNTY

[Signature]
Title: Chairman

DUNDEE RESORT DEVELOPMENT,
LLC

[Signature]
Title: VP/COO

ATTACHMENT A

ARAPAHOE BASIN CONDITIONAL WATER RIGHTS				
<i>Structure</i>	<i>Case Number</i>	<i>Amount</i>	<i>Appropriation Date</i>	<i>Source</i>
Midway Well	85CW614 95CW197 08CW104	15 g.p.m., absolute 15 g.p.m., conditional	September 12, 1985	North Fork of Snake River
Arapahoe Basin Snowmaking Reservoir First Enlargement	98CW95 03CW233 10CW139	3.6 AF, absolute 1.9 AF, conditional	September, 1997	North Fork of Snake River
Arapahoe Basin Snowline Alternate Point of Diversion	98CW95 08CW104	1.1 c.f.s., conditional	December 17, 1980	North Fork of Snake River
Right of exchange from Clinton Gulch Reservoir & Williams Fork Reservoir to Midway Well	92CW331 08CW104	30 g.p.m., conditional	July 21, 1992	Williams Fork River, Blue River, North Fork of Snake River
Right of exchange from Green Mountain Reservoir to Midway Well	85CW614 08CW104	30 g.p.m., conditional	December 31, 1985	Blue River, Snake River, North Fork of Snake River