

RESOLUTION NO. 1579

**A RESOLUTION OF THE GOLDEN CITY COUNCIL
APPROVING AN AGREEMENT WITH THE JEFFERSON
COUNTY SCHOOL DISTRICT R-1, THE COLORADO SCHOOL
OF MINES, CONSOLIDATED MUTUAL WATER COMPANY,
THE GOLDEN CANAL & RESERVOIR COMPANY AND THE
AGRICULTURAL DITCH AND RESERVOIR COMPANY
PERTAINING TO FUNDING OF THE WELCH DITCH PUMP
STATION**

WHEREAS, the Welch Ditch is owned by the Golden Canal & Reservoir Company (GCRC). The headgate of the Welch Ditch is in Clear Creek canyon upstream of Golden. It carries water out of the canyon, and passes through the City of Golden. In Golden, the Welch Ditch crosses land owned by the Colorado School of Mines. It delivers irrigation water diverted under the priorities of the ditch to, among other users, Jefferson County School District R-1 (R-1) and the City of Golden (Golden); and

WHEREAS, Golden and GCRC entered into a carriage agreement dated October 24, 2001, under which Golden diverts water from other water rights into the Welch Ditch using the excess capacity of the ditch for delivery to the Fossil Trace Golf Course; and

WHEREAS, the Colorado School of Mines (Mines) owns and manages the Colorado School of Mines campus and other lands in Golden. In the construction and operation of its facilities, and in daily operations, Mines has historically incurred expenses to avoid, preserve, or otherwise accommodate the Welch Ditch through its property. Mines would benefit substantially from abandonment of the Welch Ditch through its property; and

WHEREAS, R-1 has constructed, and plans to improve, a complex of facilities that can use irrigation water delivered by either the Welch Ditch or using excess capacity in the Agricultural Ditch; and


WHEREAS, Golden desires to construct, operate, and maintain a pump station, pipeline and ancillary facilities to deliver irrigation water from facilities associated with or near its water treatment plant to the Welch Ditch at approximately 19th Street, for delivery to the Fossil Trace Golf Course, Golden High School and other locations as may be determined by Golden; and

WHEREAS, Jefferson County School District R-1, the Colorado School of Mines, Consolidated Mutual Water Company, the Golden Canal & Reservoir Company, and the Agricultural Ditch & Reservoir Company are willing to contribute to the funding of these facilities.

THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GOLDEN, COLORADO:

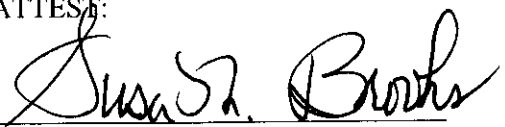
City Council hereby approves the agreement with Jefferson County School District R-1, the Colorado School of Mines, Consolidated Mutual Water Company, the Golden Canal & Reservoir Company, and the Agricultural Ditch & Reservoir Company in essentially the same form as the copy of such agreement accompanying this resolution.

Adopted this 14th day of July, 2005.



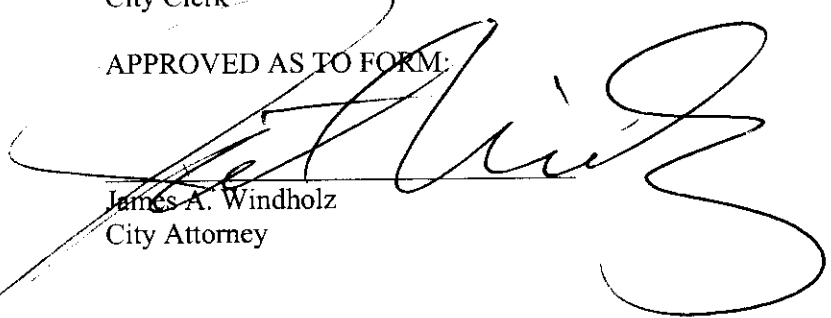
Charles J. Baroch
Mayor

ATTEST:



Susan M. Brooks, MMC
City Clerk


APPROVED AS TO FORM:



James A. Windholz
City Attorney

I, Susan M. Brooks, City Clerk of the City of Golden, Colorado, do hereby certify that the foregoing is a true copy of a certain Resolution adopted by the City Council of the City of Golden, Colorado at a regular meeting thereof held on the 14th day of July, A.D., 2005.

(SEAL)

ATTEST: 

Susan M. Brooks, City Clerk of the City of
Golden, Colorado

CONTRACT

This contract is made this ____ day of _____, 2005, by The Consolidated Mutual Water Company, a Colorado mutual corporation ("Consolidated"), the City of Golden, Colorado, ("Golden"), the Jefferson County School District R-1 ("R-1"), the State of Colorado, acting by and through the Trustees of the Colorado School of Mines, for the use and benefit of the Colorado School of Mines ("Mines"), The Agricultural Ditch & Reservoir Company ("ADRC"), and The Golden Canal & Reservoir Company ("GCRC") (each a "Party" and collectively the "Parties").

WHEREAS, authority exists in the law and funds have been budgeted, appropriated and otherwise made available and a sufficient uncommitted balance thereof remains available for encumbering and subsequent payment of this contract under Encumbrance Number _____ in Fund Number _____, Appropriation Account _____ and Organization _____;

WHEREAS, required approval, clearance and coordination has been accomplished from and with appropriate agencies;

WHEREAS, this contract was awarded in accordance with State law as the result of sole source offer.

WHEREAS, The Welch Ditch, also known as the Golden Canal, is owned by GCRC. GCRC is owned by ADRC. The headgate of the Welch Ditch is in Clear Creek canyon upstream of Golden. It carries water out of the canyon, and passes through the City of Golden. In Golden, the Welch Ditch crosses lands owned by Mines. It delivers irrigation water diverted under the priorities of the ditch to, among other users, R-1, Golden, and an unrelated user known as Harmony Water Rights Corporation ("Harmony"). The right to receive and use water from the Welch Ditch is a contract right quantified in terms of GCRC contract inches ("Welch inches"). The location of the Welch Ditch in the area is shown generally on Exhibit A.

WHEREAS, Golden and GCRC entered into a carriage agreement dated October 24, 2001, under which Golden diverts water from other water rights into the Welch Ditch using the excess capacity of the ditch for delivery to the Fossil Trace Golf Course.

WHEREAS, Consolidated operates a water supply system serving approximately 22,000 shareholders in Lakewood, Wheat Ridge, and unincorporated Jefferson County. Consolidated filed an application in the District Court, Water Division 1, in Case No. 02CW226 seeking to change the use and place of use of 97.19 Welch inches to permit their use in its water supply system.

WHEREAS, Mines owns and manages the Colorado School of Mines campus and other lands in Golden. In the construction and operation of its facilities, and in daily operations, Mines has historically incurred expenses to avoid, preserve or otherwise

accommodate the Welch Ditch through its property. Mines would benefit substantially from abandonment of the Welch Ditch through its property.

WHEREAS, R-1 has historically used water from the Welch Ditch, both its own Welch inches and 41 Welch inches leased from the State of Colorado, Department of Human Services, to irrigate lands at Golden High School. R-1 or its predecessor(s) have also used Welch inches it owns to irrigate Welchester Elementary School, and its service center, located in the W $\frac{1}{2}$ NW $\frac{1}{4}$, Section 4, Township South, Range West, 6th P.M., Jefferson County.

WHEREAS, R-1 has constructed, and plans to improve, a complex of facilities located in the W $\frac{1}{2}$ NW $\frac{1}{4}$ and the NW $\frac{1}{4}$ SW $\frac{1}{4}$, Section 10, Township South, Range West, 6th P.M., Jefferson County ("6th & Kipling") that can use irrigation water delivered by either the Welch Ditch or using excess capacity in the Agricultural Ditch. The Agricultural Ditch is owned by ADRC. 6th & Kipling is within the area historically served by both the Welch Ditch and the Agricultural Ditch.

WHEREAS, Golden acquired 90 Welch inches from the State of Colorado, Department of Human Services, including the 41 Welch inches previously leased to R-1. Consolidated in turn acquired the 90 Welch Ditch inches from Golden. The 90 Welch inches are part of the water rights Consolidated seeks to change in Case No. 02CW226. R-1 opposes the application on grounds that include, among other claims, that it contests Consolidated's title to the 41 Welch inches, which claim Consolidated and Golden dispute.

NOW THEREFORE, the Parties agree as follows:

1. Golden shall design, construct, operate and maintain a pump station, pipeline and ancillary facilities ("Golden pipeline") to deliver irrigation water from facilities associated with or near its water treatment plant to the Welch Ditch at approximately 19th Street, for delivery to Fossil Trace golf course, Golden High School (GHS), Harmony and other locations as may be determined by Golden. Golden and R-1 agree to enter into a Water Supply Agreement substantially similar to that attached hereto as Exhibit B, whereby Golden furnishes irrigation water to GHS with the Golden pipeline under the terms and conditions contained therein. Nothing herein grants to any party any right or interest in the Golden pipeline, which shall be owned, controlled, operated, and maintained exclusively by Golden, subject to the water delivery obligations expressly set forth in Exhibit B.
2. Upon execution of this agreement by all Parties and at such time as the Golden pipeline is operational, GCRC shall have no further obligation to deliver irrigation water to Fossil Trace golf course, GHS or Harmony ; and the Carriage Agreement between GCRC and Golden, dated October 24, 2001, shall be terminated. All obligations of the GCRC pursuant to this Agreement are contingent upon consummation of a sale by

Harmony to R-1 of all rights of Harmony to receive water from GCRC through the Welch Ditch or any other conveyance structure, as contemplated in paragraph 9 herein.

3. Within 14 days of execution of this contract by the Parties, GCRC shall deliver a quit claim deed in substantially the form attached hereto as Exhibit C conveying to Mines its right of way for the Welch Ditch from the point the ditch enters Mines' property to 19th Street in Golden (the "GCRC Quit Claim Deed") into escrow with Golden. Upon completion of the Golden pipeline, GCRC and ADRC shall cease using the Welch Ditch through Golden and Mines property, and Golden shall deliver the GCRC Quit Claim Deed to Mines. At such time, GCRC shall also convey to Golden by quitclaim deed its right of way for the Welch Ditch from 19th Street to a point within the Fossil Trace golf course at the golf course ponds, a legal description of which will be provided by Golden. GCRC may or may not continue to use the ditch from its headgate to the point the ditch enters Mines' property. As soon after execution of this agreement as circumstances reasonably allow, Mines agrees to grant to Golden, for \$10 and other consideration contained in this Contract, a perpetual easement across Mine's property limited to constructing, installing, maintaining, operating, repairing and replacing the Golden pipeline, at a reasonable location to be mutually agreed upon by Golden and Mines, in substantially the form attached hereto as Exhibit D.

4. R-1 shall pay Golden \$100,000 toward the cost of the Golden pipeline, payable as follows:

4.1 \$50,000 payable to Golden on or before July 8, 2005; and

4.2 Any time after execution of this Agreement, Golden will use \$50,000 from the fees-in-lieu account which Golden holds for R-1. Golden and R-1 acknowledge that funds in the fees-in-lieu account are intended to be used for City infrastructure costs related to the redevelopment of the Golden High School, including, without limitation, for traffic improvements to support the new High School; and

4.3 If the remaining funds in the fees-in-lieu account are insufficient to cover the cost of traffic improvements at the new Golden High School, and Golden reasonably determines that all or any part of the \$50,000 used for the Golden pipeline needs to be repaid by R-1 to cover such costs, Golden shall so notify R-1 and R-1 will thereafter repay the determined amount, up to \$50,000, to Golden. R-1 shall not be required to repay any such amount before July 7, 2006 and, if Golden has not requested such repayment by the time traffic improvements at Golden High School have been completed, R-1's obligations to contribute the funds under this agreement shall be determined to have been fully satisfied by Golden's use of the funds from the fees-in-lieu account without any such repayment.

5. Mines shall pay Golden \$100,000 toward the cost of the Golden pipeline within 14 days of execution of this agreement by all Parties.

6. Consolidated shall pay Golden \$100,000 toward the cost of the Golden pipeline within 14 days of execution of this agreement by all Parties.
7. ADRC/GCRC shall pay Golden \$75,000 toward the cost of the Golden pipeline, payable as follows:
 - 7.1 \$25,000 within 14 days of execution of this agreement by all Parties;
 - 7.2 \$25,000 on or before May 1, 2006;
 - 7.3 \$25,000 on or before May 1, 2007.
8. The payments to Golden are calculated assuming the cost associated with construction of the Golden pipeline equals or exceeds \$875,000. Golden shall provide to the other Parties copies of the contracts for construction of the Golden pipeline, and a summary of costs incurred under the contracts, including any changes. If the cost of designing and constructing the Golden pipeline is less than \$875,000, Golden shall credit or refund to each of the contributing Parties its proportionate share of the difference between the actual cost and \$875,000. If the cost exceeds \$875,000, Golden shall pay all costs in excess of the contributions provided in paragraph 7.
9. Golden shall convey by quitclaim deed to R-1 one GCRC contract inch that it presently owns within 14 days of execution of this agreement by all parties. Golden intends to negotiate and enter into a separate agreement to provide water to Harmony to replace the water Harmony has received under its one GCRC contract inch. Golden hereby agrees that, as consideration for its water service to Harmony, it shall require Harmony to convey its GCRC contract inch to R-1 by quitclaim deed as soon as practicable after execution of this agreement.
10. By this agreement, GCRC approves the use by R-1 of 28.9 GCRC contract inches (13.9 from the 8th and Quail service center; 13 from Welchester Elementary School; 2 acquired from Golden) at 6th & Kipling and delivery to 6th & Kipling through the Agricultural Ditch pursuant to the existing decree in Case No. 96CW99, District Court, Water Division 1.
11. ADRC shall divert into, carry, and deliver 28.9 GCRC contract inches for R-1 through the Agricultural Ditch to 6th & Kipling pursuant to a separate carriage agreement between R-1 and ADRC, in substantial conformity with the draft agreement attached hereto as Exhibit E. R-1, ADRC, and GCRC agree that 6th & Kipling is within the area historically served by the Welch Ditch. R-1, ADRC, and GCRC further agree that the 26.9 contract inches associated with the Welchester and Service properties were historically appurtenant to property in the South Platte River basin, and therefore the 26.9 contract inches may be diverted into the Agricultural Ditch and used at 6th & Kipling under the terms of the decree in Case No. 96CW99 without incurring return flow obligations to Clear Creek. However, R-1 acknowledges that its use of the two Golden and Harmony Village contract inches at 6th & Kipling through the Agricultural Ditch may incur return flow obligations to Clear Creek pursuant to the decree in Case No. 96CW99.

If it is determined return flow obligations are owed under 96CW99 other than as set forth in this paragraph, ADRC and R-1 shall cooperate to develop a new agreement that allows delivery of the greatest amount of water from R-1's 28.9 inches to 6th & Kipling. R-1 shall be solely responsible for obtaining any judicial or administrative approvals required to allow delivery of its water by ADRC. In no event shall ADRC or GCRC be required to initiate or obtain water court approval for carriage of R-1's water, but each may participate at its own expense in any proceedings brought by R-1 or others and each agrees to cooperate in good faith with R-1 in any proceeding brought by R-1 to approve the use of 28.9 contract inches through the Agricultural Ditch at 6th & Kipling.

12. At its option, and so long as this agreement is in effect, R-1 may purchase, and Consolidated shall issue and sell, 10 shares of stock in Consolidated, at its then published capital stock price, which shall entitle R-1, upon payment of Consolidated's published rates and charges, to delivery of up to 1 acre foot of raw water to Clear Creek for R-1's use.

13. R-1 consents to entry of a decree in Case No. 02CW226. Each party shall bear its own costs and attorneys fees. Within 14 days of execution of this agreement by all Parties, R-1 shall convey to Consolidated by quitclaim deed all its claimed interest in 41 Welch Ditch inches previously owned by the State of Colorado and leased to R-1.

14. Consolidated, Golden, ADRC, and GCRC will not oppose an application by R-1 to the water court to change its 1/16th interest in the Wolff Ditch.

15. The Parties agree to execute such additional documents as may reasonably be required to implement this agreement.

16. Order of Precedence

In the event of conflicts or inconsistencies between this contract and its exhibits or attachments, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- 1) Colorado Special Provisions, Section 28; and
- 2) Contract, Sections 1 through 27.

17. Performance Period. This contract shall be effective on the date set out at the beginning of this contract or on the date signed by the State Controller or designee, whichever is later (the "Effective Date"), and shall expire upon completion of the transactions contemplated herein.

18. Legal Authority

Each Party warrants that it possesses the legal authority to enter into this contract and that it has taken all actions required by its procedures, by-laws, and/or applicable law to

exercise that authority, and to lawfully authorize its undersigned signatory to execute this contract and to bind the contractor to its terms. The person(s) executing this contract on behalf of the contractor warrant(s) that such person(s) have full authorization to execute this contract.

19. Third Party Beneficiaries

It is expressly understood and agreed that the enforcement of the terms and conditions of this contract and all rights of action relating to such enforcement, shall be strictly reserved to the Parties. Nothing contained in this contract shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the Parties that any such person or entity, other than the Parties, receiving services or benefits under this contract shall be deemed an incidental beneficiary only.

20. Governmental Immunity

Notwithstanding any other provision of this contract to the contrary, no term or condition of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions of the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq.*, as now or hereafter amended. The Parties understand and agree that liability for claims for injuries to persons or property arising out of negligence of the State of Colorado, its departments, institutions, agencies, boards, officials and employees is controlled and limited by the provisions of C.R.S. § 24-10-101, *et seq.*, as now or hereafter amended and the risk management statutes, C.R.S. § 24-30-1501, *et seq.*, as now or hereafter amended.

21. Severability

To the extent that this contract may be executed and performance of the obligations of the Parties may be accomplished within the intent of the contract, the terms of this contract are severable, and should any term or provision hereof be declared invalid or become inoperative for any reason, such invalidity or failure shall not affect the validity of any other term or provision hereof.

22. Waiver

The waiver of any breach of a term, provision, or requirement of this contract shall not be construed or deemed as waiver of any subsequent breach of such term, provision, or requirement, or of any other term, provision, or requirement.

23. Entire Understanding

This contract is intended as the complete integration of all understandings between the Parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever, unless embodied herein in writing. No subsequent novation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a writing executed and approved pursuant to the State Fiscal Rules.

24. Survival of Certain Contract Terms

This contract shall survive, and shall not merge with, the agreements attached hereto as

Exhibits and the parties' performance under those agreements. Notwithstanding anything herein to the contrary, the Parties understand and agree that all terms and conditions of this contract and the exhibits and attachments hereto which may require continued performance, compliance, or effect beyond the termination date of this contract shall survive such termination date and shall be enforceable by the Parties as provided herein in the event of such failure to perform or comply by any other Party.

25. Modification and Amendment

This contract is subject to such modifications as may be required by changes in Federal or State law, or their implementing regulations. Any such required modification shall automatically be incorporated into and be part of this contract on the effective date of such change as if fully set forth herein. Except as provided above, no modification of this contract shall be effective unless agreed to in writing by both Parties in an amendment to this contract that is properly executed and approved in accordance with applicable law.

26. Applicable Law

The Parties shall at all times during the term or any renewal term of this contract strictly adhere to, and comply with, all applicable Federal and State laws, and their implementing regulations, as they currently exist and may hereafter be amended, which are incorporated herein by this reference as terms and conditions of this contract.

27. Venue

The Parties agree that venue for any action related to performance of this contract shall be in the City and County of Denver, Colorado.

28. Colorado Special Provisions

A. In the event of conflicts or inconsistencies between this contract and the Special Provisions, the Special Provisions shall control. The Special Provisions which follow are required by Colorado Fiscal Rule 3-1, 1 CCR 101-1 (9-97):

1. CONTROLLER'S APPROVAL. CRS 24-30-202 (1)

This contract shall not be deemed valid until it has been approved by the Controller of the State of Colorado or such assistant as he may designate.

2. FUND AVAILABILITY. CRS 24-30-202 (5.5)

Financial obligations of the State of Colorado payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

3. NON-DISCRIMINATION.

The Contractor agrees to comply with the letter and the spirit of all applicable state and federal laws respecting discrimination and unfair employment practices.

4. CHOICE OF LAW.

The laws of the State of Colorado and rules and regulations issued pursuant thereto shall be applied in the interpretation, execution, and enforcement of this contract. Any provision of this contract, whether or not incorporated herein by reference, which provides for arbitration by any extra-judicial body or person or which is otherwise in conflict with said laws, rules, and regulations shall be considered null and void. Nothing contained in any provision incorporated herein by reference which purports to negate this or any other special provision in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision will not invalidate the remainder of this contract to the extent that the contract is capable of execution.

At all times during the performance of this contract, the Parties shall strictly adhere to all applicable federal and State laws, rules, and regulations that have been or may hereafter be established.

5. VENDOR OFFSET. CRS 24-30-202 (1) & CRS 24-30-202.4

Pursuant to CRS 24-30-202.4 (as amended), the State Controller may withhold debts owed to State agencies under the vendor offset intercept system for: (a) unpaid child support debt or child support arrearages; (b) unpaid balance of tax, accrued interest, or other charges specified in Article 21, Title 39, CRS; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) owed amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State or any agency thereof, the amount of which is found to be owing as a result of final agency determination or reduced to judgment as certified by the controller.

(SPECIAL PROVISIONS 6 AND 7 DELETED)

8. SOFTWARE PIRACY PROHIBITION GOVERNOR'S EXECUTIVE ORDER

No State or other public funds payable under this Contract shall be used for the acquisition, operation or maintenance of computer software in violation of United States copyright laws or applicable licensing restrictions. Golden hereby certifies that, for the term of this Contract and any extensions, Golden has in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Golden is in violation of this paragraph, the State may exercise any remedy available at law or equity or under this Contract, including, without limitation, immediate termination of the Contract and any remedy consistent with United States copyright laws or applicable licensing restrictions.

9. EMPLOYEE FINANCIAL INTEREST. CRS 24-18-201 & CRS 24-50-507

The signatories aver that to their knowledge, no employee of the State of Colorado has any personal or beneficial interest whatsoever in the service or property described herein.

Revised: 03/31/03

THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT

THE CONSOLIDATED MUTUAL WATER COMPANY, A COLORADO MUTUAL CORPORATION

Signature: Walter Swenson

Signature: [Handwritten Signature]

Position (Title) PRESIDENT

Position (Title) CITY MANAGER

84-0177040
Social Security Number or Federal Identification Number

[Blank]
Social Security Number or Federal Identification Number

If Corporation:
Attest (Seal)
(A corporate attestation is required and seal, if available.)

If Corporation:
Attest (Seal)
(A corporate attestation is required and seal, if available.)

By: [Handwritten Signature]
Corporate Secretary, or Equivalent,
Town/City/County Clerk

By: Chase Hinkle
Corporate Secretary, or Equivalent,
Town/City/County Clerk

THE GOLDEN CANAL & RESERVIOR COMPANY

Acting Deputy City Clerk

Signature: Walter Swenson

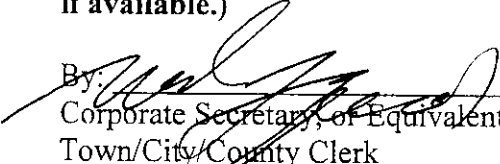
Position (Title) PRESIDENT

84-0213420
Social Security Number or Federal

Identification Number

If Corporation:
Attest (Seal)

(A corporate attestation is required and seal,
if available.)

By: 
Corporate Secretary, or Equivalent,
Town/City/County Clerk

**JEFFERSON COUNTY SCHOOL
DISTRICT R-1**

Signature: Kenneth Hoover

Position
(Title) COO

84-6002817
Social Security Number or Federal Identification
Number

If Corporation:
Attest (Seal)
(A corporate attestation is required and seal, if
available.)

By: _____
Corporate Secretary, or Equivalent,
Town/City/County Clerk

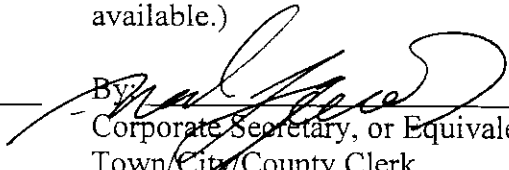
**THE AGRICULTURAL DITCH &
RESERVOIR COMPANY**

Signature: Walter A. Walter

Position
(Title) PRESIDENT

84-0001700
Social Security Number or Federal
Identification Number

If Corporation:
Attest (Seal)
(A corporate attestation is required and seal, if
available.)

By: 
Corporate Secretary, or Equivalent,
Town/City/County Clerk

**STATE OF COLORADO
DEPARTMENT OF HIGHER EDUCATION
ACTING BY AND THROUGH THE
TRUSTEES FOR THE COLORADO
SCHOOL OF MINES
FOR THE USE AND BENEFIT OF THE
COLORADO SCHOOL OF MINES**

By: _____
Principal Representative

LEGAL REVIEW:
ATTORNEY GENERAL

By: _____

By: _____

ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER

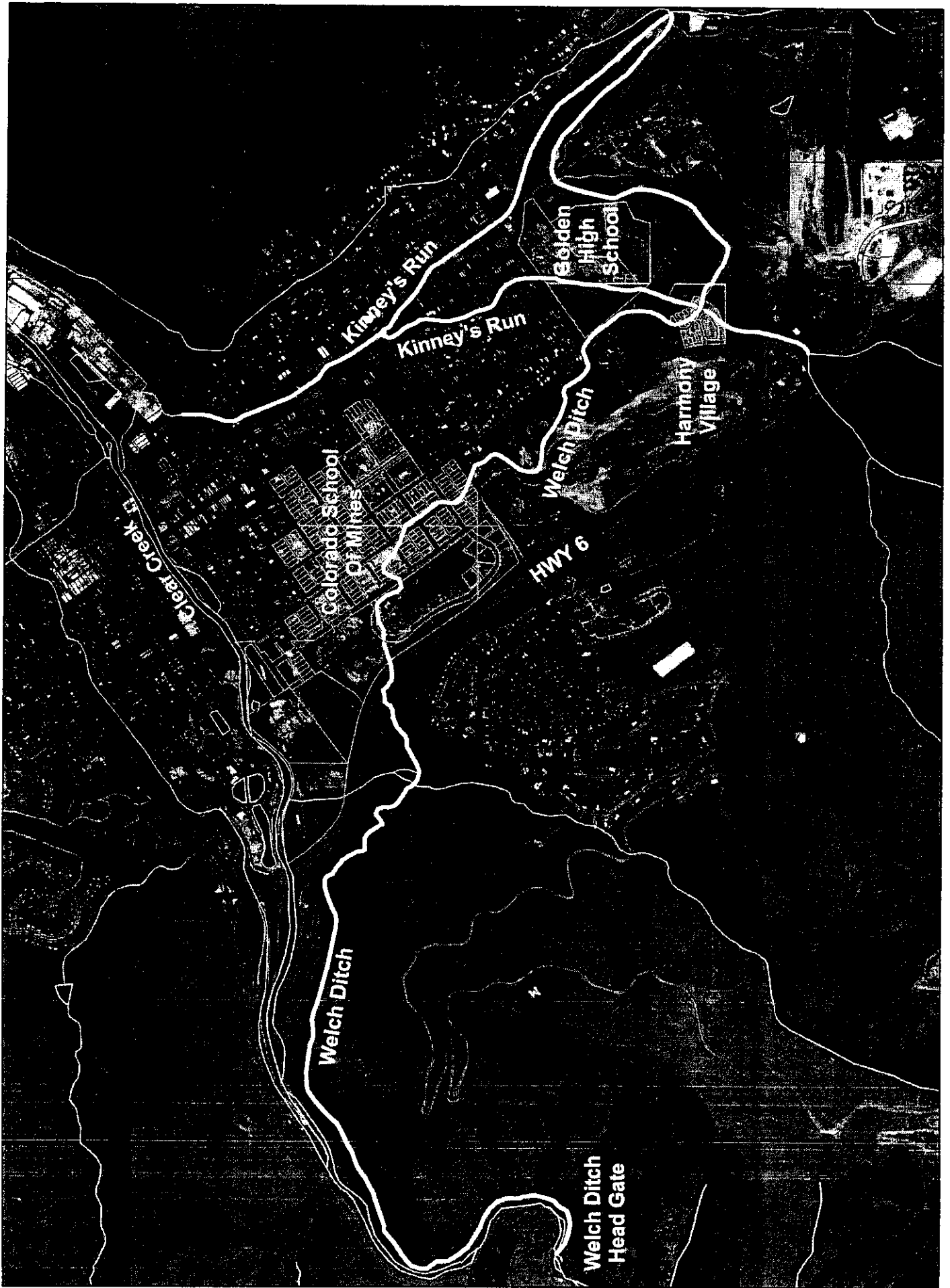
CRS 24-30-202 requires that the State Controller approve all state contracts. This contract is not valid until the State Controller, or such assistant as he may delegate, has signed it. The contractor is not authorized to begin performance until the contract is signed and dated below. If performance begins prior to the date below, the State of Colorado may not be obligated to pay for the goods and/or services provided.

STATE CONTROLLER:

By: _____

Date: _____

EXHIBIT "A"



WATER SUPPLY AGREEMENT

THIS AGREEMENT, dated this _____ day of _____, 2005, is between the JEFFERSON COUNTY SCHOOL DISTRICT R-1, a school district existing under and by virtue of the laws of the State of Colorado ("School District"), and the CITY OF GOLDEN, a municipal corporation existing under and by virtue of the laws of the State of Colorado ("City") (the School District and the City are also collectively referred to herein as the "parties").

RECITALS

WHEREAS, the parties to this Water Supply Agreement ("this Agreement"), the Agricultural Ditch and Reservoir Company, the Golden Canal and Reservoir Company, the Consolidated Mutual Water Company and the State of Colorado, acting for the Colorado School of Mines, have entered into an agreement ("Settlement Agreement") dated _____, 2005, providing for, among other things, the abandonment of a portion of the Welch Ditch, construction of a pipeline by the City that is capable of providing water to certain Welch Ditch users (the "Golden Pipeline"); and allocation of the cost for the Golden Pipeline; and

WHEREAS, as a condition to the Settlement Agreement, the City agreed to enter into this Agreement to provide a raw water irrigation water supply to the Golden High School through the Golden Pipeline, consistent with the terms hereof;

AGREEMENT

NOW, THEREFORE, for and in consideration of the premises, covenants and mutual promises contained herein, and other good and valuable consideration, including but not limited to the Settlement Agreement, the receipt and sufficiency of which consideration is acknowledged by subscription hereto, the School District and the City hereby agree as follows:

1. Amount and Rate. Upon completion of the Golden Pipeline, the City agrees to provide the School District raw water delivered through the Golden Pipeline to the Golden High School, during the irrigation season. The water so delivered shall be used only to irrigate the grounds associated with the High School. The amount of water to be delivered is expected to be 29 acre-feet per year, with the City retaining the right to reduce such water service during times of drought or water shortage, in accordance with City resolutions or municipal code in effect at the time. The School District may request more than 29 acre-feet in any irrigation season if reasonably needed for the irrigation of the High School, and the City agrees to provide such additional water so long as the City, in its sole discretion, believes it has the water available and the capacity in the Golden Pipeline. The rate and timing of delivery shall be mutually agreed upon by the parties from time to time, based on the design and operational limits of the irrigation system at the High School and the Golden Pipeline, taking into account other water deliveries made through the Golden Pipeline. Notwithstanding, when water is being delivered under this Agreement, the City shall maintain a minimum delivery rate of 0.25 cfs, unless the School District agrees in writing to accept a lower rate. The City's water rights that will be used to provide raw water to the High School



include any direct flow or storage rights owned or controlled by the City that are legally available for irrigation use at the High School.

2. Point of Delivery. The City shall deliver the raw irrigation water through the Golden Pipeline and/or the Welch Ditch to the location of the School District's existing turnout and diversion facilities along the Welch Ditch that are currently used to service the High School ("Turnout"). The School District shall be responsible, at its sole cost, for any new or modified facilities or improvements necessary for the use of such water from the point of said Turnout and into the School District's irrigation system at the High School, including a method of accurately measuring said deliveries that is reasonably acceptable to Golden and the School District.

3. Water Service Charges. The City shall charge the School District for the amount of raw water delivered to the Turnout under this Agreement at one-half of the City's customary municipal rate for treated water service that is then in effect, and shall send the School District a bill for the water service on a monthly basis, or on such other schedule as the City may adopt from time to time. The School District agrees to pay said water service charges within 30 days of receipt from the City. The City's customary municipal rate, and thus the rate charged for the raw water delivery, may change from time to time within the City's sole discretion.

4. Term and Renewal. The initial term of this Agreement for such raw water service and delivery is for 20 years from the date of this Agreement. After the initial term of 20 years, this Agreement shall automatically renew for another 20 years, unless either party in good faith demands renegotiation of such water service agreement at the end of the initial 20-year term, by providing written notice to the other party at least six months prior to the expiration of that term, which notice shall state the good faith necessity for renegotiation of this Agreement. Notwithstanding the foregoing, this Agreement may be terminated during either 20-year term under the terms of paragraph 9 hereof. The respective rights and obligations of the parties under the Settlement Agreement shall survive any expiration or termination of this Agreement.

5. Alternative or Supplemental Source of Water. As an alternative to the delivery of water from the City's water rights to the High School as provided in paragraph 1, or as a supplemental source of irrigation water for the High School, the City agrees, upon request of the School District, to divert and deliver to the High School through the Golden Pipeline water that is available to the School District under any Welch Ditch contract inches, so long as the capacity in the Golden Pipeline exists given the other demands under the Golden Pipeline. The timing and rate of delivery of Welch Ditch water shall be subject to the provisions of paragraph 1, and in no event shall the City be obligated to deliver water at a rate greater than that provided in paragraph 1 regardless of the source of water. Welch Ditch water is not subject to charge at one-half the customary municipal rate, but the School District agrees to pay the City for carriage of any such Welch Ditch water in the Golden Pipeline, the *pro rata* amount of the City's actual operation, maintenance, repair and replacement costs attributable to the Golden Pipeline and any pumping associated therewith. Such *pro rata* amount to be based on the ratio that the total volume of such Welch Ditch water carried for the School District bears to the total volume of water delivered through the Golden Pipeline for all users on an annual basis. The School District shall be responsible for obtaining all necessary rights, approvals, or consents for diversion and

delivery of its Welch Ditch water through the Golden Pipeline, including any Court decrees. The City agrees to cooperate with the School District's efforts to obtain such approvals or consent, but shall not be required to incur legal, engineering or other consulting expenses associated with such cooperation. The carriage costs shall be billed and paid for in the manner set forth in paragraph 3 above.

6. Water Use Accounting. The parties agree to cooperate in good faith regarding accounting for delivery and use of water hereunder, including, without limitation, the sharing of water use accounting information upon reasonable request of the other party.

7. Water Quality. The City shall not be responsible for, and makes no warranty for, the quality of raw water delivered hereunder for the School District's purposes; provided, however, that if the City ever becomes aware of any water quality concerns regarding the sources of water delivered or to be delivered to the High School, especially any such concerns that implicate human health and safety, it shall notify the School District as soon as is practicable under the circumstances, and the parties shall confer in good faith as to whether there are alternative sources for the School District's use which do not implicate such concerns.

8. Operation and Maintenance. The City shall own, operate, maintain, repair and, in its own discretion, replace the Golden Pipeline and any portion of the Welch Ditch that is used to deliver raw water to the School District hereunder, at its sole cost, subject only to reimbursement by the School District as provided under paragraphs 3 and 5 above. The City shall exercise its ordinary, reasonable care in maintaining, operating and repairing the Golden Pipeline, but shall have no greater obligation for operating, maintaining and repairing the Golden Pipeline than exists for any other user of water under the Golden municipal system. Golden shall have no liability for circumstances beyond the City's reasonable control which prevent delivery and use of water under this Agreement.

9. Termination. This Agreement may be terminated at any time by mutual consent of the parties in writing, or unilaterally if a party fails to comply with the terms hereof. Prior to termination for a failure to comply with this Agreement, notice shall be given to the non-complying party, who shall have a reasonable amount of time to correct the noncompliance before termination.

10. Authority to Execute. By signing this Agreement, the parties acknowledge and represent to one another that all procedures necessary to validly contract and execute this Agreement have been performed and that the persons signing for each party are duly authorized to do so.

11. Complete Agreement. The parties hereby acknowledge that they have read this Agreement in its entirety and understand and agree to be bound by its terms and conditions. This Agreement together with the Settlement Agreement, represents the entire agreement between the parties with respect to the subject of raw water irrigation supply to the High School. The provisions of this Agreement may be modified or amended only by a duly authorized written instrument mutually executed by the Parties hereto. No representations or

warranties whatever are made by any party to this Agreement except as specifically set forth in this Agreement.

12. Binding Effect and Assignment. The provisions of this Agreement shall be binding upon, and inure to the benefit of the parties hereto and their permitted successors and assigns. Parties shall not, without first obtaining the prior written consent of the other party, sell, assign, transfer, encumber, hypothecate or sublease any or all of the rights, interests or obligations under this Agreement. Said consent is solely within the discretion of the Party whose consent is requested.

13. No Third Party Beneficiaries. This Agreement is intended to be solely for the benefit of the Parties hereto, and their permitted successors and assignees; it is not intended to and shall not confer any right on any third parties to claim damages or to bring any lawsuit, action or other proceeding against either the City or the School District because of any breach hereof, or because of any terms, covenants, agreements or conditions contained herein.

14. Governmental Immunity. By executing this Agreement, the parties hereto do not intend to waive the monetary limits or any other rights, immunities and protections afforded to them by the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 to 24-10-120, inclusive, as may be amended from time to time.

15. Force Majeure. *Force majeure* shall excuse the parties from timely performance of a particular obligation under this Agreement, including, without limitation, the City's completion of the Golden Pipeline. If a *force majeure* event occurs, all performance periods affected by the event shall be extended by a period of time equal to the duration of the *force majeure* event.

16. Remedies. The parties hereto shall have all rights available at law or in equity to enforce the terms of this Agreement, including the right of specific performance. The terms and provisions of this Agreement shall be construed in accordance with the laws of the State of Colorado. The parties agree that any litigation regarding this Agreement shall be brought and pursued in jurisdictional courts located in Colorado, and in no other state. Venue shall lie in Jefferson County for any action to be commenced in the district courts of Colorado.

17. Severability. If any term or provision of this Agreement shall be held to be illegal, invalid or unenforceable, the remaining terms and conditions shall continue to be valid and enforceable to the full extent permitted by Colorado law, and provided that the invalid or unenforceable provision does not inequitably alter the fundamental consideration of either party to this Agreement, in lieu of each provision of this Agreement that is determined to be illegal, invalid or unenforceable, there shall be added to this Agreement a provision as similar in terms to such illegal, invalid or unenforceable provision as possible and still be legal, valid and enforceable in the State of Colorado.

18. Recording. This Agreement may be recorded in the real property records of Jefferson County, Colorado, upon its execution.

19. Notice. All notices or other communication required or permitted under

this Agreement shall be in writing, shall be personally delivered or sent by certified mail, postage prepaid

and return receipt requested, and such notices shall be deemed given when received. Notices shall be directed to the following addresses:

City: City of Golden
c/o Director of Public Works
911 10th Street
Golden, Colorado 80401

With a copy to: Porzak, Browning & Bushong
929 Pearl Street, Suite 300
Boulder, CO 80302

School District: Jefferson County School District R-1
c/o Director of Facilities Planning and Design
809 Quail Street, Building #4
Lakewood, Colorado 80215

With a copy to: Moses, Wittemyer, Harrison and Woodruff, P.C.
P.O. Box 1440
Boulder, CO 80306

Notice of any change of address shall be given in the manner detailed in this paragraph.

20. Section Headings. Any section headings used herein are for convenience only and shall not change or modify the meaning of this Agreement in any respect.

WHEREFORE, the parties hereto have executed this Water Supply Agreement the date and year first above written.

CITY OF GOLDEN

By _____

Title _____

ATTEST:

JEFFERSON COUNT SCHOOL DISTRICT R-1

By _____

Title _____

ATTEST:

STATE OF COLORADO)

) ss.

COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2005, by _____, as _____, and _____, as _____, of CITY OF GOLDEN.

Witness my hand and official seal.

My _____ commission expires:

Notary Public

STATE OF COLORADO)
)
COUNTY OF _____) ss.

The foregoing instrument was acknowledged before me this _____ day of _____, 2005, by _____, as _____, and _____, as _____, of JEFFERSON COUNTY SCHOOL DISTRICT R-1.

Witness my hand and official seal.

My _____ commission expires:

Notary Public

QUIT CLAIM DEED

THIS DEED, made this _____ day of _____, 200__, by and between The Golden Canal & Reservoir Company, whose legal address is _____ ("Grantor"), and the State of Colorado acting by and through the Trustees of the Colorado School of Mines for the use and benefit of the Colorado School of Mines, whose legal address is 1500 Illinois Street, Golden, Colorado 80401 ("Grantee"),

WITNESSETH, that the Grantor, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has remised, released, sold and QUIT CLAIMED, and by these presents does remise release, sell and QUIT CLAIM unto the Grantee, its successors and assigns forever, all the right, title, interest, claim and demand which the Grantor has in and to the real property, together with improvements, if any, situated, lying and being in the County of Jefferson and State of Colorado, to wit:

As indicated on Exhibit A, attached hereto and incorporated herein by this reference.

TO HAVE AND TO HOLD the same, together with all and singular the appurtenances and privileges thereunto belonging, or in anywise thereunto appertaining, and all the estate, right, title, interest and claim whatsoever, of the Grantor, either in law or equity, to the only proper use, benefit and behoof of the Grantee, its successors and assigns forever.

IN WITNESS WHEREOF, the Grantor has executed this deed on the date set forth above.

The Golden Canal & Reservoir Company

By: _____
Name:

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me this _____ day of _____, 200__, by _____, on behalf of the Grantor.

Witness my hand and official seal.
My commission expires _____.

Notary Public



EASEMENT AGREEMENT

The printed portions of this form, except bold additions, have been reviewed by the State of Colorado, Attorney General. All additions to this form must be in bold type. All deletions must be shown by strike-through.

THIS EASEMENT AGREEMENT is made and entered into this _____ day of _____, 20__ (this "Easement Agreement") by and between the STATE OF COLORADO, acting by and through the Department of _____, whose address is _____ (hereinafter, the "Grantor"), and _____ whose address is _____ (hereinafter, the "Grantee").

WITNESSETH:

That, for and in consideration of [an annual payment of _____ or a one-time payment of _____] and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, and the keeping and the performance of the covenants and agreements hereinafter expressed, Grantor grants to Grantee a [exclusive] [nonexclusive] easement upon the following property (hereinafter, the "Property") located in the County of _____, State of Colorado, to wit:

[ADD LEGAL DESCRIPTION OF THE EASEMENT AREA HERE FROM SURVEY]

TO HAVE AND TO HOLD, subject to the covenants and agreements hereinafter expressed, for the purpose of using the Property for _____ [for the term beginning _____, and ending _____].

A. GRANTOR AND GRANTEE MUTUALLY EXPRESSLY COVENANT AND AGREE:

1. If at any time during the term of this Easement Agreement Grantee does not for a period of 366 consecutive days make use of this easement for the purpose aforesaid, Grantor may in his sole discretion immediately declare such easement abandoned and shall so notify Grantee by certified mail with return receipt requested. In the event of such abandonment the consideration shall be forfeited.
2. This grant of easement is subject to any and all previously granted easements, rights-of-way, licenses and conveyances, recorded or unrecorded. It is Grantee's sole responsibility to determine the existence of any rights, uses or installations conflicting with Grantee's use of the Property hereunder. Grantee agrees to not interfere with any use in the easement area by any other party under a previous grant. Grantee understands and agrees that Grantor makes no representations concerning ownership of nor warrants title to any of the Property. To the extent that this grant of easement may encroach on lands not owned or controlled by Grantor, Grantee assumes all responsibility for any such encroachment.
3. The signatories aver that to their knowledge, no State employee has any personal or beneficial interest whatsoever in the Property.
4. If this easement is granted pursuant to §24-82-201 C.R.S., as amended, this Easement Agreement shall not be deemed valid unless and until approved by the officials and officers of the State of Colorado as required by §24-82-202 C.R.S., as amended, or such assistants as they may designate. Signature by the Grantor shall be deemed to be verification of approval of the commission or board, if any, of the institution, department or agency across the premises of which this easement is hereby granted.
5. The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto and all covenants shall apply to and run with the land unless otherwise specifically noted.
6. The signatories aver that they are familiar with CRS 18-8-301, et. seq., (Bribery and Corrupt Influences) and CRS 18-8-401, et. seq., (Abuse of Public Office), and that no violation of such provisions is present.



7. Grantor and Grantee agree that this Easement Agreement including all exhibits, supersedes any and all prior written or oral agreements, and there are no covenants or agreements between the parties except as set forth herein with respect to the use of the Property by Grantee. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever unless embodied herein in writing. No subsequent amendment hereto shall have any force or effect unless embodied in a written agreement executed and approved by the officials and officers of the State of Colorado as required by the Colorado Revised Statutes, as amended, or such assistants as they may designate.
8. Grantee shall be responsible for recording this Easement Agreement with the Clerk and Recorder's Office in the county or counties in which the Property is located. Grantee shall provide Grantor with a conformed copy of the recorded easement.
9. Any notice required or permitted by this Easement Agreement may be delivered in person or sent by registered or certified mail, return receipt requested, to the party at the address as hereinafter provided, and if sent by mail it shall be effective when posted in the U.S. Mail Depository with sufficient postage attached thereto:

Grantor:

Grantee:

Cc: State Buildings and Real Estate Programs
Attn: Real Estate Specialist
1525 Sherman Street, Suite 250
Denver, CO 80203

Notice of change of address shall be treated as any other notice.

