

INTERAGENCY AGREEMENT

THIS INTERAGENCY AGREEMENT ("Agreement") is entered into this ____ day of _____, 2015, between the CITY AND COUNTY OF DENVER, a municipal corporation of the State of Colorado, acting by and through its BOARD OF WATER COMMISSIONERS (the "Board") and the CITY AND COUNTY OF DENVER, acting by and through its DEPARTMENT OF PARKS AND RECREATION ("Parks"), together "the Parties."

Recitals

WHEREAS, the Board owns and operates a municipal water supply system that provides water supply for inhabitants of the City and County of Denver and by contract to certain areas outside the boundaries of the City and County of Denver;

WHEREAS, the Charter of the City and County of Denver at Article II Part 4 contains certain provisions that establish the authority of Parks to manage, operate and control parks and recreational facilities within and without the City's boundaries;

WHEREAS, the Charter of the City and County of Denver at Article 10.1.12 contains certain provisions that apply to water service to the municipal government of the City and County of Denver;

WHEREAS, the Parties recognize that they serve many of the same customers and residents;

WHEREAS, the Parties further recognize that there are several areas in which they can cooperate to attain their individual and joint goals; and

WHEREAS, the Parties have a history of cooperative efforts and wish to continue that cooperation to the mutual benefit of their customers and residents;

NOW THEREFORE, in consideration of the promises set forth herein, the Parties agree as follows.

Article I – Wellshire Golf Course

1.1 Overview

1.1.1 Parks operates the City-owned Wellshire Golf Course ("Wellshire"), the boundaries of which are shown on **Exhibit 1**. Parks uses water delivered under its Antero Reservoir Certificate and High Line Canal Certificate, as defined below, to irrigate Wellshire:

1.1.1.1 Antero Reservoir Certificate: Antero Reservoir water, delivered from the High Line Canal at Headgate No. 84, evidenced by account number 7883061833 on the records of the Board, and as further evidenced by

Antero Reservoir Certificate No. 292, as registered in the name of the City and County of Denver, which right is hereinafter referred to as the “Antero Reservoir Certificate.”

1.1.1.2 High Line Canal Certificate: High Line Canal diversions, delivered from the High Line Canal at Headgate No. 84, evidenced by account number 4718436435 on the records of the Board, and as further evidenced by High Line Canal Contract No. 08308B, as registered in the name of the City and County of Denver, which right is hereinafter referred to as the “High Line Canal Certificate.”

1.1.1.3 Together, the Antero Reservoir Certificate and High Line Canal Certificate are referred to herein as the “Antero Reservoir and High Line Canal Certificates.”

1.1.2 In 2013, deliveries of water under Parks’ Antero Reservoir and High Line Canal Certificates were interrupted due to drought conditions at which time the Board and Parks negotiated a temporary arrangement to supply water from an alternative source.

1.1.3 Parks currently irrigates the golf course by pumping water from Skeel Reservoir, a 240 acre-foot reservoir, located on the Wellshire golf course as shown on **Exhibit 1**. Skeel Reservoir seeps and is currently subject to a storage restriction by order of the Colorado State Engineer’s Office. As currently operated, water is delivered under the Antero Reservoir and High Line Canal Certificates through the High Line Canal to Skeel Reservoir, which stores water until the water can be fed into the Wellshire irrigation system by means of a pump station in Skeel Reservoir.

1.1.4 Wellshire also has an on-site well (the “Well”) as shown on **Exhibit 1**. The Well requires rehabilitation and produces poor quality water from the Laramie-Fox Hills Aquifer. In addition, Wellshire is served potable water by means of a 6-inch tap (the “Tap”), which is fed through a 6-inch Denver Water main (the “Water Main”) as depicted on **Exhibit 1**. Potable water deliveries through the Tap and Water Main are hampered by pressure issues. Due to the design of Wellshire’s irrigation system, water from the Well and the Tap can be used for golf course irrigation only after being released to Skeel Reservoir where the water is subsequently withdrawn by Wellshire for irrigation. Wellshire’s irrigation system is approximately twenty years old and is also in need of rehabilitation.

1.1.5 Parks has a water management plan for Wellshire that shows an irrigation need of at least two hundred (200) acre-feet annually. In previous years, Wellshire has undergone several changes to reduce turf to lessen the need for irrigation.

1.1.6 It is in the Board’s interest and consistent with its policies to reduce its delivery obligations under the Antero Reservoir and High Line Canal Certificates to Wellshire, and from the High Line Canal and Antero Reservoir generally.

1.1.7 Parks has been working with the Board and other stakeholders on the High Line Canal toward a future where the High Line Canal is no longer used for water deliveries.

1.1.8 The Board and Parks agree that a permanent, more reliable water supply is needed for Wellshire, and that ultimately Wellshire should not rely on deliveries made through the High Line Canal.

1.2 Agreement

1.2.1 Water Main Replacement and Extension. The Board shall replace at its own cost the Water Main in E. Eastman Avenue between S. Albion Street and Colorado Boulevard with a new 12-inch main approximately 280 feet in length and replace the existing 6-inch Service Line with approximately 130 feet of 12-inch pipe to a new 10-inch meter, that will be paid for by Parks, in the existing meter vault if possible. Additionally, Parks estimates that installing a line from the meter to the pump house will cost approximately \$162,963.50. The Board will pay to Parks Eighty Thousand Dollars (\$80,000.00) of this cost within thirty (30) days of Parks notifying the Board that Parks has entered into an agreement for the work, which shall be returned in the event the work does not occur.

1.2.2 Assignment of Well and Nontributary Rights. Parks shall lease to the Board at no charge any interests it has in any nontributary water and not-nontributary water in the Dawson, Denver, Arapahoe, and Laramie-Fox Hills aquifers (collectively the "Aquifers") underlying Wellshire to the Board, including any such water rights decreed to the Well, and consent to the Board's withdrawal of any nontributary or not-nontributary water from the Aquifers underlying Wellshire. If Wellshire Golf Course is selected as a site pursuant to 3.1.1 below, Parks will allow the Board to use the Well and/or a site at Wellshire for the Board's "Aquifer Storage and Recovery Pilot Program" as further described in 3.1.1. All Board rights to use the Well and the site, including the nontributary and not-nontributary water underlying Wellshire, shall terminate at the end of pilot testing unless a separate agreement is reached to extend use of the site as described in 3.2.4 below.

1.2.3 Skeel Reservoir. As a result of potable water deliveries to Wellshire to be made under this Agreement, Skeel Reservoir will no longer be necessary to operate Parks' irrigation system at Wellshire. Parks shall be solely responsible for determining the future use if any of Skeel Reservoir and for the costs of decommissioning and discontinuing the use of Skeel Reservoir for storage of potable water. The Board does not object to Park's use of Skeel Reservoir to detain storm water, but in no event shall Skeel Reservoir be filled using potable water. The Board does not assume any responsibility for ensuring Skeel Reservoir is in compliance with Colorado water and storm water management laws.

1.2.4 Wellshire Irrigation System. Parks shall re-prioritize replacement of the irrigation system at Wellshire to ensure efficient potable water use necessary to irrigate Wellshire golf course within five (5) years after the Board completes its construction obligation described in 1.2.1 above, subject to appropriation and available funding.

