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<tr>
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<td>IGA with the Cities of Boulder and Lafayette for the creation of an Environmental Pool in an enlarged Gross Reservoir</td>
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<td>Administrator:</td>
<td>BRAY, TRAVIS J</td>
<td></td>
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<td>Original Contract Amt:</td>
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<td>Start Date:</td>
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<td>End Date:</td>
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Intergovernmental Agreement between Denver Water, the City of Lafayette, and the City of Boulder

Denver Water has been working with the cities of Boulder and Lafayette (Cities) on an Intergovernmental Agreement (IGA) for the creation of an Environmental Pool in an enlarged Gross Reservoir. The Environmental Pool will be created by adding six feet to the proposed 125-foot increase in the height of the dam, for a total raise of 131 feet. This raise will increase the storage of the enlarged Gross Reservoir by an additional 5,000 acre-feet, which will be reserved for storage of water rights owned by the Cities.

The Environmental Pool will be filled primarily during the run-off season of April through July. The water will be released during the winter months to help improve low streamflow conditions below Gross Reservoir in South Boulder Creek.

Denver Water estimates that it will cost $8 million to raise Gross Reservoir an additional six feet. The Cities will pay $4 million of this cost and Denver Water will pay the remaining amount.

The creation of this pool is proposed to serve as mitigation for all impacts the enlargement of Gross Reservoir would have on South Boulder Creek.

It is recommended that the Board approve the IGA.

Approvals:

Dave Little, Director of Planning

H. J. Barry, Manager

Patricia L. Wells, General Counsel

Respectfully submitted,
INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY AND COUNTY OF DENVER, THE CITY OF BOULDER, AND THE CITY OF LAFAYETTE FOR AN ENVIRONMENTAL POOL IN GROSS RESERVOIR

This Intergovernmental Agreement ("IGA") is made and entered into this 24th day of February, 2010, between the City and County of Denver, acting by and through its Board of Water Commissioners ("Board"), the City of Boulder, a Colorado home rule municipality ("Boulder"), and the City of Lafayette, a Colorado home rule municipality, acting by and through its Water Fund Enterprise, ("Lafayette") for the purpose of creating storage space in Gross Reservoir for a 5,000 acre-foot permanent, year-round environmental pool ("Environmental Pool"). Each of the above entities may be referred to as a "Party" or collectively as the "Parties."

WHEREAS, the Parties are authorized to enter into this IGA pursuant to C.R.S. Section 29-1-201, et. seq.; and

WHEREAS, the Board is currently engaged in the permitting process for its Moffat Collection System Project ("Moffat Project"), which includes an enlargement of Gross Reservoir ("Enlarged Gross Reservoir") and thus presents a unique opportunity to create new storage for the Environmental Pool; and

WHEREAS, the creation of the Environmental Pool in the Enlarged Gross Reservoir will allow for the storage of water that can be released to augment stream flows in South Boulder Creek and thus provide significant ecological and environmental benefits to the creek and to the surrounding habitat; and

WHEREAS, augmented stream flows in South Boulder Creek will benefit 17.3 miles of South Boulder Creek, including Eldorado Canyon State Park and the South Boulder Creek State Natural Area, and will benefit numerous species including the Plains Top Minnow, a species of special concern listed by the State of Colorado; and

WHEREAS, the Parties acknowledge that the low flows in South Boulder Creek below the Board’s South Boulder Creek diversion dam are not caused by the Moffat Project, but the Parties intend to utilize the opportunity presented by the Enlarged Gross Reservoir to address low flows below the Board’s South Boulder Creek diversion dam; and

WHEREAS, the Board is willing to cooperate with Boulder and Lafayette, to augment stream flows in South Boulder Creek between the Board’s South Boulder diversion dam and the
mouth of South Boulder Creek by enlarging Gross Reservoir by an additional 5,000 acre feet (AF) to create a dedicated year-round Environmental Pool in the Enlarged Gross Reservoir; and

WHEREAS, in addition to augmenting stream flows in the critical reach from the Board’s South Boulder Creek diversion dam to the mouth of South Boulder Creek, this Agreement will increase stream flows during low flow periods in the stream reach between the Gross Reservoir Dam and the Board’s South Boulder diversion dam; and

WHEREAS, certain Lafayette water rights name Gross Reservoir as an alternate point of diversion; and

WHEREAS, the Parties believe that enhancing stream flows in South Boulder Creek is the preferred mitigation concept to address all impacts to aquatic resources in the South Boulder Creek basin from the Moffat Project; and

WHEREAS, the Board and Boulder entered into an Intergovernmental Agreement, dated October 29, 1998, to address low flows in South Boulder Creek; and

WHEREAS, subject to the provisions of this IGA, the Parties to this IGA intend that this IGA shall supersede the October 29, 1998 Intergovernmental Agreement;

NOW THEREFORE, in consideration of the mutual covenants and commitments made herein, the parties agree as follows:

I. ENVIRONMENTAL POOL

A. Size of Environmental Pool

The Environmental Pool shall consist of 5,000 AF of permanent, year-round storage space in the Enlarged Gross Reservoir. At such time as the Board enlarges Gross Reservoir as part of the Moffat Project permitting process, the Board shall construct storage space in the Enlarged Gross Reservoir in the amount of 5,000 acre-feet (“AF”) for the Environmental Pool. Boulder and Lafayette shall have the right to store up to 5,000 AF of their decreed water rights in the Environmental Pool. The Environmental Pool shall be dedicated solely and permanently for the purpose of allowing Lafayette and Boulder to store their water for releases made during times when the flow of water in South Boulder Creek would otherwise fall below specified minimum levels, as more particularly described herein. Water stored in but not released from the Environmental Pool shall be carried over from year to year, subject to losses provided in section III(A)(7) of this Agreement, without interruption. However, water stored under Boulder and Lafayette’s water rights and any carried over water cannot equal more than 5,000 acre-feet.

The Environmental Pool, as set forth in this IGA, shall be included as the preferred mitigation concept to offset the impacts to aquatic resources in the South Boulder Creek basin from the Moffat Project.
B. Water Sources for Environmental Pool

Boulder and Lafayette will provide water for storage in the Environmental Pool. Subject to the operation of each entity’s municipal water system, Boulder and Lafayette will make good faith efforts to store portions of their water supplies in the Environmental Pool to provide a minimum flow of water in South Boulder Creek below Gross Reservoir on a year-round basis.

It is agreed and understood that Lafayette, and Boulder, either alone or in conjunction with each other and/or the Colorado Water Conservation Board (“CWCB”), anticipate seeking decrees from the District Court for Water Division 1 for new exchanges, changes of water rights and/or a new storage right for the purpose of filling the Environmental Pool. The Board will cooperate with Lafayette, Boulder and the CWCB regarding Boulder’s and Lafayette’s new exchanges, changes of water rights and a new storage right needed to implement this IGA. Nothing in this IGA shall require the Board to run more water through the Moffat Tunnel than the Board requires.

At no time shall the Board be obligated to provide any water for the Environmental Pool. Each entity that stores water in the Environmental Pool will retain full ownership of the water so stored, subject only to the constraints set forth herein.

C. Use of Environmental Pool Water

Water stored in the Environmental Pool will be utilized to provide minimum flows of water in South Boulder Creek as more particularly described below as the instream flow targets “Targeted Flows.” Based on Boulder’s hydrologic modeling for 1995-2007, the Environmental Pool size of 5,000 AF is sufficient to meet the Targeted Flows in the segments: 1) Gross Reservoir to South Boulder Road (“Upper Segment”); and 2) South Boulder Road to the confluence with Boulder Creek (“Lower Segment”). Any subsequent changes to the Targeted Flows shall not change the size of the Environmental Pool.

<table>
<thead>
<tr>
<th>Stream Segment</th>
<th>Average Year Flow</th>
<th>Dry Year Flow</th>
<th>Average Year Flow</th>
<th>Dry Year Flow</th>
</tr>
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<td>Gross Reservoir to South Boulder Road “Upper Segment”</td>
<td>10 c.f.s.</td>
<td>7 c.f.s.</td>
<td>7 c.f.s.</td>
<td>5 c.f.s.</td>
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<tr>
<td>South Boulder Road to Confluence with Boulder Creek “Lower Segment”</td>
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<td>2 c.f.s.</td>
<td>2.5 c.f.s.</td>
<td>1.5 c.f.s.</td>
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Once water that is released from the Environmental Pool reaches the downstream terminus of either of the two stream segments described above for which the water has been released, the owner of the water shall be free to divert and make full beneficial use of the water. As an example, if Lafayette releases 7 c.f.s. of water from the Environmental Pool, all of which is needed to meet the Targeted Flows target for the Upper Segment, and 2 c.f.s. is needed to meet the Targeted Flows target for the Lower Segment, Lafayette shall be free to divert 5 c.f.s. of the water at South Boulder Road and divert the remaining 2 c.f.s. below the confluence of South Boulder Creek and Boulder Creek, or divert the entire 7 c.f.s. below the confluence, subject to transportation losses assessed by the State water administration officials.

D. Benefit to the Upper and Lower Segments.

It is recognized that hydrologic conditions and water rights operations may, under certain circumstances, limit the ability of Lafayette and Boulder to meet the Targeted Flow in one or both segments of South Boulder Creek. Nonetheless, Lafayette’s and Boulder’s coordinated management of releases from the Environmental Pool will enhance flows in the Upper and Lower Segments in most years.

To the extent that there are excessive stream losses between the point where water stored in the Environmental Pool is released to South Boulder Creek and the downstream location of the Upper Segment or the Lower Segment, and either Lafayette or Boulder are unable to obtain use of their water supplies, one of the key objectives of the program described herein will not be met. The Parties agree to work together to take all reasonable steps to ensure that water released from the Environmental Pool reaches its downstream delivery point with a loss that never exceeds an average of one-quarter percent per stream mile calculated on a daily basis; provided, however, that the Board shall not be required to contribute water or costs beyond reasonable staff time towards such reasonable steps. To the extent that stream losses exceed that figure, in either the Upper Segment or the Lower Segment of South Boulder Creek, Lafayette and Boulder reserve the right to suspend delivery of water to that stream segment under the program until the reason for the excessive losses is determined, and such excessive losses are eliminated.

In the event that either the Lafayette City Administrator or the Boulder City Manager declare in good faith that an emergency exists regarding the ability of their respective communities to meet the water demands of their customers, Lafayette and/or Boulder shall have the right to release water that Party then has stored in the Environmental Pool to address the emergency regardless of whether the water is then needed to maintain Targeted Flows in South Boulder Creek; provided, however, that the Party seeking to invoke this provision is fully utilizing all of the direct flow water then available to the Party. Examples of such an emergency include, but are not necessarily limited to, an extended drought or an unexpected problem with a Party’s water storage, conveyance or treatment infrastructure. The right to remove water from the Environmental Pool in an emergency shall not extend beyond thirty days unless the City Council of the Party declaring the emergency confirms the actions of the staff and implements reasonable restrictions on outdoor watering. To the extent practicable, the other Party participating in the Environmental Pool will attempt to make releases from the Environmental Pool to meet Targeted Flows.
Boulder and Lafayette have entered into a separate Intergovernmental Agreement, dated February 17, 2010 ("Boulder/Lafayette IGA"), for the purpose of clarifying the details associated with the operation of their water rights in the Environmental Pool and the maintenance of Targeted Flows in South Boulder Creek. Pursuant to the terms of the Boulder/Lafayette IGA, releases made from the Environmental Pool may not, at times, reach the Lower Segment under specified conditions. If such a condition occurs, Targeted Flows in the Upper Segment are expected to be met.

In the event there are conflicts, differences, or inconsistencies between the Boulder/Lafayette IGA and this IGA with regard to Lafayette’s and Boulder’s operation of the Environmental Pool and the delivery of water to the Upper and Lower Segments, the terms and conditions of the Boulder/Lafayette IGA shall control; provided, however, that the Operating Principles under section III (A) of this IGA shall remain in full force and effect.

II. INSTREAM IMPROVEMENTS

A. Modifications to Diversion Structures

Boulder and Lafayette shall be responsible for the costs associated with the construction of stream flow bypass structures or modifications to diversion structures in South Boulder Creek in order to deliver water released from the Environmental Pool into and through the Upper and/or Lower Segments. The diversion structures to be modified include, but are not necessarily limited to: The Community Ditch diversion dam, the New Dry Creek Carrier diversion dam, the Leggett/Valmont Reservoir diversion dam, and the Butte Mill South Boulder Creek diversion dam. Subject to the limitation set forth in subparagraph II(C) below, these modifications shall be completed by the time or within 12 months of the time when space in the Enlarged Gross Reservoir is made available for the Environmental Pool.

The Parties recognize that Boulder and Lafayette may seek contributions from other entities for the costs associated with modifications to the above referenced diversion structures. This section is not intended to diminish Boulder and Lafayette’s responsibilities pursuant to paragraph IV (B), but recognizes that there may be individuals or entities that cannot or do not want to contribute to the enlargement of Gross Reservoir.

B. Flow Gages

At their cost, Boulder and Lafayette shall install and maintain new gages as needed to determine whether the Targeted Flows are being met in South Boulder Creek from the gage maintained by the State at Eldorado Springs to the confluence of Boulder Creek.

C. Approvals of Third Party Owners of South Boulder Creek Structures

The Parties acknowledge that the cooperation of entities not parties to this IGA may be necessary for the completion of the stream flow bypass structures and/or modifications to diversion structures needed to allow water released from the Environmental Pool to reach the Upper and Lower Segments. Boulder and Lafayette shall utilize best efforts to secure all
necessary approvals. The Board will assist Boulder and Lafayette in any discussions with the State water administration officials and the Parties will work together in good faith in legal proceedings, if necessary, to obtain the right to construct stream flow bypass structures and to modify existing diversion structures on South Boulder Creek to ensure that water released from the Environmental Pool will reach the Upper and Lower Segments. In the event that such approvals cannot be obtained despite the diligent efforts of the Parties, Boulder and Lafayette shall not be required to complete the flow bypass structures and/or modifications referenced herein.

III. OPERATING PROCEDURES

A. Operating Principles

1. The fundamental basis for the operation of the Environmental Pool shall be that Boulder and Lafayette have complete control of all decisions concerning both storing and releasing water in and from the Environmental Pool at all times so long as decisions are consistent with: (i) administrative requirements of the State Engineers Office; (ii) the Board’s ramping obligations under the amended Gross Reservoir Hydropower License (Project No. 2035) issued by the Federal Energy Regulatory Commission (“FERC”) and, (iii) the physical limitations of Gross Dam. The Board shall have no rights whatsoever to any use of the water in the Environmental Pool, even in times of drought or in the event of an emergency, except as otherwise provided in paragraph 14 below.

2. 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.

3. The Environmental Pool shall begin operation concurrently with the Board commencing storage of water in the Enlarged Gross Reservoir.

4. Lafayette and Boulder shall be responsible for coordination and communication regarding any water stored in or released from the Environmental Pool.

5. Boulder or Lafayette will notify the District 6 Water Commissioner of the amounts of water to be released from the Environmental Pool and obtain the necessary approval(s) for any releases. The Water Commissioner will notify the Board and the Board shall release the specified amount of water subject to its ramping obligations.

6. Boulder and Lafayette will notify the District 6 Water Commissioner of the amounts of Boulder’s and Lafayette’s water to be diverted into the Environmental Pool. The Water Commissioner will notify the Board and the Board shall divert and, within 2 business days, account for the specified amounts of water into the Environmental Pool, up to the available capacity in the Environmental Pool.

7. The Environmental Pool will be assessed its pro-rata share on a volumetric basis of the Enlarged Gross Reservoir evaporation losses as charged by the State water
administration officials. As an example, if the Environmental Pool contains 5,000 AF of water stored at a time when the total volume of water stored in the Enlarged Gross Reservoir is 80,000 AF; the Environmental Pool will be assessed 6.25% of the evaporation loss as charged by the State water administration officials.

8. The point of delivery of water from the Environmental Pool is the flume immediately below the Enlarged Gross Reservoir. The Board will not divert water released from the Environmental Pool at its South Boulder diversion dam.

9. Boulder and Lafayette shall be responsible for any transit loss assessed by the State water administration officials on water released from the Environmental Pool.

10. The unit of measure for the storage and release of water in the Environmental Pool will be in units of cubic feet per second. It shall be assumed that the delivery of one cubic feet per second over a twenty-four hour period yields 1.9835 AF of water.

11. The minimum release from the Environmental Pool will be 0.5 cubic feet per second. Releases will be made in 0.5 cubic feet per second increments.

12. Storage in the Environmental Pool will be included in the water storage accounting maintained by the Board for the Enlarged Gross Reservoir. The Board will maintain such information in an electronic format, and will make the information available to Boulder and Lafayette electronically on normal business days.

13. If the Board, the State, or the FERC determines that the reservoir needs to be drawn down for dam safety, maintenance, emergency, or any other reason, the capacity of water each Party is able to store in Gross Reservoir shall be reduced pro rata on available capacity. Available capacity in this paragraph shall be the total capacity less the unusable pool. The unusable pool shall be comprised of only the Board’s water. Currently, the Board calculates 12,000 acre-feet of water in the Gross Reservoir unusable pool. In the event the Board revises the amount of water in the unusable pool, the pro rata reductions shall be calculated using the new value for the unusable pool.

14. Nothing herein shall be construed as a modification of any existing water right decree or operations under the priority system; provided, however, that in order to eliminate future disputes over the exercise of the Board’s water rights decreed in C.A. 12111 and the fill and the use of the Environmental Pool, the Parties have agreed to the following principles.

   (a) The Board acknowledges that the Decrees whereby Lafayette changed senior South Boulder Creek direct flow water rights to municipal purposes in Case Nos. W-8346-A-76, W-8346-B(1)-76, W-8347-76, W-8348(1)-76, 80W468, 80CW469, and Consolidated Case Nos. W-8346-B(2)-76 and W-8348(2)-76, allow Lafayette to store those changed senior South Boulder Creek direct flow water rights in Gross Reservoir under the priority dates decreed to each of those rights. The Board acknowledges that the Decrees in Case Nos. 85CW119 and 90CW108 whereby Lafayette changed senior South Boulder Creek direct flow water rights to municipal purposes allow Lafayette to store those changed senior South Boulder Creek direct flow water rights in Gross Reservoir.
under the priority dates decreed to each of those rights, except as otherwise provided in
Lafayette’s stipulations with the Colorado Water Conservation Board in those cases.

(b) The Board shall not generate hydropower at Gross Reservoir to the extent
such operations interfere with the ability of Boulder and/or Lafayette to store water in, or
release water from, the Environmental Pool. Neither shall the Board seek to recover lost
hydropower revenues from Boulder or Lafayette due to the operation of this IGA.
Boulder and Lafayette do not object to the Board using water released from the
Environmental Pool to generate hydropower and retaining all revenues from such
hydropower generation, provided that hydropower generation does not negatively impact
the delivery of water from the Environmental Pool to South Boulder Creek. Boulder and
Lafayette make no representations regarding the ability of the Board to utilize
Environmental Pool water for hydropower purposes.

(c) Storage of water in the Environmental Pool by Boulder or Lafayette shall be
limited to the amount of water and times when, but for storage in the Environmental
Pool, the water would have been called past the Board’s existing South Boulder Creek
storage right decreed to Gross Reservoir in C.A. 12111 (i.e. 113,078 acre-feet with an
appropriation date of May 10, 1945, of which 41,811 acre-feet have been made absolute),
to satisfy downstream water users in the South Platte basin. This limitation shall not
apply if the Board elects, for any reason, not to store all of the water in Gross Reservoir
that would otherwise be available in priority under the storage right decreed in C.A.
12111.

15. Lafayette and Boulder shall not divert water into the Environmental Pool in such
a manner as to reduce flows in South Boulder Creek below the Targeted Flows or the
Colorado Water Conservation Board instream flow water rights decreed in Case No.
80CW379, whichever is greater.

B. Annual Meeting

The Board, Lafayette and Boulder water officials will, at the request of any Party,
schedule a meeting during the month of March each year to address any issues relevant to
this IGA and resolve any conflicts that may exist. Each Party shall designate a person
that the other Parties can contact regarding the day-to-day operation of the Environmental
Pool.

