

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 GRAND COUNTY MUTUAL DITCH AND RESERVOIR COMPANY (Company).

## RECITALS

1. Denver Water has entered into the Colorado River Cooperative Agreement, dated Sept. 26, 2013 (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 Company, 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 Company.
4. Italicized terms in this Agreement shall have the same meaning as the corresponding term in the Cooperative Agreement.

NOW THEREFORE, Denver Water and Company agree as follows:

1. Pursuant to Article III of the Cooperative Agreement, Company will receive the following benefits:

Upon execution of this Article III Implementation Agreement, Denver Water will allow Company's Vail Ditch shares to be traded for a like amount of water in Denver Water's Fraser Collection System and carried through that system for delivery and use in the headwaters of the Fraser River Basin, subject to the provisions of Article III(E)(21) of the Cooperative Agreement and as specified in the 2012 Grand County Water Users Operating Plan.

2. In consideration for the benefits described in paragraph 1, Company agrees to comply with all the provisions of Articles IV and VII of the Cooperative Agreement that are applicable to West Slope *Signatories*.
4. In consideration for terms of this Agreement, the Company 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.

ATTACHMENT M

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 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 Company:

Grand County Mutual Ditch & Reservoir Company  
Attn.: President  
P.O. Box 824  
Winter Park, CO 80482

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.

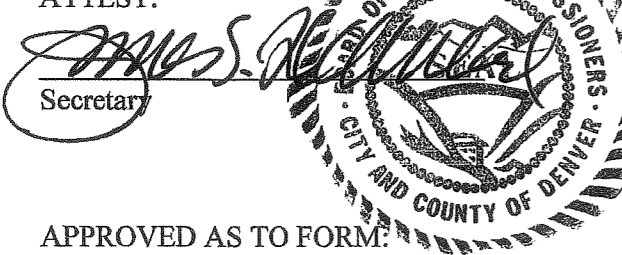
8. Nothing contained herein shall be construed to be a waiver or partial waiver of any Party's governmental immunity.

ATTACHMENT M

IN WITNESS WHEREOF, the parties have executed this Agreement, effective the 9th day of Oct., 2013.

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

ATTEST:



Secretary

President

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

By:

APPROVED AS TO FORM:

Legal Division

GRAND COUNTY MUTUAL DITCH  
AND RESERVOIR COMPANY

Title: