

ATTACHMENT M

ARTICLE III IMPLEMENTATION AGREEMENT
SUMMIT COUNTY

This Agreement is entered into between the CITY AND COUNTY OF DENVER, acting by and through its BOARD OF WATER COMMISSIONERS (Denver Water); BOARD OF COMMISSIONERS OF THE COUNTY OF SUMMIT (County) and POWDR – COPPER MOUNTAIN, LLC. (Copper).

RECITALS

1. Denver Water has entered into the Colorado River Cooperative Agreement, dated September 26, 2013 (Cooperative Agreement) with numerous West Slope entities (West Slope *Signatories*), including the County, that resolved longstanding issues between the parties.
2. In Article III of the Cooperative Agreement, the County negotiated for Denver Water to provide certain monetary and water supply benefits to entities located in Summit County, including Copper, 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 Copper.
4. Italicized terms in this Agreement shall have the same meaning as the corresponding term in the Cooperative Agreement.

NOW THEREFORE, Denver Water, County and Copper agree as follows:

1. Pursuant to Article III of the Cooperative Agreement, Copper will receive the following benefits:
 - a. Upon *Resolution of Blue River Decree Issues*, Denver Water will provide to Copper 142 acre-feet of water annually from the “Additional 1493 Acre Feet”, pursuant to Article III(B)(14) of the Cooperative Agreement. Copper shall provide *Replacement Water* to Denver Water in accordance with Article III(B)(14)(b).
 - b. In accordance with footnote 1 in Article III.B.14, 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 Copper 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 this 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.

- c. Accounting for the water provided to Copper will be the collective responsibility of the water users listed in Article III(B)(14)(a) of the Cooperative Agreement, in accordance with the terms of Article III(B)(14)(c).
2. In consideration for the benefits described in paragraph 1, Copper 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 Copper, which are listed in Attachment A, Denver Water agrees to withdraw any statements of opposition to Copper's pending diligence filings and not to oppose Copper's pending or future diligence applications, including applications to make the listed conditional rights absolute, provided, however, that Denver Water may file statements of opposition to such applications for the limited purpose of ensuring compliance with the obligations of this Agreement.
3. In consideration for terms of this Agreement, Copper agrees that: it is not a third party beneficiary of or under the Cooperative Agreement; that it will not assert a claim to be a third party beneficiary of or under the Cooperative Agreement; any references to the Cooperative Agreement are strictly for the purposes set forth herein; and, that by all appropriate action it has ratified and approved this Agreement.
4. Venue for resolution of any dispute of water matters under this Agreement resulting in litigation shall be the District Court, Colorado, for the appropriate Water Division or federal district court, as appropriate under the Blue River Decree. Venue for all other matters under this Agreement resulting in litigation shall be the Colorado District Court for the county in which any defendant resides. This Agreement shall be construed in accordance with and governed by the laws of the State of Colorado.
5. 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 Copper:

Powdr - Copper Mountain LLC.
209 Ten Mile Circle
PO Box 3001
Copper Mountain, CO 80443

To County:


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

6. 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.
7. Nothing contained herein shall be construed to be a waiver or partial waiver of the Parties governmental immunity.

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

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

ATTEST:

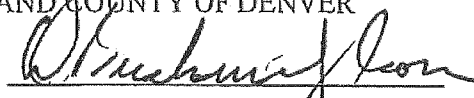

Secretary


President

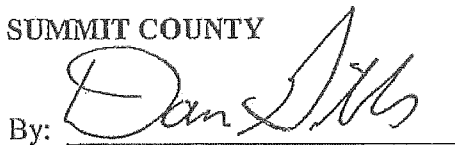
APPROVED AS TO FORM:


Legal Division


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

By: 
Deputy Auditor

SUMMIT COUNTY

By: 
Title: Chairman

POWDR - COPPER MOUNTAIN LLC.

By: 
Title: President

ATTACHMENT A

COPPER MOUNTAIN RESORT
GOLF COURSE WATER RIGHTS - CONDITIONAL

Structure	Adjudication	Appropriation Date	Use	Amount	Case No.
Copper Mountain Union Lake Well	12/31/1982	6/30/1976	Recreation, Aesthetics, Fish & Wildlife, Irrigation	2.7 cfs (conditional) all uses; 0.33 cfs (absolute) all uses	82CW435
Copper Mountain Stafford Lake Well	12/31/1982	6/30/1976	Recreation, Aesthetics, Fish & Wildlife, Irrigation	2.7 cfs (conditional) all uses; 0.33 cfs (absolute) all uses	82CW435
Tenmile Creek Pipeline	12/31/1982	10/22/1981	Irrigation, Snowmaking	3.2 cfs (conditional)	82CW435
West Lake Pipeline No. 1	12/31/1982	6/30/1972	Recreation, Aesthetics, Fish & Wildlife, Irrigation, Snowmaking, Recharge	5.6 cfs (conditional); 12.90 cfs (absolute)	82CW435
West Lake Pipeline No. 2	12/31/1982	6/30/1987	Recreation, Aesthetics, Fish & Wildlife, Irrigation, Snowmaking, Recharge	6.0 cfs (conditional)	82CW435
Wheeler Gulch Pipeline	12/31/1982	6/30/1987	Recreation, Aesthetics, Fish & Wildlife, Irrigation, Snowmaking, Recharge	2.20 cfs (conditional); 1.00 cfs (absolute)	82CW435
Copper Mountain Well No. 4	12/31/1982	12/22/1981	Irrigation, Snowmaking, Fire Protection, Industrial	2.00 cfs (conditional)	82CW435

Structure	Adjudication	Appropriation Date	Use	Amount	Case No.
Copper Mountain Well No. 5	12/31/1982	12/22/1981	Irrigation, Snowmaking, Fire Protection, Industrial	3.00 cfs (conditional)	82CW435
Copper Mountain Beeler Lake Well Beeler Lake Pipeline	12/31/1982	6/30/1976	Recreation, Aesthetic, Fish & Wildlife and Irrigation	5.27 cfs (conditional) irrigation; 5.6 cfs (absolute) all uses except irrigation; 0.33 cfs (absolute) irrigation	82CW435
Copper Mountain McKenzie Lake Well and McKenzie Lake Pipeline	12/31/1982	6/30/1976	Recreation, Aesthetics, Fish & Wildlife, Irrigation, Recharge	5.27 cfs (conditional) irrigation; 5.6 cfs (absolute) all uses except irrigation; 0.33 cfs (absolute) irrigation	82CW435
Stafford Lake Pipeline	12/31/1982	8/31/1976	Recreation, Aesthetics, Fish & Wildlife, Irrigation, Recharge	5.27 cfs (conditional) irrigation; 5.6 cfs (absolute) all uses except irrigation; 0.33 cfs (absolute) irrigation	82CW435
Copper Mountain West Lake Well	12/31/1982	6/30/1972	Recreation, Aesthetics, Fish & Wildlife, Irrigation	5.6 cfs (conditional) irrigation; 5.6 cfs (absolute) all uses except irrigation	82CW435

SNOWMAKING WATER RIGHTS - CONDITIONAL

Structure	Adjudication	Appropriation Date	Use	Amount	Case No.
Copper Mountain West Lake Well	12/31/1982	6/30/1972	Recreation, Aesthetics, Fish & Wildlife, Irrigation	5.6 cfs (conditional) irrigation; 5.6 cfs (absolute) all uses except irrigation	82CW435
West Lake Pipeline No. 1	12/31/1982	6/30/1972	Recreation, Aesthetics, Fish & Wildlife, Irrigation, Snowmaking, Recharge	5.6 cfs (conditional); 12.90 cfs (absolute)	82CW435
Tenmile Creek Pipeline	12/31/1982	10/22/1981	Irrigation, Snowmaking	3.2 cfs (conditional)	82CW435
Tenmile Creek Pipeline, First Enlargement	12/31/1998	9/30/1998	Snowmaking	6.1 cfs (conditional); 1.4 cfs (absolute)	98CW308
Wheeler Gulch Pipeline	12/31/1982	6/30/1987	Recreation, Aesthetics, Fish & Wildlife, Irrigation, Snowmaking, Recharge	2.20 cfs (conditional); 1.00 cfs (absolute)	82CW435
CB-2 Well	12/31/2004	7/21/2004	Industrial, Domestic	0.022 cfs (conditional)	04CW151
Copper Mountain Well No. 4	12/31/1982	12/22/1981	Irrigation, Snowmaking, Fire Protection, Industrial	2.00 cfs (conditional)	82CW435
Copper Mountain Well No. 5	12/31/1982	12/22/1981	Irrigation, Snowmaking, Fire Protection, Industrial	3.00 cfs (conditional)	82CW435
West Lake Pipeline No. 2	12/31/1982	6/30/1987	Recreation, Aesthetics, Fish & Wildlife, Irrigation, Snowmaking, Recharge	6.0 cfs (conditional)	82CW435

MOUNTAIN RESTAURANTS WATER RIGHTS - CONDITIONAL

Structure	Adjudication	Appropriation Date	Use	Amount	Case No.
Union Bowl Well No. 1	12/31/1982	12/22/1981	Domestic, Commercial	0.1 cfs (conditional)	82CW435
Union Bowl Well No. 2	12/31/1982	12/22/1981	Domestic, Commercial	0.1 cfs (conditional)	82CW435
L-Lift Restaurant Well No. 1	12/31/1982	12/22/1981	Domestic, Commercial	0.1 cfs (conditional)	82CW435
L-Lift Restaurant Well No. 2	12/31/1982	12/22/1981	Domestic, Commercial	0.1 cfs (conditional)	82CW435