IV. FINANCIAL RESPONSIBILITY FOR CONSTRUCTION AND OPERATION OF
THE ENVIRONMENTAL POOL AND THE ENLARGED GROSS RESERVOIR

A. Construction Costs

1. Boulder and Lafayette

Boulder and Lafayette shall make a one-time combined contribution of Four
Million Dollars to the cost of the Enlarged Gross Reservoir, which shall include the
Environmental Pool. Boulder shall make a Two Million Dollar payment, plus
accumulated interest as provided below, to the Board when physical construction of the Enlarged Gross Reservoir is ninety percent (90%) complete. Lafayette shall make a One Million Dollar payment, plus accumulated interest as provided below, to the Board when the physical construction of the Enlarged Gross Reservoir is ninety percent (90%) complete. Lafayette shall make a second One Million Dollar payment, plus accumulated interest as provided below, to the Board at the time the initial One Million Dollar payment is made, or February 1, 2025, whichever date is later. At their sole discretion, both entities may make payments prior to the dates referenced in this paragraph. Interest shall accrue on payments made to the Board according to the following schedule:

a) Interest will begin to accrue on the amounts owed at the rate of two percent (2%) per annum beginning on the later of January 1, 2012 or the issuance of the U.S. Corps of Engineers 404 permit (“Permit”) needed to proceed with the Moffat Project, but no later than January 1, 2017.

b) When physical construction of the Enlarged Gross Reservoir is ninety percent (90%) complete, interest will begin to accrue on the unpaid balance of amounts owed at a rate of four percent (4%) per annum.

c) With regard to Boulder’s appropriation of funds, nothing herein shall constitute a multiple fiscal year obligation pursuant to Colorado Constitution, article X, Section 20. Notwithstanding any other provision of this IGA, Boulder’s obligations under this IGA are subject to annual appropriation by the Boulder City Council. Boulder is appropriating funds annually in advance of its obligation to make its Two Million Dollar Payment. Upon a failure of a Boulder City Council to approve such annual appropriation, Boulder shall promptly notify the Board and Lafayette of such failure. Within sixty (60) days after the Board receives the Amended License, Boulder shall confirm, in writing, to the Parties, Boulder’s ability to make the payments it is required to make pursuant to this Section. If Boulder fails to make such written confirmation, this IGA may be terminated or amended as set forth in Section VI.

2. Board

Subject to subparagraph IV.B below, the Board shall contribute the remainder of the funds necessary for the construction, maintenance, repair, and/or reconstruction, of the Environmental Pool.

B. Contributions From Other Funding Sources.

Boulder and Lafayette also agree to work in good faith with the Board to encourage other entities to make monetary contributions for the costs of constructing the Environmental Pool. Such entities include without limitation, Colorado Division of Wildlife, Colorado Water Conservation Board, Trout Unlimited, Western Resource Advocates, The Nature Conservancy, Boulder Creek Watershed Initiative, Boulder County and the Great Outdoors Colorado program (“GOCO”). Any such contributions shall be for the benefit of the Board.
V. RESOLUTION OF ENVIRONMENTAL CONCERNS ASSOCIATED WITH THE ENLARGEMENT OF GROSS RESERVOIR

A. South Boulder Creek

Boulder and Lafayette agree that creation and operation of the Environmental Pool in an Enlarged Gross Reservoir, as set forth in this IGA, adequately addresses the impacts to aquatic resources in the South Boulder Creek basin from the Moffat Project and thereby enables the Parties to support those aspects of the permits and approvals for the Moffat Project that are related to the impacts to aquatic resources in the South Boulder Creek basin.

B. 1998 Intergovernmental Agreement

The Board and Boulder entered into an Intergovernmental Agreement dated October 29, 1998 that was associated with the process of FERC Project No. 2035-006, Denver Water Board Gross Reservoir Re-licensing.

At the time that FERC grants the Amended License to the Board, this IGA shall supersede the October 29, 1998 Intergovernmental Agreement. In the event that FERC does not grant the Amended License, or if for any reason the Board does not complete construction of the Enlarged Gross Reservoir, then the October 29, 1998 Intergovernmental Agreement shall remain in effect.

VI. RIGHT TO TERMINATE AND AMEND THE IGA

In the event the Board decides not to enlarge Gross Reservoir, the Board may terminate this IGA by providing written notice to the Parties. If the Board does not obtain the Permit needed to proceed with the Moffat Project by January 1, 2017 or the Amended License by December 31, 2020; or construction of the Enlarged Gross Reservoir does not begin by December 31, 2025, Lafayette and Boulder shall have the option of notifying the other Parties, in writing, that they are withdrawing from participation under this IGA. They may do so individually or together. Upon such notification, the withdrawing Party shall be relieved of all obligations contained in this Agreement, including any obligation for accrued interest.