1.2.5 Investment in Irrigation System and Other Efficiency Measures. Parks agrees it will invest a minimum amount of One Million Fifty Thousand Dollars (\$1,050,000.00) into Wellshire Golf Course for improvements to the irrigation system and other water efficiency measures at Wellshire. The Board will pay to Parks One Million Fifty Thousand Dollars (\$1,050,000.00) to assist with these improvements within thirty (30) days of Parks' written notification to the Board that Parks has entered into an agreement for the work. Parks shall bear any costs associated with this work in excess of One Million Fifty Thousand Dollars (\$1,050,000.00). Should Parks fail to complete the irrigation improvement and other water efficiency measures at Wellshire within five (5) years after the Board completes its construction obligation described in 1.2.1 above, Parks will return the One Million Fifty Thousand Dollars (\$1,050,000.00) to the Board.

1.2.6 Conveyance of Antero Reservoir and High Line Canal Contracts. Parks agrees to convey to the Board all of Parks' right, title, interest, and ownership, including all water, contract rights, and rights to the use of water under its Antero Reservoir and High Line Canal Certificates in exchange for the Board's perpetual delivery to Parks of water as described herein. Parks shall, within thirty (30) days after the Board completes its construction obligation described in 1.2.1 above, present to the Board any and all Antero Reservoir and High Line Canal Certificates, contracts, supplemental contracts or other evidence of title in the possession of Parks and draft quit-claim deeds conveying the Antero Reservoir and High Line Canal Certificates to the Board ("Title Documents"). Within sixty (60) days after the Board completes its construction obligation described in 1.2.1 above, the Board will provide written notice to Parks of any objections it has to the Title Documents and Parks and the Board will attempt to cure any objections raised by the Board. If the Board is otherwise satisfied with the Title Documents, no later than ninety (90) days after the Board completes its construction obligation described in 1.2.1 above, Parks will deliver good and sufficient quit-claim deeds conveying the Antero Reservoir and High Line Canal Certificates appropriately assigned, and any other instrument of conveyance required by the Board conveying the Antero Reservoir and High Line Canal Certificates to the Board.

1.2.7 Issuance of Temporary Contracts. At the time of Parks' conveyance of the Antero Reservoir and High Line Canal Certificates to the Board, the Board will issue temporary contracts for water deliveries from the High Line Canal up to an amount not to exceed Parks' current High Line Canal Certificates subject to the delivery charge that Parks has most recently paid the Board for High Line Canal water deliveries. An example of the temporary delivery contract is attached hereto as **Exhibit 2**. The temporary contract for the High Line Canal water will automatically terminate within: (1) five (5) years after the Board completes its construction obligation described in 1.2.1 above, and shall not be renewed; or (2) upon written notice from Parks that a new irrigation system has been installed at Wellshire as required by 1.2.5 above, whichever

occurs first. During this period, Parks may use the High Line Canal water delivered under its temporary contract as the majority component of its irrigation system.

1.2.8 Delivery of Potable Water for Irrigation of Wellshire. After deliveries to Wellshire by means of the High Line Canal are discontinued under the temporary contracts described above, in accordance with the Charter provisions referenced above, the Board will deliver potable water for irrigation purposes at Wellshire. Parks will be charged Fifteen Cents (\$0.15) per one thousand (1,000) gallons for water delivered under the Antero Reservoir and High Line Canal Certificates for potable water used for irrigation at Wellshire up to a maximum annual amount of 65,170,200 gallons. The rate paid by Parks shall be adjusted annually by the same percentage as adjustments to the rate Parks pays for raw water delivery for irrigation purposes, when necessary. Seven (7) years after the Effective Date of this Agreement the rate for the potable water to irrigate Wellshire will be raised to the City's raw water rate. For any additional potable water used for irrigation, Parks will pay the City raw water rate. This arrangement shall continue for so long as the property is used for Parks purposes including a municipal golf course.

1.2.9 Water Use Restrictions. Parks agrees that the Board may limit the delivery of potable water to Wellshire hereunder in accordance with the Board's Operating Rules during periods of shortages or system emergencies. Accordingly, water deliveries to Wellshire as set forth in this Agreement will be curtailed progressively during such times as use restrictions are applied to all customers within the Board's Combined Service Area.

1.2.10 Alternate Supply. The Board shall have the right to deliver an alternate supply of water in the same amount and at the same rate as described in 1.2.8 above, to Parks for irrigation of Wellshire in lieu of potable water to be delivered under this Agreement. The alternate supply may be from any source available to the Board including non-potable sources such as recycled water, so long as water quality is sufficient to meet the needs of the golf course, if and when the opportunity arises; but in no case shall Wellshire resume non-potable deliveries from the High Line Canal.

Article II – Harvard Gulch

2.1 Overview

2.1.1 Harvard Gulch Park, Harvard Gulch North Park and Harvard Gulch Golf Course (collectively the "Harvard Gulch Park Complex"), the boundaries of which are shown in **Exhibit 3**, currently irrigate using potable water. Parks operates the City-owned Harvard Gulch Golf Course.

2.1.2 The Harvard Gulch Park Complex together uses approximately 126 acre-feet of water on an average annual basis.

2.1.3 Parks has already invested in redesigning the irrigation system for

Harvard Gulch Park for more efficient use of water, and the Board helped fund a redesign to potentially move irrigation of the Harvard Gulch Park and Golf Course to a raw water source supplied by the City Ditch. Parks has completed the construction phase of the redesigned irrigation system at Harvard Gulch Park.

2.1.4 The Board and Parks agree that the Harvard Gulch Park Complex should be irrigated with raw water supplied by the City Ditch, which will lower water costs for Parks, increase the Board's potable water supplies and put to use a valuable existing raw water supply under the Board's City Ditch Water Right.

2.2 Agreement

2.2.1 Redesign of Harvard Gulch North Park and Golf Course. Within five (5) years after the Effective Date of this Agreement, Parks shall complete its construction of the redesigned irrigation system at the Harvard Gulch North Park and Harvard Gulch Golf Course using its own resources, assuming that the Board makes the payment described in 2.2.3 below.

2.2.2 City Ditch Water Deliveries. City Ditch will be used to divert non-potable water and deliver such water from the City Ditch headgate at Chatfield Reservoir to Harvard Gulch Park Complex. The City of Englewood ("Englewood") is responsible for operating the City Ditch head gate under the revised 2003 City Ditch/High Line Canal Agreement to deliver water to Harvard Gulch Parks Complex. The obligations of the Board under this Agreement are not superseded or overridden by the 2003 City Ditch/High Line Canal Agreement.

2.2.3 Board Contribution for City Ditch Delivery Facilities. The Board will contribute a maximum amount not to exceed One Million One Hundred Thousand Dollars (\$1,100,000.00) for Parks' actual costs associated with the design, permitting, and construction of facilities ("City Ditch Delivery Facilities") necessary to deliver water from City Ditch to a pond at Harvard Gulch Park. The Board will pay this amount within thirty (30) days of Parks notifying the Board that Parks has entered into an agreement for the design work for the City Ditch Delivery Facilities, which shall be returned in the event the work does not occur. Parks shall bear any costs associated with this work in excess of One Million One Hundred Thousand Dollars (\$1,100,000.00). The City Ditch Delivery Facilities shall consist of the following:

2.2.3.1 enlargement and lining of the pond at Harvard Gulch Park Complex so that the pond can store approximately five (5) acre-feet of irrigation water; and

2.2.3.2 construction of a pump and pump station to irrigate from the pond at Harvard Gulch Park Complex; and

2.2.3.3 upgrades to or retrofit of the City Ditch needed to provide for delivery of nonpotable water for irrigation purposes at Harvard Gulch Park

Complex.

2.2.4 Design and Construction of City Ditch Delivery Facilities. Parks will provide design and construction plans for the City Ditch Delivery Facilities to the Board for its review prior to letting a contract for construction. The Board's review shall be limited to determining whether Parks' design and construction of the City Ditch Delivery Facilities is consistent with the Board's own waterworks operations including adequate metering and access to the headgate. Parks will not rely on the Board's review of the design and construction plans for the City Ditch Delivery Facilities and will release the Board from any claims should the City Ditch Delivery Facilities fail to serve their intended purpose.

2.2.5 Ownership of City Ditch Delivery Facilities. Parks will own the City Ditch Delivery Facilities, and be solely responsible for the operation and maintenance of the City Ditch Delivery Facilities, except as may otherwise be provided under the 2003 City Ditch/High Line Canal Agreement between Denver Water and Englewood.

2.2.6 Conversion to Non-potable Water. Upon completion of the City Ditch Delivery Facilities, Parks shall convert to using only non-potable water for irrigation of the Harvard Gulch Complex, and will abandon its irrigation-only potable taps. Parks acknowledges that there is no water available in City Ditch from November 1 through March 31 of the following year.

2.2.7 Water for Tees and Greens. If Parks needs to irrigate tees and greens at the Harvard Gulch Park Golf Course in any November 1 through March 31 period, subject to availability and any watering restrictions then in effect, the Board will make available to Parks a maximum amount of 42,400 gallons of potable irrigation water at the winter irrigation water rate for that five month period. This potable water connection shall be controlled by the Board and constructed to the Board's Engineering Standards. Such water will be made available to Parks through an emergency potable connection to be installed and removed by the Board's personnel, unless, with the agreement of Parks, the Board desires to use water from a different source at the applicable rate for that source, in which case the Board's personnel will communicate to Parks how delivery of the 42,400 gallons will be made.

2.2.8 Issuance of City Ditch Contract. Within thirty (30) days after the completion of construction described in 2.2.4, the Board will issue a new contract to Parks for irrigation water from City Ditch in the amount of forty-eight (48) statutory inches (1.25 c.f.s.), in a form substantially similar to the draft attached hereto as **Exhibit 4**, for which Parks will pay the City of Englewood at the published City Ditch rate. Parks will coordinate deliveries with Englewood to efficiently use City Ditch water.

Article III – The Boards’ Aquifer Storage and Recovery

3.1 Overview

3.1.1 The Board is in the process of developing a pilot project to determine if Aquifer Storage and Recovery (“ASR”) could be a potential storage mechanism for the future to increase water supply by using the Denver Basin aquifer as a reservoir. ASR is the injection of potable water into a non-tributary confined aquifer during wet years and the subsequent pumping of water when needed during dry years. Several water providers along the Front Range have had some success with this, but the Board would like to pilot this process because success is largely determined by which part of an aquifer is used. The pilot project involves finding a suitable site for a pilot well facility and designing and constructing the well, the pipe connections and the treatment facilities necessary to operate the well for injection and recovery of water. Once the pilot well is operational pilot testing will take six (6) years. Portions of the well facility can be located underground, but some parts of the facility are above ground. The site will need to be roughly the size of a small residential lot.

3.1.2 The Board and Parks agree that they will work jointly to evaluate Parks’ golf courses to locate a suitable ASR pilot project site that could be protected from public access while maintaining functionality and aesthetics required to operate golf courses. A well site at Wellshire is the preferred option from Parks’ point of view, but Parks agrees that all golf courses may be evaluated as potential sites. At this time, the following golf courses appear to be the best candidates for the pilot project: Kennedy Golf Course and Wellshire Golf Course.

3.2 Agreement

3.2.1 Evaluation of Golf Courses for ASR Pilot Project. The Board may evaluate any and all of Parks’ golf courses to determine if any of the courses would be suitable for an ASR pilot project. Any evaluation shall not be invasive or involve significant disturbances of the ground without the prior written permission of the Executive Director of Parks, and shall maintain the functionality and aesthetics of the golf course.

3.2.2 Golf Course Access for Evaluation of Use for ASR Pilot Project. During the ASR pilot project site selection process, Parks will cooperate with the Board’s staff with respect to the issuance by Parks of a Temporary Construction and Access Permit which will allow access to the potential ASR pilot project sites at Parks’ golf courses so that the Board’s staff and consultants may conduct any necessary sampling, surveying, or testing, including drilling of test wells or exploratory boreholes and collection of core samples. The Board will be responsible for any site restoration necessitated by these activities.

3.2.3 Selection of Golf Course for ASR Pilot Project. If the Board subsequently determines that there is a feasible ASR pilot project site on any of Park’s golf courses,

the Board will request use of the site as follows:

3.2.3.1 Upon selection of the preferred golf course, the Board will notify Parks of its selection. Within sixty (60) days after the Board's notification, Parks and the Board's staff will meet to discuss the siting and characteristics of the proposed ASR pilot project at the golf course selected by the Board. The Parties will continue to meet regularly to develop a concept that is mutually agreeable.

3.2.3.2 Once the Executive Director of Parks concurs with the site selection based on this concept, the Executive Director of Parks will facilitate the Board's application process(es) to the City for use of the site for its ASR pilot project.

3.2.3.3 If the Parties cannot reach agreement regarding a site or concept as described above, then the Board may select an alternate site to propose, and Parks shall make every reasonable effort to support a pilot project at this alternate site, in recognition of the consideration of this agreement and the Board's consent to pursue the Board's second preference.

3.2.3.4 The duration of the pilot project will be six (6) years, and the Board acknowledges that a utility permit will be required.

3.2.3.5 The Board shall be responsible for complying with all requirements and standards established by Parks for the operation of an ASR pilot project site, including any operational restrictions resulting from its location in a golf course. All repairs or replacements to the golf course resulting from damage, or other mitigation resulting from impacts, due to the operation or use of the ASR pilot project site shall be promptly made and paid for by the Board.

3.2.4 Use of Golf Course Property for Long Term ASR Facility. If, at the end of the six (6) year pilot project, the Board determines that the ASR pilot project site is appropriate for a long-term (not pilot) ASR facility, then the Board shall request the extended use of the site, which shall require a separate agreement between the Board and Parks. Unless there is such an agreement, at the end of the six (6) year term for the ASR pilot project, the Board shall close and cap the well site in accordance with State law requirements and restore the ASR Pilot Project site to its condition prior to construction of the ASR pilot project facility.

Article IV – Parks' Central Control Master Plan

4.1 Overview

4.1.1 Parks currently manages 2,900 acres of irrigated landscapes at more than 350 sites, excluding golf courses. These sites include community parks and open space, community centers, street medians and athletic fields and other City-maintained

properties. Irrigation to maintain these sites requires approximately 2 billion gallons of water annually.

4.1.2 Maintenance staff utilizes a variety of control systems to manage irrigation operations at parks. One type of control system used by Parks is “Central Control,” a centralized irrigation management system that can adjust to changing weather conditions, schedule different hydro zones and use priorities, and identify leaks. Central Control-capable control units are installed at 94 Parks sites; some sites have multiple control units. All other Parks sites use standalone control systems of various makes and models.

4.1.3 Currently, on sites without Central Control, Parks sets a full annual water budget at 30 inches of irrigation (18.7 gallons per square foot). All leaks and system problems must be visually identified. Parks currently lacks staffing to conduct regularly scheduled walkthroughs on each site, so leaks may persist for weeks. In addition to leaks, damage to the landscape results when an irrigation zone fails to turn on. Rehabilitating the damaged landscape requires capital and additional establishment water. Currently Parks sets schedules according to historical evapotranspiration rate, and the current irrigation systems require Parks staff to travel to each site to modify the schedule at least six times per season for changing weather conditions. To save water during a rain event, staff must travel to each site and manually suspend irrigation. After the rain event, staff spends three hours traveling back to each site to turn the controller back on. All of these trips reduce the time staff has to make system repairs.

4.1.4 Parks has a multi-phase Central Control Master Plan. A major element of the plan is the expanded use of central control technology to operate irrigation in City parks. The plan also provides for more efficient landscape management in an effort to reduce irrigation water consumption per park acre. Parks completed Phase I of its Central Control Master Plan in 2013, which involved conversion of approximately 70 irrigation controllers in the Northeast district.

4.1.5 The Board and Parks agree that implementation of Phase II of the Central Control Master Plan has the potential to save millions of gallons of water. Setting the full annual water budget at 25.5 inches (16 gallons) of irrigation per square foot will save approximately 12.8 million gallons (39.4 acre-feet) in the Parks’ 105 acre Kenyon Sub-district alone. Completing Phase II by converting Parks’ entire Southwest district to Central Control will save an estimated 126 acre-feet.

4.1.6 Parks intends to set the full annual water budget to a weather adjusted 25.5 inches (16 gallons) of irrigation per square foot following the installation of Central Control at each park. Installing Central Control at each park enables Parks to quickly identify problems and automatically shut down the irrigation system when necessary.

4.1.7 Leaking or malfunctioning irrigation systems in high visual impact sites such as medians are a pain point to Parks, the Board and the public. A functioning central control system is expected to significantly reduce these occurrences.

4.2 Agreement

4.2.1 Cost Sharing for Implementation of Phase II of the Central Control Master Plan. The implementation of Phase II of the Central Control Master Plan at the Kenyon, Ruby Hill and Washington Park Sub-districts is expected to cost \$1.814 million. The Board and Parks shall equally share this cost; provided that in no case shall either Party be obligated to contribute more than Nine Hundred Seven Thousand Dollars (\$907,000.00), respectively, under Article IV of this Agreement. The Parties recognize that this amount may not be sufficient to complete Phase II of the Central Control Master Plan, but will work together to complete as much as possible of Phase II of the Central Control Master Plan given the financial amounts contributed by the Parties under this Article IV. The Parties' financial contribution for conversion of each respective Sub-district to Central Control is shown in Table IV-1 below:

Contribution Amounts	Phase II-A Kenyon	Phase II-B Ruby Hill	Phase II-C Washington Park	Totals
Board	\$235,000	\$304,000	\$368,000	\$907,000
Parks	\$235,000	\$304,000	\$368,000	\$907,000
TOTAL	\$470,000	\$608,000	\$736,000	\$1,814,000

4.2.2 Use of Financial Contribution. The Board's financial contribution will be paid to Parks and used by Parks solely to purchase the Sentinel Satellite equipment, master valves and flow sensing equipment required to implement Phase II of the Central Control Master Plan. Parks' contribution will be used for labor, training, non-controller materials, and any other costs required to implement Phase II of the Central Control Master Plan.

4.2.3 Timing of Central Control Implementation and Financial Contributions. Parks will begin with the Phase II-A Kenyon conversion to Central Control in 2015, with a targeted completion date for all three Sub-districts in 2018-2019. Within thirty (30) days after the Effective Date of this agreement the Board will pay to Parks Two Hundred Thirty-Five Thousand Dollars (\$235,000.00) for its share of Phase II-A Kenyon Sub-district conversions to Central Control.

4.2.3.1 Additional Contributions. The Board and Parks will not be obligated to make additional financial contributions for the Phase II-B Ruby Hill and Phase II-C Washington Park conversions to Central Control as set forth in paragraph 4.2.1 and Table IV-1 above, until both Parties have met the obligations under paragraph 4.2.3.2 below to their satisfaction.

4.2.3.2 Tracking of Results from Central Control. Before implementing Phase II-B Ruby Hill and Phase II-C Washington Park, Parks shall analyze: costs of Central Control conversions in the Kenyon Sub-district, including cost of materials, labor and equipment, staff training, and staff time and net water saved due to implementation of Central Control. If the Board and

Parks are not satisfied with the results, either Party may at its sole discretion elect not to pursue implementation of Phase II-B Ruby Hill and Phase II-C Washington Park, in which case both Parties shall be relieved of their remaining financial obligation under this Article IV.

4.2.3.3 Implementation of Phase II-B Ruby Hill. If both Parties are satisfied with the results of the Phase II-A Kenyon conversion to Central Control and agree to proceed with Phase II-B Ruby Hill, Parks will provide the Board with notice that it agrees to implement Phase II-B Ruby Hill. Within thirty (30) days of receiving Parks' notice, the Board will pay to Parks Three Hundred Four Thousand Dollars (\$304,000.00) for its share of the Phase II-B Ruby Hill conversion to Central Control.

4.2.3.4 Implementation of Phase II-C Washington Park. If, after completion of the Phase II-B Ruby Hill conversion to Central Control, both Parties are satisfied with the results and agree to proceed with Phase II-C Washington Park, Parks will provide the Board with notice that it agrees to implement Phase II-C Washington Park. Within thirty (30) days of receiving Parks' notice, the Board will pay to Parks Three Hundred Sixty-Eight Thousand Dollars (\$368,000.00) for its share of the Phase II-C Washington Park conversion to Central Control.

4.2.4 Water Budget. For any Park that has been converted to Central Control and flow sensing technology and utilized Central Control for at least one year, including Parks within the Kenyon, Ruby Hill, and Washington Park Sub-districts, Parks shall use a water budget of 25.5 inches (16 gallons) per square foot, that will be adjusted annually using the weather-based evapotranspiration factor calculated by the Board using the period of April 15 – October 15 for the current year. If any park fails to meet its water budget, Parks will make adjustments to Central Control in order to meet the water budget for the park for the following year. No later than ninety (90) days after the end of the year each year, Parks will notify the Board whether any park failed to meet its water budget during the previous year. If any park fails to meet its water budget for the previous year, representatives from the Parties will meet to discuss and make adjustments to meet the water budget for the next year.

4.2.5 Tracking of Alerts, Development of SOPs. For each Sub-district converted to Central Control, Parks will track all alerts and resolution from breaks in one park per district. Parks will also develop Standard Operating Procedures ("SOPs") to respond to alerts from its Central Control System, and make the SOPs available to the Board.

4.2.6 Central Control Demand Test. The Board and Parks shall conduct a test at an agreed upon timeframe to understand how quickly demand can be removed from the Board's potable water distribution system in an emergency. The Board and Parks shall conduct a test at a mutually agreed upon time, so as to create the least impact to either Party, no more than once per year to determine the effectiveness of the Central Control system at removing demand off of the potable water distribution system.

Article V – Parks’ Water Management Plan

5.1 Overview

5.1.1 Parks developed and adopted a Water Conservation Plan in 2003. The Plan is more than ten years old. Parks would like to update the plan to include accomplishments and lessons learned and develop the Plan into a revised comprehensive Water Management Plan. Parks and the Board agree that a Water Management Plan that is updated every ten (10) years is a best management practice. In addition, an updated plan would be a resource for use when planning for drought response.

5.2 Agreement

5.2.1 Formation of Water Management Plan Team. The Board and Parks shall create a core team to update the Water Management Plan. The core team shall include appropriate staff from both sides, which shall include the expertise as needed of a Board attorney and a water rights engineer.

5.2.2 Water Management Plan Contents. The updated Plan will have an April 30, 2017 target completion date and include the following:

5.2.2.1 An understanding on a per park basis of how much water is needed for efficient irrigation and a drought plan.

5.2.2.2 Development of Parent-Premise in Board billing software to ensure accurate reporting on a per park basis.

5.2.2.3 Updated reports to Parks from the Board that include individual parks and a roll-up report regarding consumption and costs by site and use, to be included in monthly billing.

5.2.2.4 An updated and mutually agreed upon water waste resolution process to address issues related to the Board’s water waste rules.

5.2.2.5 An updated scope and scale of the Horticulture Renovation program to reduce consumption through landscape conversion and irrigation modifications. The program should identify a gallons/square foot goal for each action.

5.2.2.6 Creation of new and retrofitted park design standards for specific water sources, for the purpose of promoting a sustainable parks system.

5.2.2.7 A summary of Parks’ Water Rights portfolio to better understand and maintain Parks’ water rights including the water right, priority

date, use type, location of use, and source of the water.

Article VI – Recycled Water Conversions

6.1 Overview

6.1.1 The Board operates a recycled water and distribution system that delivers non-potable water to certain customers for uses authorized under Regulation 5 CCR 1002-84 (“Regulation 84”).

6.1.2 The Board has required certain irrigation customers, including Parks, to convert to the recycled water system as the recycled water infrastructure is extended. The Board has customarily paid to extend service to a site, and Parks has paid for onsite improvements, downstream of the meter, necessary for the sustained success of a conversion and regulatory compliance. The range of necessary improvements has been broad: sometimes conversion to recycled water requires a relatively simple improvement such as removal of a backflow preventer, but other improvements are costly and extensive and include plumbing fountains, modifying irrigation components and completely redesigning irrigation systems.

6.1.3 The current rate for recycled water is about twelve percent of the rate for potable water, so Parks has experienced lower water bills following conversion; however the savings were applied to the City and County of Denver’s General Fund and were not available to Parks to reinvest in future improvements necessary for recycled water conversion. Therefore, although Parks values the availability of recycled water, there has been little immediate advantage in conversions that drain Parks’ capital budget quickly.

6.1.4 Further, often improvements cannot be made quickly enough to keep up with the Board’s expansion of the recycled water system.

6.1.5 Parks agrees that recycled water is a valuable resource that provides a more sustainable, low cost water supply to irrigate parkland, and both agencies agree that they should encourage the use of recycled water and work toward a mutually acceptable rate and funding mechanism for site conversions. The expanded use of this resource will help reduce the cost that the City pays for water and will help ensure a sustainable low-cost water supply for the citizens of Denver.

6.1.6 The Parties recognize the benefit in a Board pilot program to incentivize Parks’ conversions so that multiple parks can consistently be converted to recycled water without challenging Parks’ ability to fund these improvements from the capital budget. The Board anticipates that, if this pilot program is successful, it could include other recycled water customers who share similar challenges.

6.2 Agreement

6.2.1 Volume of Recycled Water Conversions. Parks will seek to accomplish approximately three hundred (300) acre-feet of irrigation retrofits to recycled water (“Recycled Water Conversions”) within the next six (6) years. Parks will make one hundred fifty (150) acre-feet of Recycled Water Conversions in 2017 through 2019. The amount of one hundred fifty (150) acre-feet will be measured based on the average potable water use over the most recent five years, with weather adjustment, at each site to be converted. Before the end of 2018, the Parties will evaluate the Recycled Water Conversion Program and mutually decide whether to continue the program. If the Parties agree to continue the Recycled Water Conversion Program, Parks will seek to achieve an additional one hundred fifty (150) acre-feet of Recycled Water Conversions in 2020 through 2022. This goal depends upon certain conditions precedent to recycled water service such as, for example, the Board’s continued reuse infrastructure build out, site retrofit reimbursement/financing framework implementation, and regulatory authorizations under Regulation 84.

6.2.2 Selection of Sites. Within three (3) months after the Effective Date of this Agreement, the Board, with input from Parks, will develop a list of sites owned by Parks that will be evaluated for the potential to serve as candidate sites for Recycled Water Conversions under 6.2.1 above. Using this list, Parks and the Board will select sites for the first one hundred fifty (150) acre-feet of Recycled Water Conversions to be completed in 2017 through 2019. Should the Parties decide to continue with Recycled Water Conversions after completing their evaluation of the Recycled Water Conversion program as contemplated under 6.2.1 above, the Parties will develop a list of additional sites no later than January 1, 2019 for the second one hundred fifty (150) acre-feet of Recycled Water Conversions to be completed in 2020 through 2022. Parks will be selected from the list for Recycled Water Conversion based on such criteria as irrigated acreage, compliance considerations, necessary irrigation upgrades and redesigns, point of connection relocations, water pressures and pumping requirements, salt tolerance of vegetation, and negative impact on highly valued and vulnerable species.

6.2.3 Budgeting. The Board and Parks commit to budget funds for the first year of Recycled Water Conversions beginning in 2017, and for each year thereafter so long as the Parties mutually agree to continue the Recycled Water Conversions contemplated under 6.2.1 above.

6.2.4 Determination of Cost. The Board and Parks will jointly determine a total cost of each Recycled Water Conversion that includes the Board’s cost of bringing recycled water to the property and through the meter, and Parks’ cost of making reasonable improvements to the site, downstream of the meter, to ensure the irrigation retrofit is successful and compliant with Regulation 84.

6.2.5 Surcharge Program. The Board will develop a pilot surcharge program of up to Three Hundred Thousand Dollars (\$300,000.00) annually for a period not to exceed three (3) years beginning January 1, 2017 and ending December 31, 2019 to

assist with Recycled Water Conversions of sites selected from the list developed under 6.2.2 above. The Board shall provide Parks with up to Three Hundred Thousand Dollars (\$300,000.00) annually for the years 2017 through 2019 toward Parks' costs for site improvements as described in 6.2.4. Parks shall repay the funds made available by the Board through a fee assessed to the recycled water bill for each park converted to recycled water. The fee will be assessed upon completion of the Recycled Water Conversion for the respective park and continue until the Board has been fully reimbursed for funds contributed to the conversion of the respective park. The fee will be developed by the Board to recover the amounts contributed to Parks under this paragraph and will be developed so as: (1) not to increase Parks' cost for water at the site above the rate Parks pays for potable irrigation water; and (2) not to extend more than six (6) years after the Board's financial contribution to Parks; provided that if the surcharge does not result in the Board being reimbursed for the amounts contributed for Recycled Water Conversions, the Parties' representatives identified in 7.19 below will develop mutually acceptable repayment terms to ensure that the Board is fully reimbursed. If the evaluation described in 6.2.1 above indicates to the Parties that the Recycled Water Conversion Program is successful and mutually beneficial, then the Board will contribute to Parks an additional Three Hundred Thousand Dollars (\$300,000.00) annually for the years 2020 through 2022 under the same repayment terms as set forth in this paragraph.

