

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 DILLON VALLEY DISTRICT, a metropolitan district (District).

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 District, 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 District.
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 District agree as follows:

1. Pursuant to Article III of the Cooperative Agreement, District will receive the following benefits:
 - a. Upon *Resolution of Blue River Decree Issues*, Denver Water will provide to District 15 acre-feet of "Dillon Storage Water" annually pursuant to Article III(B)(7) of the Cooperative Agreement.
 - b. Upon *Resolution of Blue River Decree Issues*, Denver Water will provide to District 35 acre-feet of water annually from the "Additional 1493 Acre Feet", pursuant to Article III(B)(14) of the Cooperative Agreement. District shall provide *Replacement Water* to Denver Water in accordance with Article III(B)(14)(b).
 - c. Accounting for the water provided to District 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, District 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 District, which are listed in Attachment A, Denver Water agrees to withdraw any statements of opposition to District's pending diligence filings and not to oppose District'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, District 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 District:

Francis Winston, Manager
Dillon Valley District
PO Box 291
Crawford CO 81415

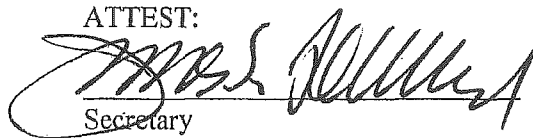
To County:

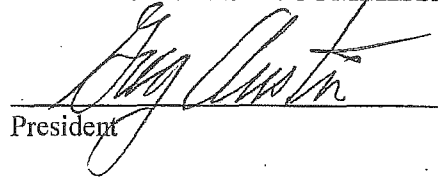
County Manager
208 E. Lincoln Avenue
P.O. Box 68
Breckenridge, CO 80424

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.

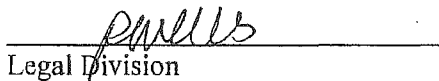
IN WITNESS WHEREOF, the parties have executed this Agreement, effective the 14th day of November, 2012.

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

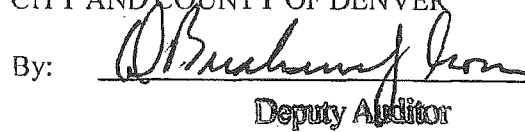
ATTEST:

Secretary


President

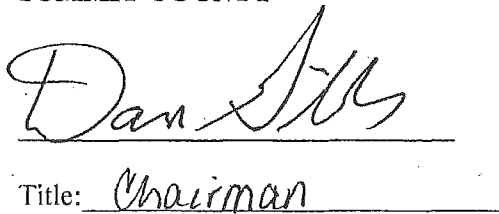
APPROVED AS TO FORM:


Legal Division

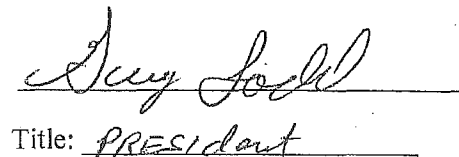
REGISTERED AND COUNTERSIGNED:
Dennis J. Gallagher, Auditor
CITY AND COUNTY OF DENVER

By: 
Deputy Auditor

SUMMIT COUNTY


Title: Chairman

DILLON VALLEY DISTRICT


Title: PRESIDENT

ATTACHMENT A

DILLON VALLEY DISTRICT
CONDITIONAL WATER RIGHTS TABULATION

Name	Amount (conditional)	Source	Appropriation Date	Case No.
Dillon Valley District Well No. 1	150 gpm, 230 acre-feet	Ground water tributary to Straight Creek, tributary to the Blue River, tributary to the Colorado River	June 9, 1986	87CW218 (95CW035, 01CW202, 09CW131)
Dillon Valley District Well No. 2	200 gpm, 325 acre-feet	Ground water tributary to Straight Creek, tributary to the Blue River, tributary to the Colorado River	June 9, 1986	87CW218 (95CW035, 01CW202, 09CW131)
Dillon Valley District Well No. 3	250 gpm, 300 acre-feet	Ground water tributary to Straight Creek, tributary to the Blue River, tributary to the Colorado River	June 9, 1986	87CW218 (95CW035, 01CW202, 09CW131)
Dillon Valley District Well No. 4	150 gpm, 230 acre-feet	Ground water tributary to Straight Creek, tributary to the Blue River, tributary to the Colorado River	June 9, 1986	87CW218 (95CW035, 01CW202, 09CW131)
Dillon Valley District Well No. 5	200 gpm, 325 acre-feet	Ground water tributary to Straight Creek, tributary to the Blue River, tributary to the Colorado River	June 9, 1986	87CW218 (95CW035, 01CW202, 09CW131)
Dillon Valley District Conditional Exchanges	Up to 15 cfs		April 30, 1980 Sept. 18, 1985	87CW218 (95CW035, 01CW202, 09CW131)