If Boulder or Lafayette choose to withdraw based on the reasons set forth above, or if Boulder is unable to provide funding under Section IV (A), the rights of the Party withdrawing or failing to provide funding shall terminate under this IGA. If Boulder or Lafayette terminates pursuant to this article, the remaining Party shall have the option to assume the financial responsibility of that Party under this IGA. In the event of such an election, the Party and the Board shall have the right to amend this IGA. Absent an election of the remaining Party to assume the financial obligation of the terminated Party, the Board and the remaining Party may, at their discretion, continue to participate under a mutually acceptable amendment to this IGA or a new agreement.
VII. NO RIGHTS GRANTED TO THIRD PARTIES

Nothing contained in this IGA is intended to or shall create a contractual relationship with, cause of action in favor of, or claim for relief for any third party. Any third party receiving a benefit from this IGA is only an incidental and unintended beneficiary.

VIII. MISCELLANEOUS

A. Governing Law

Colorado law shall govern the administration of this IGA. Venue for purposes of any dispute shall be in the District Court for the City and County of Denver or Boulder County District Court.

B. No Transfer of Property Interests

This IGA does not transfer any property interest in either real property or water.

C. Water Quality

This IGA makes no guarantee as to the quality of water in the Environmental Pool. Releases from the Enlarged Gross Reservoir for purposes of this IGA are not required to meet any particular water quality standard.

D. IGA is Not Assignable

This IGA is not assignable without the express written consent of all Parties.

E. Captions

The captions used in this document are for convenience only and have no other significance. The captions do not modify the substance of the IGA.

F. Notices

Any notice or communication to any Party under this IGA shall be effective only if it is in writing and either delivered personally or mailed or emailed to the following addresses:

If to the Board:

Denver Water Board of Commissioners
Manager of Raw Water Supply
1600 West 12th Ave.
Denver, CO 80204
303.628.6510

If to Boulder:
<table>
<thead>
<tr>
<th>Department</th>
<th>Contact Person</th>
<th>Address</th>
<th>Phone</th>
</tr>
</thead>
<tbody>
<tr>
<td>City Manager, City of Boulder</td>
<td>City Attorney, City of Boulder</td>
<td>P.O. Box 791, Boulder, CO 80306</td>
<td>303.441.3020</td>
</tr>
<tr>
<td>P.O. Box 791</td>
<td>P.O. Box 791</td>
<td>Boulder, CO 80306</td>
<td>303.441.3020</td>
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<tr>
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<tr>
<td>City of Boulder</td>
<td></td>
<td>P.O. Box 791, Boulder, CO 80306</td>
<td>303.441.3440</td>
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<tr>
<td>Open Space and Mountain Parks</td>
<td></td>
<td>P.O. Box 791, Boulder, CO 80306</td>
<td>303.441.3440</td>
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<tr>
<td>Attn: Water Resources Administrator</td>
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<tr>
<td>City of Boulder</td>
<td></td>
<td>P.O. Box 791, Boulder, CO 80306</td>
<td>303.441.3200</td>
</tr>
<tr>
<td>Director of Public Works/Utilities</td>
<td></td>
<td>P.O. Box 791, Boulder, CO 80306</td>
<td>303.441.3200</td>
</tr>
<tr>
<td>Attn: Water Resources Coordinator</td>
<td></td>
<td></td>
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<tr>
<td>If to Lafayette:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>City of Lafayette</td>
<td></td>
<td>1290 South Public Road, Lafayette, CO 80026</td>
<td>303.665.5588</td>
</tr>
<tr>
<td>Attn: City Administrator</td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
APPROVED:

By: [Signature]

Secretary

APPROVED:

[Signature]

Director of Planning

Approved as to form:

[Signature]

Legal Division

AGREED AND ACCEPTED:

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

By: [Signature]

President

Date: [February 24, 2010]

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

By: [Signature]
CITY OF BOULDER, COLORADO

By
Jane Brautigam, City Manager

Attest:
Susan Kohl
City Clerk on behalf of the Director of Finance and Record

Approved as to form:
City Attorney

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CITY OF LAFAYETTE
ACTING BY AND THROUGH ITS WATER FUND ENTERPRISE

By: [Signature]
Chairperson

Approved as to Form:
City Attorney