6.2.6 Assessment of Recycled Water Rate. After the Board has been reimbursed for the amounts contributed under paragraph 6.2.5 above, Parks will be assessed the then-current recycled water rate for the City and County of Denver.

6.2.7 Recycled Water Preferred Source. In addition to the sites selected for Recycled Water Conversions under 6.2.2 above, the Parties agree that recycled water will be the preferred water source for newly developing parks and golf courses that are within the Board's recycled water service area.

6.2.8 Regulatory Permitting. The Board will provide guidance to Parks as needed as Parks develops its compliance program under Regulation 84 in conjunction with the City and County of Denver's Stormwater Division. Parks will be responsible for the permitting of recycled water at the sites to be retrofitted.

6.2.9 Soil and Tissue Sampling. The Board will undertake soil and tissue sampling and monitoring to identify long-term impacts and best management practices associated with Parks' irrigation with recycled water. Costs for testing will be shared evenly between the Board and Parks. Comprehensive baseline soil and tissue sample testing will be conducted on sites anticipated to be converted, with follow-up testing every three (3) years or sooner as needed, depending on site and plant conditions. The Board will coordinate with the City and County of Denver Forestry Office to determine the location and frequency of testing, and share such data with Parks by the following December 1 of each year.

6.2.10 Reuse Monitoring and Maintenance Strategies Group. The Board and Parks recognize that buildup of salts (salinity, sodium, and chloride) may occur in soils and plant tissues, and that tolerances vary by species, soil type, and the age of plant material. Acceptable levels of salts buildup is currently unknown. The Board and Parks will form a collaborative group in 2016 to determine necessary testing, explore mitigation strategies, and discuss remediation.

6.2.11 Annual Potable Flushing. The Reuse Monitoring and Maintenance Strategies Group will determine the feasibility, necessity, and frequency of a flushing program to mitigate potential impacts from accumulation of salt in the soil.

Article VIII – General Provisions

7.1 Obligation to Provide Engineering Advice and Legal Counsel. The Board shall provide water rights engineering advice and legal counsel to Parks, with consent and cooperation of the City Attorney's Office, when, in the General Counsel's professional discretion, the Board staff's work load can accommodate the request and Board representation would not represent any conflict of interest. Parks shall pay the Board's cost to provide legal counsel and engineering advice, including the salary and benefits of Board employees for providing such services.

7.2 No Operating Obligation. Nothing herein shall be deemed or construed as creating any obligation on the Board to operate its facilities in any particular manner, so long as the Board complies with the express terms of this Agreement.

7.3 Denver Charter Provisions. This Agreement is made under and conformable to the Charter of the City and County of Denver. Insofar as applicable, the Charter Provisions are incorporated herein and made a part hereof and shall supersede any apparently conflicting provisions otherwise contained in this Agreement.

7.4 Future Cooperation. In addition to the several areas of cooperation outlined herein, the Parties agree to continue to explore opportunities for mutually beneficial arrangements.

7.5 Dominion over Water. All water delivered by the Board under this Agreement shall be on a temporary basis only. Parks shall have no right to make a succession of uses of the water delivered under this Agreement without the express written approval of the Board. Upon completion of the primary use, all dominion over the water shall revert completely to the Board, except to the extent permitted in writing by the Board. Except as herein specifically provided, all property rights to the water delivered under this Agreement are reserved in the Board. Parks is not obligated to create any particular volume of return flow.

7.6 Availability of Water. The Board's water supply is dependent upon natural water resources that are variable in quantity of supply from year to year. The Parties agree that the Board shall not be liable for failure accurately to anticipate the availability

of the Board's water supply or for an actual failure of the Board's water supply due to inadequate runoff or other occurrences beyond the reasonable control of the Board.

7.7 Conservation. In furtherance of the Board's objective that water is used in an efficient manner, Parks agrees to engage in a good faith effort to conserve water delivered under this Agreement in a manner generally consistent with the Board's water conservation plan, as it may be amended from time to time.

7.8 Operating Rules. This Agreement is made under and conformable to the Board's Operating Rules and Engineering Standards applicable to the delivery of water within the City and County of Denver.

7.9 Governmental Immunity Act. The Parties agree that they are relying upon, and have not waived, the monetary limitations, rights, immunities and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, et seq., as it may be amended from time to time.

7.10 No Assignment. No right hereunder shall be assigned by either party.

7.11 Waiver. No party shall waive its rights hereunder by failing to exercise its rights; any such failure shall not affect the right of such party to exercise at some future time the rights not previously exercised.

7.12 Remedies. None of the remedies provided for under this Agreement need to be exhausted or exercised as a prerequisite to either party's pursuit of further relief to which it may be entitled. However, in the event a party fails to meet its obligations hereunder, the other party may suspend performance of its obligations until the Parties can confer regarding how and when the first party will meet its obligations.

7.13 No Exclusive Right. Nothing in this Agreement shall be construed as a grant by either party of any exclusive right or privilege.

7.14 Venue. The Parties agree that this Agreement is performable in the City and County of Denver, notwithstanding that the Parties hereto may find it necessary to take action in compliance with this Agreement outside the City and County of Denver. Venue for any dispute over any issue resulting from this Agreement shall be in the District Court for the City and County of Denver.

7.15 Term of Agreement. This Agreement shall remain in force until December 31, 2022, but, the provisions relating to Wellshire and Harvard Gulch herein shall remain effective without termination.

7.16 Integration. This Agreement shall be construed and enforced as the fully integrated expression of the Parties' contract with respect to the matters and subjects addressed herein. No express or implied covenant not specifically set forth herein shall be deemed to be a part of this Agreement.

7.17 Effect on Prior Contracts. Except as specifically referenced and altered herein, any other agreements between the Parties shall remain in full force and effect.

7.18 Electronic Signatures & Records. The Parties consent to the use of electronic signatures. The Agreement, and any other documents requiring a signature hereunder, may be signed electronically. The Parties agree not to deny the legal effect or enforceability of the Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

7.19 Representatives. The following representatives are designated to accept or give any request, approval, notice or the like provided for by this agreement: Director of Public Affairs, Denver Water, 1600 W. 12th Avenue, Denver, CO 80204; and Executive Director of Parks, City and County of Denver, 201 W. Colfax Avenue, Denver, CO 80202.

7.20 Subject to Appropriation. The City's payment obligation, whether direct or contingent, extends only to funds appropriated annually by the Denver City Council, paid into the Treasury of the City, and encumbered for the purpose of the Agreement. The City does not by the Agreement irrevocably pledge present cash reserves for payment or performance in future fiscal years. The Agreement does not and is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the City. Similarly, the Board's obligations for expenditures hereunder are dependent upon funds being budgeted for those purposes. If the Board fails to budget funds to fulfill its obligations herein, such a failure will not constitute a breach. In the event the Board fails to budget funds to meet its obligations, the Board and Parks will meet and agree to defer the Board's obligations set forth herein until Board funds are available or the Board's next budget cycle, whichever occurs first.

7.21 Effective Date. This Agreement will become effective ("Effective Date") upon execution by all required signatories below.

IN WITNESS WHEREOF, Parks and the Board have executed this Interagency Agreement with its exhibits.

CITY AND COUNTY OF DENVER,

SEAL

ATTEST:

By _____
Mayor

DEBRA JOHNSON
City Clerk, Ex Officio Clerk of the City and
County of Denver

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

D. SCOTT MARTINEZ
Attorney for the City and County of Denver

By _____
Manager of Finance

By _____
Assistant City Attorney

By _____
Auditor
Contract control No. _____

ATTEST:

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

By: _____
Secretary

By: _____
President

APPROVED:

REGISTERED AND COUNTERSIGNED:
Auditor
CITY AND COUNTY OF DENVER

By: _____
Planning Division

By: _____

By: _____
Public Affairs Division

APPROVED AS TO FORM:

By: _____
Legal Division

Exhibit 2

Please reference the following
number on all billings or payments

Contract #

DITCH
TEMPORARY LEASE AGREEMENT
(Raw Water)

Account No.

LESSOR: CITY AND COUNTY OF DENVER, a municipal corporation of the State of Colorado, acting by and through its BOARD OF WATER COMMISSIONERS, 1600 W. 12th Avenue, Denver, Colorado 80204 (hereinafter "Board")

LESSEE (S): CITY AND COUNTY OF DENVER, acting by and through its DEPARTMENT OF PARKS AND RECREATION ("Parks" or "Lessee"), 301 Colfax Avenue, Denver, CO 80201

Telephone: _____ N/A _____

STRUCTURE: High Line Canal Headgate No.: 84

NATURE AND AMOUNT OF WATER LEASED:

HIGH LINE CANAL:

ACRE RIGHTS: 106

INITIAL YEAR-RATE: \$41.27 per Acre Right

TOTAL: \$4,374.62 (INITIAL YEAR)

PROCESSING FEE: \$0.00

DATE OF LEASE: [To be added] ANNUAL RENEWAL DATE: April 20, [To be added] – Annually thereafter on April 20 of each year.

GENERAL TERMS OF LEASE:

For and in consideration of the premises and promises set forth herein and the performance thereof, the parties agree as follows:

Exhibit 2

1. The Board leases to the Lessee the right to use that proportional amount of water flowing in the above-listed structure which is represented by the indicated interest of the Board, for irrigation purposes only, for a period of one year; beginning on the date of this Lease, renewable for succeeding one-year periods until terminated. This lease is entered into pursuant to the Interagency Agreement between the Board and Parks dated ____, 2015 (“IAA”) and is subject to that Agreement.

Lessee shall divert the leased water out of the headgate enumerated above. The diversion facilities are to be set and used under the direction, control and supervision of the Board’s designated representative. Nothing herein shall be construed as requiring the Board to construct any new or enlarged outlet or diversion facilities or to maintain same, except at the sole expense of Lessee. The Board has no responsibility for facilities outside Board property.

2. The Board will invoice Lessee and the Lessee shall pay the annual rental set forth above, which annual rental is subject to change from time-to-time at the sole discretion of the Board. Notice of increase in rental shall be given to the Lessee no later than thirty (30) days prior to the annual renewal date. Payment of the first-year rental shall be made upon execution of this Lease and the annual rental shall thereafter be made on or before April 20 of each succeeding year. Payment shall be made to the Board at the address included on the annual invoice mailed to Lessee.

3. This Lease shall be considered as renewed annually hereafter upon payment by the Lessee of the annual assessment which due date has historically been on or before the 20th day of April. If the Board does not receive such payment this Lease shall automatically terminate provided however, that the Board shall give Lessee notice and thirty (30) days to cure nonpayment. If Lessee pays within the cure period, the Lease shall be renewed for another year. If not before then, at a minimum, this Lease will automatically terminate within five (5) years after the Board completes its construction obligation described in paragraph 1.2.1 of the December __, 2015 IAA or upon written notice from Parks that a new irrigation system has been installed at Wellshire as required by paragraph 1.2.7 of the December __, 2015 IAA, whichever occurs first.

4. Lessee is subject to the Operating Rules and other regulations of the Board and any applicable ditch or reservoir company regulations, as the same may be amended from time-to-time. Lessee is responsible for informing itself of such rules and regulations. Lessee agrees and understands that Lessee, like all other water users on the Canal, shall pay a pro rata share of all transportation and seepage losses long the Canal.

5. The Board does not guarantee delivery of any specified quality or quantity of water. Lessee is entitled only to that water which would have been available to the Board under the interests listed above. Should the supply of water in the structure be insufficient to supply the users therefrom to the full amount of the water so leased, the operating authority may make such deliveries as will permit the best use of available supply to all users and the Board shall not be liable for any claim or damages resulting therefrom.

Exhibit 2

6. This Lease is and shall be considered performable in the City and County of Denver, notwithstanding the fact that it may be necessary to take action in furtherance thereof elsewhere.

7. Communication regarding this Lease should be directed to the Board's Raw Water Supply Section – Telephone: 303-628-6510. Email: rw1@denverwater.org.

8. Communications to Lessee, including invoices and notice to cure, shall be sent to:

Executive Director of Parks and Recreation
201 W. Colfax, Dept. 601
Denver, Colorado 80202
Telephone: 720-913-1311

Director of Golf – (Scott.rethlake@denvergov.org; Telephone: 720-913-0761)
Parks and Recreation
201 W. Colfax, Dept. 601
Denver, Colorado 80202

Invoices and notices to cure shall also be sent to:

Chief Financial Officer
City and County of Denver
201 W. Colfax, Dept. 1010
Denver, Colorado 80202
Telephone: 720-913-5500

9. This Lease and the use of the water leased may not be assigned without prior written approval of the Board.

10. This Lease is made under and conformable to Article X of the Charter of the City and County of Denver, which controls the operation of the Denver Municipal Water System, and the Board's Operating Rules. Insofar as applicable, said Charter provisions and the Board's Operating Rules are incorporated herein and made a part hereof and shall supersede any apparently conflicting provision otherwise contained in this Lease.

11. This Lease shall become effective on the date it is signed by the CEO/Manager of the Board.

Exhibit 2

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

APPROVED:

BY: _____
CEO/Manager

BY: _____
Planning Division

Date _____

APPROVED AS TO FORM

Legal Division

LESSEE:

Executed this _ day of _____, 20__ by the CITY AND COUNTY OF DENVER, acting by and
through its DEPARTMENT OF PARKS AND RECREATION

CITY AND COUNTY OF DENVER

ATTEST:

DEBRA JOHNSON,
Clerk and Recorder, Ex-Officio Clerk
of the City and County of Denver

By: _____
Mayor

D. SCOTT MARTINEZ,
Attorney for the City and County
of Denver

By: _____
Assistant City Attorney

REGISTERED AND COUNTERSIGNED:

By: _____
Chief Financial Officer

By: _____
Auditor

Contract Control No. _____

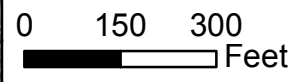
EXHIBIT 3

Irrigated Acres	
Harvard Gulch Park	35.3 ac
Harvard Gulch North Park	8 ac



	Well		Backflow
	Pump		Water Meter

Approx. Area of Greens	0.41 ac
Approx. Area of Tee Boxes	0.27 ac



Harvard Gulch Park and Golf Course

Golf Course Boundary and Water Usage Infrastructure



Exhibit 4

**Please reference the following number
on all billings or payments:**

Contract #

DITCH
LEASE AGREEMENT ("LEASE")
(Raw Water)

Account No. _____

LESSOR: CITY AND COUNTY OF DENVER, a municipal corporation of the State of Colorado, acting by and through its BOARD OF WATER COMMISSIONERS, 1600 W. 12th Avenue, Denver, Colorado 80204 (hereinafter "Board")

LESSEE (S): CITY AND COUNTY OF DENVER, acting by and through its DEPARTMENT OF PARKS AND RECREATION ("Parks" or "Lessee"), 301 Colfax Avenue, Denver, CO 80201

Telephone: _____ N/A _____

STRUCTURE: City Ditch Headgate No.: _____ Harvard Gulch Blow Off Structure

NATURE AND AMOUNT OF WATER LEASED:

PROCESSING FEE: \$0.00

ANNUAL RENTAL: [To be added] _____

CITY DITCH:

INCHES: 48 statutory inches (1.25 cfs) April 1 through October 31

INITIAL YEAR-RATE: [To be added.]

DATE OF LEASE: [To be added] _____

ANNUAL RENEWAL DATE: April 20, [To be added] – Annually thereafter on April 20, of each year.

PLACE OF USE: Harvard Gulch Park and Golf Course as depicted on Exhibit A

GENERAL TERMS OF LEASE:

For and in consideration of the premises and promises set forth herein and the performance thereof, Lessee and the Board (collectively the "Parties") agree as follows:

1. The Board leases to the Lessee the right to use that proportional amount of water flowing in the above-listed structure which is represented by the indicated interest of the Board, for irrigation purposes only, for a period of one year; beginning on the date of this Lease, renewable for succeeding one-year periods until terminated. This lease is entered into pursuant to

Exhibit 4

the Interagency Agreement between the Board and Parks dated ____, 2015 (“IAA”) and is subject to that Agreement.

Lessee shall divert the leased water out of the headgate enumerated above. The diversion facilities are to be set and used under the direction, control and supervision of the City of Englewood its superintendent or agent pursuant to 2003 City Ditch Highline Canal Agreement with City of Englewood (“Englewood Agreement”). Nothing herein shall be construed as requiring the Board to construct any new or enlarged outlet or diversion facilities or to maintain same, except at the sole expense of Lessee or as agreed to in the IAA.

2. The Board or its superintendent or agent shall at all times have the right to change and modify its rules and regulations to the extent they pertain to lessee’s interest in the water to be delivered.

3. Any assignment of this Lease, or any transfer or subletting of the rights to the use of water hereunder, shall be void unless the consent to such assignment, transfer or subletting in writing is first obtained from the Board, and it is further provided that the water covered by this Lease shall not be used on any other lands than the lands herein described, unless the consent of the Board in writing is first obtained thereto.

4. The City of Englewood will invoice and Lessee shall pay the annual rental set forth above, which annual rental is subject to change from time-to-time at the sole discretion of the City of Englewood. Notice of increase in rental shall be given to the Lessee no later than thirty (30) days prior to the annual renewal date. Payment of the first-year rental shall be made upon execution of this Lease and the annual rental shall thereafter be made on or before April 20 of each succeeding year. Payment shall be made to the City of Englewood at the address included on the invoices to be mailed to Lessee.

5. This Lease shall be considered as renewed annually hereafter upon payment by the Lessee of the annual assessment which due date has historically been on or before the 20th day of April. If the City of Englewood does not receive such payment this Lease shall automatically terminate; provided however, that the City of Englewood shall give Lessee notice and thirty (30) days to cure nonpayment. If Lessee pays within the cure period, the Lease shall be renewed for another year.

6. Lessee is subject to the Operating Rules and other regulations of the Board and the City of Englewood, as the same may be amended from time-to-time, and to the Englewood Agreement. Lessee is responsible for informing itself of such rules and regulations.

7. The Board does not guarantee delivery of any specified quality or quantity of water. Lessee is entitled only to that water which would have been available to the Board under the interest listed above. Should the supply of water in the structure be insufficient to supply the users therefrom to the full amount of the water so leased, the City of Englewood may make such

Exhibit 4

deliveries as will permit the best use of available supply to all users and the Board and Englewood shall not be liable for any claim or damages resulting therefrom.

8. This Lease is and shall be considered performable in the City and County of Denver, notwithstanding the fact that it may be necessary to take action in furtherance thereof elsewhere.

9. This Lease is made under and conformable to Article X of the Charter of the City and County of Denver, which controls the operation of the Denver Municipal Water System, and the Board's Operating Rules. Insofar as applicable, said Charter provisions and Operating Rules are incorporated herein and made a part hereof and shall supersede any apparently conflicting provision otherwise contained in this Lease.

10. Communication regarding the terms of this Lease should be directed to the Board's Raw Water Supply Section – Telephone: 303-628-6510. Email: rw1@denverwater.org

11. Communications regarding operations under this Lease should be direct to the City of Englewood at jclark@englewoodgov.org and dchapman@englewoodgov.org – telephone: 303-762-2650 or such other contract information provided by the City of Englewood.

12. Communications to Lessee, including invoices and notice to cure, shall be sent to:

Executive Director of Parks and Recreation
201 W. Colfax, Dept. 601
Denver, Colorado 80202
Telephone: 720-913-1311

Director of Golf – (Scott.rethlake@denvergov.org; Telephone: 720-913-0761)
Parks and Recreation
201 W. Colfax, Dept. 601
Denver, Colorado 80202

Invoices and notices to cure shall also be sent to:

Chief Financial Officer
City and County of Denver
201 W. Colfax, Dept. 1010
Denver, Colorado 80202
Telephone: 720-913-5500

13. This Lease shall become effective on the date it is signed by the Board's President.

Exhibit 4

ATTESTED:

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

BY: _____
Secretary

BY: _____
President

APPROVED:

By: _____
Director of Planning

DATE: _____

APPROVED AS TO FORM

Legal Division

LESSEE:

Executed this _ day of _____, 20__ by the CITY AND COUNTY OF DENVER, acting by
and through its DEPARTMENT OF PARKS AND RECREATION

CITY AND COUNTY OF DENVER

ATTEST:

DEBRA JOHNSON,
Clerk and Recorder, Ex-Officio Clerk
of the City and County of Denver

By: _____
Mayor

D. SCOTT MARTINEZ,
Attorney for the City and County
of Denver

REGISTERED AND COUNTERSIGNED:

By: _____
Assistant City Attorney

By: _____
Chief Financial Officer

By: _____
Auditor

Contract Control No. _____

