

ATTACHMENT M

ARTICLE III IMPLEMENTATION AGREEMENT GRAND COUNTY

This Agreement is entered into between the CITY AND COUNTY OF DENVER, acting by and through its BOARD OF WATER COMMISSIONERS (Denver Water); and the WINTER PARK RECREATIONAL ASSOCIATION (Association)

RECITALS

1. Denver Water has entered into the Colorado River Cooperative Agreement, dated _____, 2012 (Cooperative Agreement) with numerous West Slope entities (West Slope *Signatories*), including Grand County, that resolved longstanding issues between the parties.
2. In Article III of the Cooperative Agreement, Grand County negotiated for Denver Water to provide certain monetary and water supply benefits to entities located in Grand County, including Association, 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 Association.
4. Italicized terms in this Agreement shall have the same meaning as the corresponding term in the Cooperative Agreement.

NOW THEREFORE, Denver Water and Association agree as follows:

1. Pursuant to Article III of the Cooperative Agreement, Association will receive the following benefits:
 - a. As a project sponsor of one of the water supply projects described in Attachment L of the Cooperative Agreement, Association will be eligible to receive funding for its project from the following amounts to be paid into a fund by Denver Water under Article III(E)(14):
 - i. \$1.95 million upon execution of this Article III Implementation Agreement.
 - ii. \$2 million within six months after *Issuance and Acceptance by Denver Water of Permits Necessary for the Moffat Project or Resolution of the Blue River Decree issues*, whichever occurs later.
 - b. Upon execution of this Article III Implementation Agreement, Denver Water will provide Clinton Bypass Water to Association on a year round basis, as specified in the 2012 Grand County Water Users Operating Plan (Operating Plan), subject to the provisions of Article III(E)(15) of the Cooperative Agreement.

ATTACHMENT M

- c. Upon *Issuance and Acceptance by Denver Water of Permits Necessary for the Moffat Project*, Denver Water will provide to Association 100 acre-feet of water annually pursuant to Article III(E)(20) of the Cooperative Agreement, and as specified in the Operating Plan. Association shall provide *Replacement Water* to Denver Water in accordance with Article III(E)(20) and Article I(A)(4) of the Cooperative Agreement and the Operating Plan.
 - d. In accordance with Article III(E)(20) and footnote 1 in Article III.B.14 of the Cooperative Agreement, this water may be used for snowmaking purposes and is entitled to a snowmaking ratio of not more than 5 to 1 (or such other ratio based on the amount of credited snowmaking return flows established by subsequent decrees.) Denver Water and Association agree to participate in joint studies on the amount and timing of snowmaking return flows from each ski resort using the foregoing water, and to cooperate in maximizing the amount of snowmaking return flows in any Water Court proceeding. The combined volume of water for snowmaking amounts under Article III of the Cooperative Agreement, excluding snowmaking by the Town of Frisco under Article III.B.11, and the Clinton Reservoir - Fraser River Water Agreement, dated July 21, 1992, shall not exceed 6000 acre feet.
2. The Association agrees that the funds provided under paragraph 1 will be used only for its project listed in Attachment L to the Cooperative Agreement.
 3. In consideration for the benefits described in paragraph 1, Association 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 Association, which are listed in Attachment A, Denver Water agrees to withdraw any statements of opposition to pending diligence filings and not to oppose 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. In addition, Denver Water agrees not to oppose Association's application for water rights for the Fraser River Pump and Pipeline described in the Operating Plan; provided, however, that the Association will provide a copy of the proposed application to Denver Water for review at least 30 days prior to filing, and that Denver Water may file a statement of opposition to such application for the limited purpose of ensuring compliance with the obligations of this Agreement and the Operating Plan.
 4. In consideration for terms of this Agreement, the Association 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.
 5. 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

ATTACHMENT M

defendant resides. This Agreement shall be construed in accordance with and governed by the laws of the State of Colorado.

6. 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 Association:

Winter Park Recreational Association
P.O. Box 36
Winter Park, CO 80402

7. 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.

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

ATTACHMENT M

IN WITNESS WHEREOF, the parties have executed this Agreement, effective the ____ day of _____, 2012.

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

ATTEST:

Secretary

President

APPROVED AS TO FORM:

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

Legal Division

By: _____

**WINTER PARK RECREATIONAL
ASSOCIATION**

Title: _____

ATTACHMENT A

**WINTER PARK RECREATIONAL ASSOCIATION (WPRA)
Description of Conditional Water Rights**

Ditch or Structure	Source	Use	Amount	Adjudication Date	Case No. (diligence)
Lunch Rock Well No. 2	Groundwater tributary to the Fraser River and Little Vasquez Creek	Domestic, sanitary and commercial purposes	25 gpm conditional	December 31, 1991	91CW240 (98CW169) (05CW115)
Vasquez Well No. B1	Groundwater tributary to Little Vasquez Creek and Vasquez Creek	Domestic, sanitary and commercial purposes	25 gpm conditional	December 31, 1992	92CW333 (02CW104) (09CW47)
Vasquez Well No. B2			25 gpm conditional		
Vasquez Well No. B3			25 gpm conditional		
Vasquez Well No. B4			25 gpm conditional		
Vasquez Well No. B5			25 gpm conditional		
Vasquez Well No. B6			25 gpm conditional		
Vasquez Well No. M1			25 gpm conditional		
Vasquez Well No. M2			25 gpm conditional		
Vasquez Well No. M3			25 gpm conditional		
Vasquez Well No. T1			25 gpm conditional		
Vasquez Well No. T2	25 gpm conditional				
Vasquez Well No. T3	25 gpm conditional				

ATTACHMENT A

Bypass Water Right	Fraser and Williams Fork Rivers	Augmentation, substitution and exchange	0.67 cfs conditional	December 31, 1992	92CW333 (02CW104) (09CW47)
Middle Park – Vasquez Wells and Bypass Water Exchange Right	Water from the Middle Park Water Conservancy District exchanged up the Colorado, Fraser and Williams Fork Rivers	Replace depletions under the plan for augmentation decreed in Case No. 92CW333	0.67 cfs conditional		
Village Core Pond Diversion	Fraser River	Filling, refilling and providing freshening flows to the Village Core Pond, and the associated commercial, recreational, piscatorial, fire protection, fish and wildlife habitat and aesthetic uses of the Village Core Pond	0.25 cfs conditional	October 31, 2007	07CW194 (pending)
Village Core Pond	Fraser River	Commercial, recreational, piscatorial, fire protection, fish and wildlife habitat and aesthetics	1.08 acre-feet conditional		
Middle Park – Village Core Pond Exchange Right	Water from the Middle Park Water Conservancy District exchanged up the Colorado and Fraser Rivers	Replace depletions under the plan for augmentation decreed in Case No. 07CW194	0.25 cfs conditional		