10. Grantor reserves all rights to any and all metallic and non-metallic minerals, ores and metals of any kind and character, including but not limited to coal, asphaltum, oil and gas in or under said easement.
11. If any part of this Easement Agreement is found, decreed or held to be void or unenforceable, the remainder of the provisions of this Easement Agreement shall not be affected thereby and shall remain in full force and effect.
12. This Easement Agreement shall be governed by the laws of the State of Colorado.
13. **[use this section when grantee is an individual, corporation or partnership]** Notwithstanding any other provision of this Easement Agreement to the contrary, no term or condition of this Easement Agreement shall be construed or interpreted as a waiver of any provision of the Colorado Governmental Immunity Act, §24-10-101, et seq., CRS as now or hereafter amended. The parties hereto understand and agree that liability for claims for injuries to persons or property arising out of the negligence of the State of Colorado, its departments, institutions, agencies, boards, officials and employees is controlled and limited by the provisions of §24-10-101, et seq., CRS, as now or hereafter amended and §24-30-1501, et seq., CRS as now or hereafter amended. Any provision of this Easement Agreement, whether or not incorporated herein by reference, shall be controlled, limited and otherwise modified so as to limit any liability of the Grantor to the above cited laws.
14. **[use this section when grantee is a city, county or political subdivision]** The parties hereto understand and agree that liability for claims for injuries to persons or property arising out of the negligence of either party, its departments, institutions, agencies, enterprises, boards, officials, and employees is controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq. C.R.S. and §24-30-1501, et seq. C.R.S. Any provision of this Easement Agreement, whether or not incorporated herein by reference, shall be controlled, limited and otherwise modified so as to limit any liability of the Grantor and the Grantee to the above cited laws.

B. GRANTOR EXPRESSLY COVENANTS:

1. Grantee and Grantee's agents, assigns and successors shall have access at all times, subject to Grantor's security policies and procedures, to the Property for the purposes set forth herein.

C. GRANTEE EXPRESSLY COVENANTS:

1. Grantor shall have, during the continuance of this easement, the right to dispose of the Property and to use the Property for other purposes provided such use does not materially interfere with the easement granted herein. In the event Grantor shall, in the future, wish to grant additional easements or rights-of-way which encroach upon the easement granted herein, Grantee expressly agrees and covenants it will consent to share the Property, provided the proposed additional easements or rights-of-way do not materially interfere with the purposes for which this easement is granted.
2. In the event of termination, Grantee, at its expense, shall, upon written request by Grantor, remove all improvements constructed by Grantee from the Property within ninety (90) days of termination and restore the Property as nearly as is practicable to the condition of the land existing immediately prior to Grantee's first use. In the event that Grantee does not remove the improvements within such 90-day period, such improvements shall be considered abandoned and may, at Grantor's option, (i) become the property of Grantor, or (ii) be removed from the Property by Grantor, at Grantee's cost and expense. Except as otherwise provided herein, termination of this Easement Agreement shall be by operation of law. If this Easement Agreement is so terminated, consideration paid shall be forfeited.
3. Grantee may not use this grant of easement for any purpose other than that which is specifically described herein. If the Property is used by Grantee for any purpose other than stated herein, the easement is automatically terminated, and all of the right, title and interest of Grantee (and Grantee's successors or assigns) in and to the Property become null and void, and the Property shall absolutely revert to and revest in Grantor as fully and completely as if this instrument had not been executed, without the necessity for suit or re-entry and Grantee shall remove improvements as provided above. No act or omission on the part of any beneficiary of this paragraph shall be a waiver of the operation or enforcement of the paragraph.
4. Grantee agrees to comply with all rules, regulations and policies authoritatively promulgated pertaining to the use of the Property.
5. Grantee agrees to indemnify, defend and hold harmless the Grantor against all liability, loss and expense and against all claims and actions based upon or arising out of injury or death to persons or damage to property, caused by any acts or omissions of Grantee, its successors, assigns, agents or contractors or arising out of Grantee's use of the Property. In the event that Grantee contracts for any work to be performed on the Property, Grantee shall require its contractors and subcontractors to indemnify, defend and hold harmless Grantor, its employees and agents from any and all claims, damages and liabilities whatsoever for injury or death to persons or damage to property arising from the contractors' and/or subcontractors' actions or inactions. All contractors and subcontractors shall be required to abide by and follow the provisions of this easement.
6. Grantee agrees that all excavations or other temporary removal of soil as required for Grantee's use of the Property for the purposes set forth herein shall be properly replaced, and Grantee shall seed, restore and revegetate the surface to substantially its condition existing prior to the disturbance as reasonably possible. Grantee shall be responsible at all times for the immediate repair or replacement of, or reimbursement for any damage to the Property due to Grantee's use of the Property for the purposes set forth herein. Routes of ingress and egress for construction or for maintenance are to be limited to the minimum necessary locations, and all work areas created must be obliterated, protected against erosion, and restored to the former condition of the land, as nearly as possible by Grantee. Grantor shall determine, in its sole discretion, whether Grantee's restoration complies with this paragraph. In the event Grantee fails to perform the restorative or revegetative work required by this paragraph to the sole satisfaction of Grantor, and after thirty (30) days prior written notice specifying with particularity the failure and indicating the remedial steps needed to cure same, Grantor shall be allowed to perform said work, and Grantee shall pay within thirty (30) days all direct and indirect costs incurred by Grantor for restorative or revegetative work including, but not limited to, regrading, filling, revegetation, erosion control, and replacing of soil.
7. The easement granted herein is subject to the condition that the Grantee shall properly obtain and maintain all necessary permits or approvals required by Federal, State and local laws, regulations and ordinances. Grantee shall comply with all applicable laws and ordinances (and all rules, regulations and requirements of any governmental authority promulgated thereunder) controlling environmental standards and conditions of Grantee's use of the Property. If any such law, ordinance, rule, regulation or requirement is violated as a result of Grantee's use of the Property and/or

its operations on the Property, Grantee shall protect, defend, indemnify and hold harmless Grantor from and against any penalties, fines, costs and expenses including legal fees and court costs incurred by Grantor.

8. Grantee shall provide Grantor with as-built drawings showing the location of any improvements constructed on the Property (including location and depth of any improvements located underground) within thirty (30) days after completion of construction of such improvements.

ADDITIONAL PROVISIONS:

IN WITNESS WHEREOF, the parties hereto have caused this Easement Agreement to be executed the day and year first above written.

GRANTOR:
STATE OF COLORADO
Bill Owens, Governor
Acting by and through the
Department of _____

By: _____
For the Executive Director

APPROVED:

STATE OF COLORADO
Department Of Personnel & Administration
State Buildings & Real Estate Programs

By: _____
For the Executive Director

APPROVED:

STATE OF COLORADO
Ken Salazar, Attorney General

By: _____

GRANTEE:

By: _____

Title: _____

(If Corporation)
Attest (Seal)

By: _____
Secretary

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____ on behalf of the State of Colorado, Grantor. Witness my hand and official seal.

My commission expires _____.

Notary Public

STATE OF COLORADO)
) ss.
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____ on behalf of the Grantee. Witness my hand and official seal.

My commission expires _____.

Notary Public

WATER CARRIAGE AGREEMENT

This Water Carriage Agreement (“Agreement”) is entered into this ___ day of ____, 2005, by and among JEFFERSON COUNTY SCHOOL DISTRICT R-1, a school district existing under and by virtue of the laws of the State of Colorado (“**School District**”); THE AGRICULTURAL DITCH AND RESERVOIR COMPANY, a Colorado nonprofit corporation (the “**ADRC**”); THE GOLDEN CANAL AND RESERVOIR COMPANY, a Colorado nonprofit corporation (“**Golden Company**”)(The ADRC and the Golden Company are sometimes hereafter jointly referred to as the “Companies”); and THE CONSOLIDATED MUTUAL WATER COMPANY, a Colorado nonprofit corporation (“**Consolidated**”),

WITNESSETH

WHEREAS, School District, Consolidated, ADRC, Golden Company, the City of Golden and the State of Colorado, the latter acting for and on behalf of the Colorado School of Mines, have entered into an Agreement (the “**Settlement Agreement**”) providing for their consent to the abandonment of a portion of the Welch Ditch and further consenting to the use of 28.9 contract inches of Welch Ditch water (“Welch Ditch Inches”) to irrigate the multi-facilities school complex located near the intersection of 6th Avenue and Kipling Street in Jefferson County, Colorado (“6th and Kipling Site”), and

WHEREAS, the parties hereto desire to enter into an agreement providing for the carriage of the Welch Ditch Inches through the Agricultural Ditch.

NOW THEREFORE, in consideration of the premises and the mutual promises and covenants contained herein, the parties hereby agree as follows.

1. Carriage.

(a) Amount and Timing of Deliveries. During the irrigation season as hereinafter defined, the ADRC will divert and carry water available under the School District’s Welch Ditch Inches through the Agricultural Ditch headgate on Clear Creek and the Agricultural Ditch to the point of delivery described in paragraph 1(b) hereof. For purposes of this Agreement, the “Irrigation Season” shall be from April 1 through October 31 of each year. The parties agree that during the irrigation season, the School District shall be entitled to divert and carry water in the Agricultural Ditch in the amount of the pro rata interest in the water legally and physically available in priority under the decrees for the Welch Ditch water rights represented by the School District’s 28.9 contract inches on the same basis as all other Welch Ditch inch holders would be entitled to delivery of water by the Golden Company. Such water shall be delivered at all times that it is called for by the School District to the extent legally and physically available under the Welch Ditch Inches, subject to any ditch losses in the Welch Ditch imposed by the decree in Case No. 96CW99, District Court for Water Division No. 1, and subject to any ditch losses in the Agricultural Ditch imposed equally on all users of the Agricultural Ditch by the ADRC. Any water in the Agricultural Ditch that is not deliverable to the School District pursuant to this Agreement or any other agreement or right of the School District and any water deliverable to



the School District pursuant to this Agreement but not diverted by the School District for the benefit of the School District hereunder at the Point of Delivery may be used by the ADRC in its discretion subject to the rights of third parties.

(b) Point of Delivery: The ADRC shall deliver water carried pursuant to paragraph 1(a) hereof to its turnout headgate 57, to its turnout headgate 59, or to such other location as the ADRC and School District may agree ("Point of Delivery"). Prior to March 1 of each calendar year, the School District shall notify the ADRC as to whether the ADRC shall make deliveries hereunder during the ensuing irrigation season to turnout headgate 57 or to turnout headgate 59. The School District may not thereafter change the Point of Delivery during that irrigation season without the agreement of the ADRC. The School District shall be responsible for designing and installing, at its sole cost, any improvements to existing facilities, including enlargements thereof, and for the construction or installation of new or modified facilities needed for the diversion of water from the Agricultural Ditch and into the School District's irrigation system for the 6th and Kipling Site. The School District shall be responsible for obtaining any legal right, approval or consent necessary for its use of such lateral and the ADRC agrees to cooperate in the School District's efforts to obtain such right, approval or consent. The School District shall provide to the ADRC design drawings for any structures that involve work in the Agricultural Ditch or its right-of-way to be approved by the ADRC prior to the commencement of construction by the School District, which approval shall not unreasonably be withheld by the ADRC. The construction shall be completed diligently by the School District, in substantial accordance with the approved plans and specifications and in such fashion as to interfere as little as possible with ADRC's ongoing operations, and shall be subject to inspection and approval by ADRC upon completion. The School District shall indemnify the ADRC against any mechanics or materialmen's liens resulting from or associated with the design or construction of such improvements.

(c) School District's Rights as Stockholder. Nothing in this Agreement shall be construed to limit the rate of flow or amount of water to which the School District is entitled under its separate water rights as a stockholder in the Agricultural Ditch, which rights will also be delivered to the 6th and Kipling Site and/or, in the School District's discretion, to other locations capable of delivery through the Agricultural Ditch subject to the articles, bylaws and rules and regulations of the ADRC.

(d) Capacity Limitations. The carriage obligations of the ADRC as set forth in paragraph 1(a) hereof shall apply only to the extent that the ADRC has unused capacity in the Agricultural Ditch from its diversion point on Clear Creek to the delivery point(s) described in paragraph 1(a). Unused capacity, as that term is used herein, shall be as determined by the ADRC manager under the general direction of the ADRC's Board of Directors and generally shall be defined as carriage capacity the use of which will not interfere with the ADRC's ability to deliver water represented by stock in the ADRC to its stockholders, to deliver any water now or hereafter owned or controlled by ADRC or The Golden Company, or to deliver or to meet contractual delivery obligations to third parties heretofore contracted for. Notwithstanding the foregoing, the parties, including Consolidated, hereby agree that any existing right of

Consolidated to utilize excess capacity in the Agricultural Ditch to carry water other than water to which Consolidated is entitled as a shareholder of ADRC or as a contract user of the Golden Company shall be subordinate to the rights of the School District pursuant to this Agreement.

2. Carriage and Other Charges.

(a) Commencing with the calendar year in which water is first carried pursuant to this Agreement, the School District shall pay the ADRC a carriage charge of five dollars (\$5.00) per irrigation season (pro rated during the first year of the Agreement if the Agreement is in effect for less than the full Irrigation Season) for each acre foot of School District water carried by ADRC pursuant to this Agreement. Payment shall be due on or before December 31 of each year. The said carriage charge shall be increased each calendar year by the same percentage as the annual assessment of ADRC shareholders is increased during that calendar year over the prior year and by the same percentage as any special assessment levied on each ADRC shareholder bears to the total annual assessment of a shareholder prior to the special assessment. The amount of water carried for the School District will be measured at a location acceptable to ADRC and the School District. In addition to the foregoing payments, the School District shall pay a pro rata portion of any restoration costs associated with any catastrophic loss or damage to the Agricultural Ditch occurring to that portion of the ditch between its headgate on Clear Creek and the Point of Delivery to the extent not paid for by any special assessment described above in this subparagraph. The School District also shall continue to pay to the Golden Company the same annual assessment imposed by the Golden Company on all its contractual inch holders that it would have been charged in the absence of this Agreement.

(b) The School District shall be responsible, at its sole expense, for the construction and maintenance of all delivery structures beyond the Point of Delivery and further shall bear all ditch losses, if any, beyond the Point of Delivery.

3. Shortage of Capacity; Carriage Interruption - Quality - Quantity

(a) The School District agrees that the ADRC shall not be responsible for the quality of the water delivered pursuant to this Agreement. The School District acknowledges and agrees that the potential exists for partial or complete failure of the Agricultural Ditch such as could lead to the interruption of water delivery pursuant to this Agreement. In such event, the School District and the ADRC agree to cooperate to restore water deliveries as promptly and efficiently as reasonably possible in the circumstances, and, provided that such efforts are made by each party, neither shall make any claims against the other for such interruption of service.

(b) The parties anticipate that, under ordinary operation of the Agricultural Ditch, there will be no shortage of capacity to meet the requirements of the Companies and their other stockholders and contract users and, in addition, to permit the carriage of the School District's Welch Ditch inches to the 6th and Kipling Site under this Agreement. In the event that extraordinary circumstances should prevent the carriage of the School District's water in addition to the carriage requirements of the Companies and their shareholders or contract users, the

parties agree to cooperate to attempt to accommodate their respective interests as reasonably and fairly as possible under the circumstances.

4. Compliance with Welch Ditch Users Agreement. The Companies' performance pursuant to this agreement is expressly conditioned upon satisfaction of the requirements of the Welch Ditch Users Agreement dated September 25, 1998.

5. Abandonment of Welch Ditch. The parties acknowledge and agree that, at some point in the future, in its sole discretion or pursuant to other agreement(s) it may enter into, the Golden Company may elect to convey or abandon all or part of the Welch Ditch above (upstream) of the Welch Ditch Pump station. The parties agree that they will not oppose or interfere in any way with such conveyance or abandonment.

6. Defense of Claims - Indemnification.

(a) The School District will defend, at its sole expense, any legal or other challenges to the carriage rights and obligations granted to or imposed upon it, respectively, pursuant to this Agreement. In the event of such challenge, the School District will not enter into any settlement agreement that alters in any way the terms of this Agreement or otherwise imposes any obligations of the Companies other than those set forth herein without the express written consent of each other party to this Agreement. Notwithstanding the foregoing, the ADRC shall be obligated to bear its pro rata share of the cost of defending any legal or other challenge to its water rights or diversion policies or practices affecting recipients of water delivered through the Agricultural Ditch other than the School District, or to its authority to enter into this Agreement or perform its obligations pursuant to this Agreement.

(b) In agreeing to utilize the existing rights-of-way for the Agricultural Ditch to carry water for the School District hereunder, the ADRC neither represents nor warrants that such rights are sufficient to permit the use of the existing rights-of-way for such carriage. The School District agrees that, if a third party claims that such rights are not sufficient, then the School District shall bear the burden, at its expense, to defend the arrangement and the Companies agree to cooperate fully in such defense, including but not limited to representing to such third parties that sufficient capacity in the Agricultural Ditch exists under normal operating conditions to accommodate carriage of the School District's Welch Ditch inches without injury to other users and stockholders of the Agricultural Ditch.

(c) The School District agrees that if damages are ever awarded against the Companies for damage caused by the carriage of water under this Agreement, then the School District shall reimburse the Companies for a portion of such awarded damages determined by the proportion that the volume of water being carried for the School District in the Agricultural Ditch at the time and location of the damages bears to the total volume of water being carried in the Agricultural Ditch at that time and location, but only to the extent that such damage is not attributable to the Companies' failure to operate the Agricultural Ditch with reasonable care or to otherwise comply with the provisions of this Agreement. The Companies agree to notify the

School District immediately after they become aware that such damages have occurred and/or that such damages claim has been made against either or both of the Companies, and the School District shall be permitted to fully defend its interests in such matter.

7. Termination. This Agreement may be terminated as follows. Termination pursuant to any of the following provisions shall effect a termination as to all parties, provided that, in the event of a termination, the rights and obligations set forth in paragraphs 5 and 6 shall remain in full force and effect:

a. The School District may terminate this Agreement without cause upon advance written notice delivered to the Companies at least six months prior to April 1 of any given year.

b. In the event that the School District determines that it cannot deliver its Welch Ditch inches to the 6th and Kipling Site due to an inability to obtain any judicial and/or administrative approval necessary therefor, it may terminate this Agreement upon 90 days' prior written notice to the Companies.

c. The ADRC may terminate this agreement if the School District transfers to a third party all of the Welch Ditch Inches that are the subject of this Agreement.

d. Any party shall be entitled to terminate this Agreement if another party commits a material and substantial breach of the Agreement which is not remedied within a reasonable period after written notice of such breach by the other party.

8. Notice. All notices or other communication required or permitted under this Agreement shall be in writing, shall be personally delivered or sent by certified mail, postage prepaid, return receipt requested, and such notices shall be deemed given when received. Notices shall be directed to the following addresses:

The Agricultural Ditch and Reservoir Company
c/o Gary Theander, Manager
Mountain States Engineering
2130 Kipling Street
Lakewood, CO 80215

The Golden Canal and Reservoir Company
c/o Gary Theander, Manager
Mountain States Engineering
2130 Kipling Street
Lakewood, CO 80215

Jefferson County School District R-1
c/o Director of Facilities Planning and Design
809 Quail Street, Building #4

Lakewood, Colorado 80215

Mr. Walter Welton, President
The Consolidated Mutual Water Company
P.O. Box 150068
Lakewood, CO 80215

Notice of any change of address shall be given in the manner detailed in this paragraph.

9. Entire Agreement. The terms and conditions stated herein constitute the entire Agreement among the parties related to the subject matter hereof and incorporate and integrate all prior negotiations and agreements among the parties related thereto.
10. Governing Law. This Agreement shall be interpreted and enforced in accordance with the laws of the State of Colorado without regard giving effect to the conflict of laws laws of Colorado.
11. Severance. If any provision of this Agreement is held to be unenforceable or invalid by a court of competent jurisdiction, such provision shall be reformed to the minimum extent necessary to cause such provision to be valid, enforceable and legal while preserving the intent of the parties as expressed in, and the benefits to the parties provided by, this Agreement. In the event that any provision cannot be so reformed, such provision shall be severed from this Agreement and an equitable adjustment shall be made to this Agreement (including, without limitation, addition of necessary further provisions to this Agreement) to give effect to the intent so expressed and the benefits so provided.
12. No Assignment. No party may assign its rights or obligations hereunder without the express written approval of the other party.
13. Modification. This Agreement may be modified only by a writing executed by all parties.
14. Effective Date. The effective date of this Agreement shall be the date on which all parties have signed this Agreement, as evidenced by the endorsements of such dates beneath the signature blocks, and such date shall be inserted on page 1 of this Agreement.
15. Authority to Execute. By signing this Agreement, the parties acknowledge and represent to one another that all procedures necessary to validly contract and execute this Agreement have been performed and that the persons signing for each party are duly authorized to do so.
16. Binding Effect. The provisions of this Agreement shall be binding upon, and inure to the benefit of, the successors of the parties hereto.
17. No Third-Party Beneficiaries. This Agreement is intended to be solely for the benefit of

the parties hereto, and their permitted successors and assignees; it is not intended to and shall not confer any right on any third parties to claim damages or to bring any lawsuit, action or other proceeding against a party hereto because of any breach hereof, or because of any terms, covenants, agreements or conditions contained herein.

18. Governmental Immunity. By executing this Agreement, the parties hereto do not intend to waive the monetary limits or any other rights, immunities and protections afforded to them by the Colorado Governmental Immunity Act, C.R.S. §§ 24-10-101 to 24-10-120, inclusive, as may be amended from time to time.

19. Force Majeure. *Force majeure* shall excuse the parties from timely performance of a particular obligation under this Agreement. If a *force majeure* event occurs, all performance periods affected by the event shall be extended by a period of time equal to the duration of the *force majeure* event.

20. Headings. Paragraph headings are inserted herein only as a matter of convenience and for reference, and in no way are intended to be a part of this Agreement or to define, limit, or describe the scope of intent of this Agreement or the particular paragraphs hereof to which they refer.

21. Multiple Counterpart Signature. This Agreement may be executed in multiple counterparts with each original counterpart signature page, when combined with and attached to a copy of this Agreement, constituting a single Agreement. A facsimile signature page shall be considered an original signature page provided that within five business days of execution of the agreement, an original signature page is provided to counsel of the ADRC by the party whose signature page was transmitted by facsimile.

Executed as of the day above first written.

THE AGRICULTURAL DITCH AND RESERVOIR COMPANY

ATTEST:

By _____
Walter S. Welton, President

THE GOLDEN CANAL AND RESERVOIR COMPANY

ATTEST:

By _____
Walter S. Welton, President

THE CONSOLIDATED MUTUAL WATER COMPANY

ATTEST:

By _____
Walter S. Welton, President

JEFFERSON COUNTY SCHOOL DISTRICT R-1

By _____
Dr. Kenneth Hoover, Chief Operating Officer

STATE OF COLORADO)
) ss.
COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me this _____ day of _____, 2005, by Dr. Kenneth Hoover.

Witness my hand and official seal.

My commission expires: _____

[SEAL]

Res. 1579



R \$21.00
D \$0.00
QUIT

2007025585

03/06/2007 02:57:12 PM 4 Page(s)

Jefferson County, Colorado

QUITCLAIM DEED

GRANTOR, THE GOLDEN CANAL AND RESERVOIR COMPANY, A COLORADO NON-PROFIT CORPORATION, DOES HEREBY REMISE AND QUITCLAIM TO THE CITY OF GOLDEN, COLORADO, A POLITICAL SUBDIVISION OF THE STATE OF COLORADO, WHOSE BUSINESS ADDRESS IS 911 10TH STREET, GOLDEN, COLORADO 80401 ALL OF THE GRANTOR'S RIGHT TITLE AND INTEREST AND APPURTENANCES OWNED BY THE GRANTOR, WHETHER BY EXPRESS GRANT, ADVERSE POSSESSION OR OTHER LAWFUL MEANS, TO THAT PORTION OF THE WELCH DITCH RIGHT-OF-WAY AND EASEMENT DESCRIBED IN EXHIBIT A AND GENERALLY DEPICTED IN EXHIBIT B, WHICH EXHIBITS ARE INCORPORATED HEREIN. THIS QUITCLAIM INCLUDES SUCH RIGHTS IN THE DITCH AND SUCH DISTANCE ON EITHER SIDE OF THE CENTER LINE OF THE DITCH AS NEEDED FOR CONVEYING WATER AND FOR ACCESS, MAINTENANCE, REPAIR AND REPLACEMENT ASSOCIATED WITH THE DITCH AS ARE OWNED OR HELD BY THE GRANTOR.

WITHOUT INTENDING TO MAKE OR MAKING ANY WARRANTIES OR REPRESENTATIONS, THE GRANTOR STATES THAT, TO THE BEST OF THE GRANTOR'S KNOWLEDGE AND BELIEF, THE WELCH DITCH HAS BEEN USED MORE OR LESS CONTINUOUSLY FOR THE CONVEYANCE OF WATER SINCE THE EARLIEST PRIORITIES WERE DECREED THERETO TO THE MODERN ERA AND HAS BEEN REGULARLY ACCESSED, MAINTAINED AND REPAIRED FOR USE IN CONVEYING WATER.

SIGNED THIS 24th DAY OF January 2007



[CORPORATE SEAL]

THE GOLDEN CANAL AND RESERVOIR COMPANY

BY: Walter S. Welton
Walter S. Welton, President

ATTEST

Gary D. The
Ass'y Secretary

MB
21 09

1-4

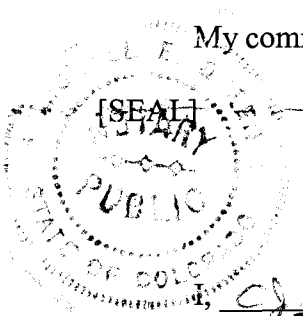
STATE OF COLORADO)
) ss.
CITY COUNTY OF JEFFERSON)

2

The foregoing instrument was acknowledged before me this 24th day of JANUARY, 2007, by Walter Welton.

Witness my hand and official seal.

My commission expires: Michael E. Queen
12700 W. 27th Ave.
Arvood, CO 80015
My Commission Expires September 28, 2010



[Signature]
Notary Public

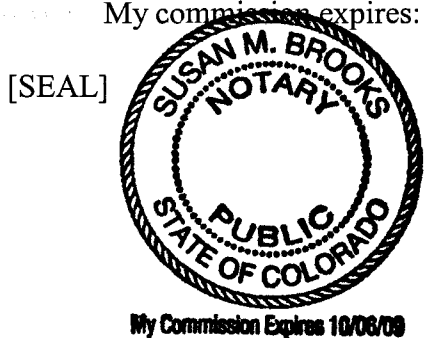
C. J. Baroch of the City of Golden, on behalf of the City of Golden, hereby accept the foregoing conveyance by quitclaim deed.

STATE OF COLORADO)
) ss.
CITY COUNTY OF JEFFERSON)

The foregoing instrument was acknowledged before me this 5th day of March, 2007, by C. J. Baroch, Mayor

Witness my hand and official seal.

My commission expires: October 6, 2009



My Commission Expires 10/06/09

EXHIBIT A

3

THAT PORTION OF THE WELCH DITCH RIGHT-OF-WAY CONTAINED IN THE WEST HALF AND SOUTHEAST QUARTER OF SECTION 34, TOWNSHIP 3 SOUTH, RANGE 70 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF GOLDEN, JEFFERSON COUNTY, COLORADO BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE INTERSECTION OF THE WELCH DITCH RIGHT-OF-WAY AND THE NORTH RIGHT-OF-WAY LINE OF 19TH STREET, WHICH BEARS APPROXIMATELY NORTH 78° EAST, 512 FEET FROM THE WEST QUARTER CORNER OF SAID SECTION 34; THENCE SOUTHEASTERLY ALONG THE CENTERLINE OF SAID WELCH DITCH RIGHT-OF-WAY, WHICH MEANDERS THROUGH SAID WEST HALF OF SECTION 34, TO THE INTERSECTION OF SAID WELCH DITCH RIGHT-OF-WAY WITH THE WEST LINE OF SAID SOUTHEAST QUARTER, ALSO BEING THE WEST LINE OF THE FOSSIL TRACE GOLF COURSE; THENCE CONTINUING ALONG THE CENTERLINE OF SAID WELCH DITCH RIGHT-OF-WAY, SOUTHEASTERLY APPROXIMATELY 90 FEET TO THE LIMITS OF THE FOSSIL TRACE GOLF COURSE POND, AND THE POINT OF TERMINUS OF THIS DESCRIPTION, WHICH BEARS APPROXIMATELY NORTH 37° EAST, 126 FEET FROM THE SOUTH QUARTER CORNER OF SAID SECTION 34.



4



EXHIBIT B

OCTOBER 9, 2006

TST INC. OF DENVER
Consulting Engineers

FILE NAME: WELCHDITCH-ROW2CITY

EASEMENT AGREEMENT
UTILITIES

The printed portions of this form, except bold additions, have been reviewed by the State of Colorado, Attorney General.
All additions to this form must be in bold type. All deletions must be shown by strike-through.

THIS EASEMENT AGREEMENT is made and entered into this 20th day of July, 2005 by and between the STATE OF COLORADO, acting by and through the Board of Trustees of the Colorado School of Mines for the use and benefit of the Colorado School of Mines, whose address is 1500 Illinois, Golden, Colorado 80401 (hereinafter, the "Grantor"), and the City of Golden whose address is 911 Tenth Street, Golden, Colorado 80401 (hereinafter, the "Grantee").

WITNESSETH:

That, for and in consideration of a one-time payment of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, and the keeping and the performance of the covenants and agreements hereinafter expressed, Grantor grants to Grantee a nonexclusive easement upon the following property (hereinafter, the "Property") located in the County of Jefferson, State of Colorado, to wit:

As indicated on Exhibit A attached hereto and incorporated herein by this reference.

TO HAVE AND TO HOLD, perpetually, subject to the covenants and agreements hereinafter expressed, for the purpose of constructing, installing, maintaining, operating, repairing, and replacing a water pipeline on the Property.

GRANTOR AND GRANTEE MUTUALLY EXPRESSLY COVENANT AND AGREE:

1. If at any time during the term of this Easement Agreement Grantee does not for a period of 366 consecutive days make use of this easement for the purpose aforesaid, Grantor may in his sole discretion immediately declare such easement abandoned and shall so notify Grantee by certified mail with return receipt requested. In the event of such abandonment the consideration shall be forfeited.
2. This grant of easement is subject to any and all previously granted easements, rights-of-way, licenses and conveyances, recorded or unrecorded. It is Grantee's sole responsibility to determine the existence of any rights, uses or installations conflicting with Grantee's use of the Property hereunder. Grantee agrees to not interfere with any use in the easement area by any other party under a previous grant. Grantee understands and agrees that Grantor makes no representations concerning ownership of nor warrants title to any of the Property. To the extent that this grant of easement may encroach on lands not owned or controlled by Grantor, Grantee assumes all responsibility for any such encroachment.
3. The signatories aver that to their knowledge, no State employee has any personal or beneficial interest whatsoever in the Property.
4. If this easement is granted pursuant to §24-82-201 C.R.S., as amended, this Easement Agreement shall not be deemed valid unless and until approved by the officials and officers of the State of Colorado as required by §24-82-202 C.R.S., as amended, or such assistants as they may designate. Signature by the Grantor shall be deemed to be verification of approval of the commission or board, if any, of the institution, department or agency across the premises of which this easement is hereby granted.
5. The provisions hereof shall inure to the benefit of and bind the successors and assigns of the respective parties hereto and all covenants shall apply to and run with the land unless otherwise specifically noted.
6. The signatories aver that they are familiar with CRS 18-8-301, et. seq., (Bribery and Corrupt Influences) and CRS 18-8-401, et. seq., (Abuse of Public Office), and that no violation of such provisions is present.
7. Grantor and Grantee agree that this Easement Agreement including all exhibits, supersedes any and all prior written or oral agreements, and there are no covenants or agreements between the parties except as set forth herein with respect to the use of the Property by Grantee. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect whatsoever unless embodied herein in writing. No subsequent amendment hereto shall have any force or effect unless embodied in a written agreement executed and approved by the officials and officers of the State of Colorado as required by the Colorado Revised Statutes, as amended, or such assistants as they may designate.



2007130320

11/27/2007 08:51:40 AM 7 Page(s)

Jefferson County, Colorado

R \$36.00

D \$0.00


EASE

8. Grantee shall be responsible for recording this Easement Agreement with the Clerk and Recorder's Office in the county or counties in which the Property is located. Grantee shall provide Grantor with a conformed copy of the recorded easement.
9. Any notice required or permitted by this Easement Agreement may be delivered in person or sent by registered or certified mail, return receipt requested, to the party at the address as hereinafter provided, and if sent by mail it shall be effective when posted in the U.S. Mail Depository with sufficient postage attached thereto:

Grantor:

Paul M. Leef
Planning And Construction
Colorado School of Mines
1500 Illinois
Golden, CO 80401

Grantee:


City of Golden
911 Tenth Street
Golden, CO 80401

J

Cc: State Buildings and Real Estate Programs
Attn: Real Estate Specialist
1313 Sherman Street, Suite 319
Denver, CO 80203

Notice of change of address shall be treated as any other notice.

10. Grantor reserves all rights to any and all metallic and non-metallic minerals, ores and metals of any kind and character, including but not limited to coal, asphaltum, oil and gas in or under said easement.
11. If any part of this Easement Agreement is found, decreed or held to be void or unenforceable, the remainder of the provisions of this Easement Agreement shall not be affected thereby and shall remain in full force and effect.
12. This Easement Agreement shall be governed by the laws of the State of Colorado.
13. The parties hereto understand and agree that liability for claims for injuries to persons or property arising out of the negligence of either party, its departments, institutions, agencies, enterprises, boards, officials, and employees is controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, et seq. C.R.S. and §24-30-1501, et seq. C.R.S. Any provision of this Easement Agreement, whether or not incorporated herein by reference, shall be controlled, limited and otherwise modified so as to limit any liability of the Grantor and the Grantee to the above cited laws.

GRANTOR EXPRESSLY COVENANTS:

1. Grantee and Grantee's agents, assigns and successors shall have access at all times, subject to Grantor's security policies and procedures, to the Property for the purposes set forth herein.

GRANTEE EXPRESSLY COVENANTS:

1. Grantor shall have, during the continuance of this easement, the right to dispose of the Property and to use the Property for other purposes provided such use does not materially interfere with the easement granted herein. In the event Grantor shall, in the future, wish to grant additional easements or rights-of-way which encroach upon the easement granted herein, Grantee expressly agrees and covenants it will consent to share the Property, provided the proposed additional easements or rights-of-way do not materially interfere with the purposes for which this easement is granted.
2. In the event of termination, Grantee, at its expense, shall, upon written request by Grantor, remove all improvements constructed by Grantee from the Property within ninety (90) days of termination and restore the Property as nearly as is practicable to the condition of the land existing immediately prior to Grantee's first use. In the event that Grantee does not remove the improvements within such 90-day period, Grantor shall have the option to either 1) remove the improvements and restore the Property to its prior condition and bill the Grantee for the cost of removal and

restoration, or 2) consider such improvements shall be considered abandoned and the improvements shall become the property of Grantor. Except as otherwise provided herein, termination of this Easement Agreement shall be by operation of law. If this Easement Agreement is so terminated, consideration paid shall be forfeited.

3. Grantee may not use this grant of easement for any purpose other than that which is specifically described herein. If the Property is used by Grantee for any purpose other than stated herein, the easement is automatically terminated, and all of the right, title and interest of Grantee (and Grantee's successors or assigns) in and to the Property become null and void, and the Property shall absolutely revert to and revest in Grantor as fully and completely as if this instrument had not been executed, without the necessity for suit or re-entry and Grantee shall remove improvements as provided above. No act or omission on the part of any beneficiary of this paragraph shall be a waiver of the operation or enforcement of the paragraph. 3
4. Grantee agrees to comply with all rules, regulations and policies authoritatively promulgated pertaining to the use of the Property.
5. Grantee agrees to indemnify, defend and hold harmless the Grantor against all liability, loss and expense and against all claims and actions based upon or arising out of injury or death to persons or damage to property, caused by any acts or omissions of Grantee, its successors, assigns, agents or contractors or arising out of Grantee's use of the Property. In the event that Grantee contracts for any work to be performed on the Property, Grantee shall require its contractors and subcontractors to indemnify, defend and hold harmless Grantor, its employees and agents from any and all claims, damages and liabilities whatsoever for injury or death to persons or damage to property arising from the contractors' and/or subcontractors' actions or inactions. All contractors and subcontractors shall be required to abide by and follow the provisions of this easement.
6. Grantee agrees that all excavations or other temporary removal of soil as required for Grantee's use of the Property for the purposes set forth herein shall be properly replaced, and Grantee shall seed, restore and revegetate the surface to substantially its condition existing prior to the disturbance as reasonably possible. Grantee shall be responsible at all times for the immediate repair or replacement of, or reimbursement for any damage to the Property due to Grantee's use of the Property for the purposes set forth herein. Routes of ingress and egress for construction or for maintenance are to be limited to the minimum necessary locations, and all work areas created must be obliterated, protected against erosion, and restored to the former condition of the land, as nearly as possible by Grantee. Grantor shall determine, in its sole discretion, whether Grantee's restoration complies with this paragraph. In the event Grantee fails to perform the restorative or revegetative work required by this paragraph to the sole satisfaction of Grantor, and after thirty (30) days prior written notice specifying with particularity the failure and indicating the remedial steps needed to cure same, Grantor shall be allowed to perform said work, and Grantee shall pay within thirty (30) days all direct and indirect costs incurred by Grantor for restorative or revegetative work including, but not limited to, regrading, filling, revegetation, erosion control, and replacing of soil.
7. The easement granted herein is subject to the condition that the Grantee shall properly obtain and maintain all necessary permits or approvals required by Federal, State and local laws, regulations and ordinances. Grantee shall comply with all applicable laws and ordinances (and all rules, regulations and requirements of any governmental authority promulgated thereunder) controlling environmental standards and conditions of Grantee's use of the Property. If any such law, ordinance, rule, regulation or requirement is violated as a result of Grantee's use of the Property and/or its operations on the Property, Grantee shall protect, defend, indemnify and hold harmless Grantor from and against any penalties, fines, costs and expenses including legal fees and court costs incurred by Grantor.
8. Grantee shall provide Grantor with as-built drawings showing the location of any improvements constructed on the Property (including location and depth of any improvements located underground) within thirty (30) days after completion of construction of such improvements.

ADDITIONAL PROVISIONS:

IN WITNESS WHEREOF, the parties hereto have caused this Easement Agreement to be executed the day and year first above written.

GRANTOR:
STATE OF COLORADO
Bill Owens, Governor
Acting by and through the Board of
Trustees of the Colorado School of Mines for the
use and benefit of the Colorado School of Mines,

By: *D. Middelit*
For the Executive Director

GRANTEE: The City of Golden

By: *[Signature]* *cj Barock* *X*
Title: *Public Works Dir.* *Mayor*

(If Corporation)
Attest (Seal)
By: *[Signature]*
Secretary

APPROVED:

STATE OF COLORADO
Department Of Personnel & Administration
State Buildings & Real Estate Programs

By: *Michael R. Karbach*
For the Executive Director

APPROVED:

STATE OF COLORADO
John W. Suthers, Attorney General

By: *Lou Graham-Walt*

STATE OF COLORADO)
) ss.
COUNTY OF Jefferson)

The foregoing instrument was acknowledged before me this 20th day of July, 2005, by

Nigel Middleton, on behalf of the State of Colorado,

Grantor. Witness my hand and official seal.

My commission expires February 17, 2009.

Susan Jean Potter
Notary Public

5

NO SEAL

STATE OF COLORADO)
) ss.
COUNTY OF Jefferson)

The foregoing instrument was acknowledged before me this 20th day of July, 2005 by

Charles J. Baroch, Mayor on behalf of the Grantee. Witness my hand and official

scal.

My commission expires Sep. 19, 2005

Charles J. Baroch
Notary Public

EXHIBIT A

IRRIGATION PIPELINE EASEMENT

LEGAL DESCRIPTION - 20' IRRIGATION PIPELINE EASEMENT

6

A 20.00 FOOT WIDE STRIP OF LAND LOCATED IN THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 3 SOUTH, RANGE 70 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF GOLDEN, JEFFERSON COUNTY, COLORADO THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

COMMENCING AT THE INTERSECTION OF THE NORTHERLY RIGHT-OF-WAY LINE OF 11TH STREET WITH THE WESTERLY RIGHT-OF-WAY LINE OF MAPLE STREET, AND CONSIDERING SAID NORTHERLY RIGHT-OF-WAY LINE OF 11TH STREET TO BEAR SOUTH 54°21'00"WEST, WITH ALL BEARINGS CONTAINED HEREIN, RELATIVE THERETO; THENCE ALONG THE WESTERLY PROJECTION OF SAID NORTHERLY RIGHT-OF-WAY LINE, SOUTH 54°21'00"WEST, 122.30 FEET TO THE EAST LINE OF THE COLORADO SCHOOL OF MINES PROPERTY DESCRIBED IN BOOK 597 AT PAGE 162; THENCE ALONG SAID EAST LINE, NORTH 54°19'01"WEST, 10.65 FEET TO THE POINT OF BEGINNING OF SAID CENTERLINE; THENCE ALONG SAID CENTERLINE, THE FOLLOWING COURSES: SOUTH 52°49'07"WEST, 37.22 FEET; THENCE SOUTH 71°33'20"WEST, 387.67 FEET; THENCE NORTH 60°00'00"WEST, 30.23 FEET; THENCE NORTH 15°00'00"WEST, 75.05 FEET; THENCE SOUTH 75°30'00"WEST, 95.38 FEET; THENCE NORTH 81°46'56"WEST, 205.03 FEET; THENCE SOUTH 86°58'04"WEST, 40.34 FEET; THENCE SOUTH 64°35'36"WEST, 88.62 FEET; THENCE SOUTH 53°36'23"WEST, 148.08 FEET; THENCE NORTH 33°20'39"WEST, 88.71 FEET TO THE SOUTHERLY LINE OF THE CITY OF GOLDEN PROPERTY DESCRIBED IN BOOK 1927 AT PAGE 238, AND THE POINT OF TERMINUS OF SAID CENTERLINE, WITH THE SIDE LINES OF SAID STRIP OF LAND CONSIDERED TO BE SHORTENED OR LENGTHENED SO AS TO TERMINATE AT SAID EAST LINE OF BOOK 597 AT PAGE 162 AND SAID SOUTHERLY LINE OF BOOK 1927 AT PAGE 238. THE ABOVE DESCRIBED STRIP OF LAND CONTAINS 23,926 SQUARE FEET (0.55 ACRES), MORE OR LESS.

SURVEYOR'S CERTIFICATE

I, MICHAEL C. CREGGER, DO HEREBY CERTIFY THAT THIS EXHIBIT AND LEGAL DESCRIPTION WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION. THIS EXHIBIT DOES NOT CONSTITUTE A LAND SURVEY AS DEFINED BY COLORADO STATUTES.

6/24/05
DATE

Michael C. Cregger
PROFESSIONAL LAND SURVEYOR
COLORADO REGISTRATION NO. 22564



TST INC. OF DENVER
Consulting Engineers



SHEET 3 OF 3

EXHIBIT A

IRRIGATION PIPELINE EASEMENT

LOTS 7 THROUGH 12, BLOCK 102, SOUTH GOLDEN,
CITY OF GOLDEN, JEFFERSON COUNTY, COLORADO

LEGAL DESCRIPTION - IRRIGATION PIPELINE EASEMENT

A STRIP OF LAND LOCATED IN LOTS 7, 8, 9, 10, 11, AND 12 OF BLOCK 102, ON THE SOUTH SIDE OF CLEAR CREEK, CITY OF GOLDEN, ACCORDING TO THE RECORDED PLAT THEREOF, JEFFERSON COUNTY, COLORADO, BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE MOST EASTERLY CORNER OF SAID BLOCK 102, AND CONSIDERING THE ADJACENT SOUTHEASTERLY LINE OF SAID BLOCK 102 TO BEAR SOUTH 54°27'34" WEST, WITH ALL BEARINGS CONTAINED HEREIN, RELATIVE THERETO; THENCE ALONG SAID SOUTHEASTERLY LINE, SOUTH 54°27'34" WEST, 274.42 FEET; THENCE DEPARTING SAID SOUTH LINE, NORTH 35°32'26" WEST, 17.99 FEET; THENCE NORTH 54°09'37" EAST, 96.19 FEET; THENCE NORTH 76°30'00" EAST, 11.73 FEET; THENCE NORTH 54°09'37" EAST, 167.26 FEET TO THE NORTHEASTERLY LINE OF SAID BLOCK 102; THENCE ALONG SAID NORTHEASTERLY LINE, SOUTH 35°55'14" EAST, 14.97 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION, CONTAINING 4,363 SQUARE FEET (0.10 ACRES), MORE OR LESS.

SURVEYOR'S CERTIFICATE

I, MICHAEL C. CREGGER, DO HEREBY CERTIFY THAT THIS EXHIBIT AND LEGAL DESCRIPTION WERE PREPARED BY ME OR UNDER MY DIRECT SUPERVISION. THIS EXHIBIT DOES NOT CONSTITUTE A LAND SURVEY AS DEFINED BY COLORADO STATUTES.

DATE 6/24/05

Michael C. Cregger
PROFESSIONAL LAND SURVEYOR
COLORADO REGISTRATION NO. 22564



TST INC. OF DENVER
Consulting Engineers

SHEET 2 OF 2