

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 TOWN OF FRASER (Town).

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 Town, 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 Town.
4. Italicized terms in this Agreement shall have the same meaning as the corresponding term in the Cooperative Agreement.

NOW THEREFORE, Denver Water and Town agree as follows:

1. Pursuant to Article III of the Cooperative Agreement, Town will receive the following benefits:
 - a. A representative of Town will serve on the board established under Article III(E)(2) of the Cooperative Agreement, which will allocate and administer the water quality funds that Denver Water will provide *upon issuance and acceptance by Denver Water of permits necessary for the Moffat Project*. Town will be eligible to receive such funds.
 - b. Upon execution of this Article III Implementation Agreement, Denver Water will provide Clinton Bypass Water to Town on a year round basis, as specified in the 2012 Grand County Water Users Operating Plan, subject to the provisions of Article III(E)(15) of the Cooperative Agreement.
 - c. Upon *Issuance and Acceptance by Denver Water of Permits Necessary for the Moffat Project*, Denver Water will provide to Town 68.75 acre-feet of water annually pursuant to Article III(E)(20) of the Cooperative Agreement, and as specified in the 2012 Grand County Water Users Operating Plan. Town shall provide *Replacement Water* to Denver Water in accordance with Article III(E)(20) and Article III(A)(4) of the Cooperative Agreement.

ATTACHMENT M

2. The Town agrees that the funds provided under paragraph 1 will be used only for the projects approved by the board described in paragraph 1(a).
3. In consideration for the benefits described in paragraph 1, Town 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 Town, 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.
4. In consideration for terms of this Agreement, the Town 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 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 Town:
Town of Fraser
Attn: Town Manager
P.O. Box 120
Fraser, CO 80442
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.

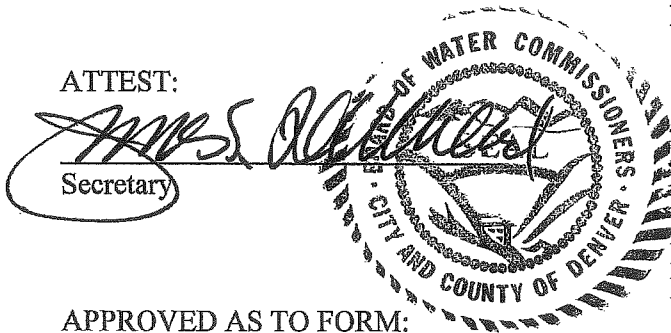
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8. Nothing contained herein shall be construed to be a waiver or partial waiver of any Party's governmental immunity.

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

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

ATTEST:



Secretary

[Signature]
President

APPROVED AS TO FORM:

[Signature]
Legal Division

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

By: [Signature]

TOWN OF FRASER

[Signature]
Title: Mayor

ATTACHMENT A

TOWN OF FRASER, COLORADO
Description of Conditional Water Rights

Ditch or Structure	Source	Use	Amount	Adjudication Date	Case No. (diligence)		
Fraser Well No. 1	Alluvium of the Fraser River	Irrigation, domestic, industrial and all other municipal uses	50 gpm conditional	July 5, 1985	82CW219 (95CW119) (01CW282) (09CW27)		
Fraser Well No. 2		100 gpm conditional					
Fraser Well No. 3(a)		60 gpm conditional					
Fraser Well No. 3(b)		80 gpm conditional					
Fraser Well No. 4		200 gpm conditional					
Fraser Well No. 5		200 gpm conditional					
Fraser Well No. 7		150 gpm conditional	150 gpm conditional			150 gpm conditional	November 8, 1988
Fraser Well No. 8							
Fraser Well No. 9						200 gpm conditional	
Middle Park – Windy Gap Water Exchange	Water from Middle Park Water Conservancy District delivered to the Fraser River	Replace depletions in the Fraser River caused by the Town's diversions	25 acre-feet, conditional	October 25, 1989	85CW337 (95CW214) (02CW59) (09CW104)		
Middle Park – Granby Reservoir Water Exchange	Water from Middle Park Water Conservancy District delivered to the Fraser River	Replace depletions in the Fraser River caused by the Town's diversions	80 acre-feet, conditional	June 8, 1995	90CW235 (01CW155) (08CW64)		
Portions of the Bypass Water Right; Plan for Augmentation and Exchange	Fraser and Williams Fork Rivers	Irrigation, domestic and municipal uses	8 cfs, conditional (846 acre-feet)	November 19, 1996	92CW305		

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Portions of Maryvale Well No. 1	Troublesome Formation, tributary to the Fraser River	Domestic, irrigation, commercial, industrial, municipal, stockwatering and fire protection purposes	A total of 892.4 acre-feet, in combination with other wells	December 31, 2002	99CW313 (08CW192)
Portions of Maryvale Well Nos. 4, 5 and 7	Troublesome Formation, tributary to the Fraser River	Domestic, irrigation, commercial, municipal, and fire protection purposes		December 31, 2002	00CW294 (08CW191)
Portions of Maryvale K-1a Reservoir	Deliveries from the Cozens Ditch, via Vasquez Creek, tributary to the Fraser River or from the Fraser River, as identified in the plan for augmentation decreed in Case No. 98CW41; or by deliveries from the water rights decreed in Case No. 99CW314,	Irrigation, aesthetic, piscatorial, recreation, municipal, commercial, industrial, and for augmentation and exchange purposes	7 acre-feet, conditional	December 31, 2002	99CW315 (08CW194)
Portions of Maryvale K-1b Reservoir			5 acre feet, conditional		
Portions of Maryvale K-2 Reservoir			10 acre-feet, conditional		
Portions of Maryvale J-2 Reservoir			2 acre-feet, conditional		
Portions of Maryvale J-3 Reservoir			6 acre-feet, conditional		
Portions of Maryvale E-F Reservoir	specifically the Cozens Ditch, First Enlargement and the Cozens Ditch Extension		6 acre-feet, conditional		
Portions of MR-1 Reservoir	Deliveries from Vasquez Creek and Leland Creek, via the water rights decreed in Case No. 99CW314, specifically the Cozens Ditch, First Enlargement and the Cozens Ditch Extension		10 acre-feet, conditional	December 31, 2002	
Portions of MR-2 Reservoir		10 acre-feet, conditional			
Portions of MR-3 Reservoir		10 acre-feet, conditional			
Portions of MR-4 Reservoir		10 acre-feet, conditional			

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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				

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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		